



Linkages between the CAADP and PSTA II -

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July 2009 -

Table of Contents -

Table of Contents.....	2
Acronyms	3
Executive Summary	4
I. Introduction: CAADP as Envisioned by NEPAD	5
A. CAADP overview	5
B. Progress in CAADP implementation	11
II. Rwanda’s agriculture sector	16
III. Rwanda’s CAADP Compact.....	18
IV. The PSTA II Document	19
A. Overview of Objectives	19
B. PSTA II and its Programmes	21
V. Linkages and logical connections	26
Annex 1: Selection of the indicators in EDPRS and MDGs.....	28
Annex 2: The MDGs and their agriculture-related target (%)	28
Annex 3: Budget by Program, Sub-Program and Activity	29
Annex 4: Specific activities within the PSTA II.....	35
Annex 5: See separate document	37

Acronyms

AUC	African Union Commission
CAADP	Comprehensive African Agriculture Development Program
CGIAR	Consultative Group on International Agricultural Research
COMESA	Common Market of Eastern and Southern Africa
DPCG	Development Partners Coordination Group
ECOWAS	Economic Community of West African States
EDPRS	Economic Development and Poverty Reduction Strategy
FARA	Forum for Agricultural Research in Africa
EAC	East African Community
ECCAS	Economic Community of Central African States
GoR	Government of Rwanda
IFPRI	International Food Policy Research Institute
MDGs	Millennium Development Goals
MINAGRI	Ministry of Agriculture and Animal Resources
MINALOC	Ministry of Local Government, Good Governance, Rural Development and Social Affairs
MINECOFIN	Ministry of Finance and Economic Planning
MINEDUC	Ministry of Education and Scientific Research
MINICOM	Ministry of Industry and Trade
MININFRA	Ministry of Infrastructure
MINISANTE	Ministry of Health
MINITERE	Ministry of Lands, Environment, Forestry, Water and Mines
NEPAD	New Partnership for Africa's Development
PSTA	Strategic Plan for the Transformation of Agriculture in Rwanda
REC	Regional Economic Community
SADC	Southern African Development Community
SWAp	Sector Wide Approach

Executive Summary

OTF Group was asked study the linkages between the Comprehensive African Agriculture Development Program (CAADP) and the Strategic Plan for the Transformation of Agriculture in Rwanda-Phase II (PSTA II). This document highlights the logical connections between the CAADP document, the CAADP as adopted by GoR in the Rwandan CAADP Compact, and the PSTA II document. It aims to answer the question, “Should the PSTA II be considered the operationalization of the CAADP as envisioned by NEPAD?” and will highlight which gaps need to be addressed if this not the case, together with an assessment of the importance of these gaps in the Rwandan context.

The Comprehensive African Agriculture Development Program (CAADP) is the most ambitious and comprehensive agricultural reform effort ever undertaken in Africa. This initiative is already and should continue to prove to be a valuable mechanism for reducing hunger and poverty as growth of the agriculture sector remains the primary way to reduce poverty and achieve food and nutrition security for most of the continent.

The CAADP is a NEPAD initiative which was developed in 2001 that aims to help African countries design and implement agricultural policies and initiatives that will help accelerate growth and eliminate hunger, reduce poverty and improve food security. It is an entirely African-led initiative which seeks to engender a 6% annual growth rate in the agriculture sector in all African countries through the implementation of a range of investment actions, the dedication of at least 10% of national budgets to the sector and through the support of regional cooperation and collaboration.

The CAADP rests on 4 pillars to achieve its goals: Land and Water Management, Market Access, Food Supply and Hunger, and Agricultural Research. The CAADP’s agenda is adopted by individual countries through country compacts and Rwanda was the first country to sign a country compact in 2007. This Compact reflects the aspirations and activities of the guiding policy in Rwanda at the time, which was the PSTA I. This strategic plan had been agreed in 2004 and was adapted in 2008 as the PSTA II to take into account Rwanda’s adoption of the CAADP and other national policy changes. The PSTA II is now the guiding document in Rwanda which implements its commitments to the CAADP, coordinates partner activities and guides the development of the agricultural sector in Rwanda. While at the NEPAD level the CAADP remains extremely broad, with a few well-developed programmes and suggested investments, the PSTA II is a detailed and action-oriented strategic plan. This plan does not by any means cover all of the aspects in the broader CAADP, but has a range of actions that fall under all four pillars and leaves room for adoption of CAADP programmes once these are developed.¹

The Rwanda CAADP Compact effectively formalizes this framework arrangement and provides a direct link between the PSTA and the overarching NEPAD level CAADP. Therefore, the PSTA II can be seen as the operationalisation of the CAADP, as envisioned by NEPAD. Development partners, such as USAID, are increasingly aligning their strategies and activities in the agricultural sector with the PSTA II, and hence can also be seen to be aligning their actions with CAADP priorities and targets.

¹ PSTA II, “The strategy must be flexible and dynamic as the policy environment, government structures and agricultural setting will continue to change”.

I. Introduction: CAADP as Envisioned by NEPAD

For more than ten years, Africa has seen sustained positive per-capita income growth (1994-2005) and some growth in net per-capita food production². However, these positive trends in Africa's economic and agricultural sector performance need to be accelerated if the continent is to achieve the targeted reductions in poverty and malnutrition levels set forth in the Millennium Development Goals (MDG) by 2015.

According to the International Food Policy Research Institute (IFPRI), African countries could achieve significant poverty reduction and improvement in food and nutrition security over the next 15-20 years by targeting policies and investment strategies that raise the average growth rate of crop yields by 50%, and accelerate overall GDP growth rates to 6.5-8.0% in addition to a 50% increase in livestock numbers³. For many African countries, growth of the agriculture sector will remain the primary way to reduce poverty and achieve food and nutrition security. The Global Donor Platform has characterized the CAADP as the most ambitious and comprehensive agricultural reform effort ever undertaken in Africa and a valuable mechanism to reduce hunger and poverty⁴. The CAADP is NEPAD's agriculture-led growth strategy to reach MDG1.

The CAADP is an initiative of the New Partnership for Africa's Development (NEPAD) which was created in 2001 by the African Union to promote accelerated growth and sustainable development, eradicate widespread and severe poverty and to halt the marginalization of Africa in the globalization process⁵. The CAADP's pan-African approach to agricultural sector issues and its ownership by African governments should serve to strengthen the organization's ability to influence policy decisions at the country level that contribute towards its ability to drive meaningful change across the continent.

A. CAADP overview

The CAADP is entirely African-led and represents a collective vision for the agriculture sector from Africa's leadership. The CAADP was adopted by African leaders in 2003 and the scope of the original programme was expanded in 2006 to include the livestock, forestry and fisheries sub-sectors⁶. The main goal of the CAADP is to help African countries design and implement agricultural policies and initiatives that will accelerate economic growth, eliminate hunger, reduce poverty and improve food insecurity. The CAADP also focuses on expanding exports, which will contribute to economic growth and help accelerate Africa's integration into the global economy.

The CAADP framework rests on the belief that agriculture-led growth and regional cooperation/ collaboration will be key to Africa's ability to achieve the MDG of poverty reduction. Specifically the CAADP proposes that partnerships and alliances bringing farmers,

² Progress Report on Implementing the Comprehensive Africa Agriculture Development Programme, 4th Conference of African - Union Ministers of Agriculture, February 2008, African Union. -

³ Ibid. -

⁴ Global Donor Platform, Run Digital ed., 2009, <www.donorplatform.org> -

⁵ African Union, 2009, <www.africa-union.org> -

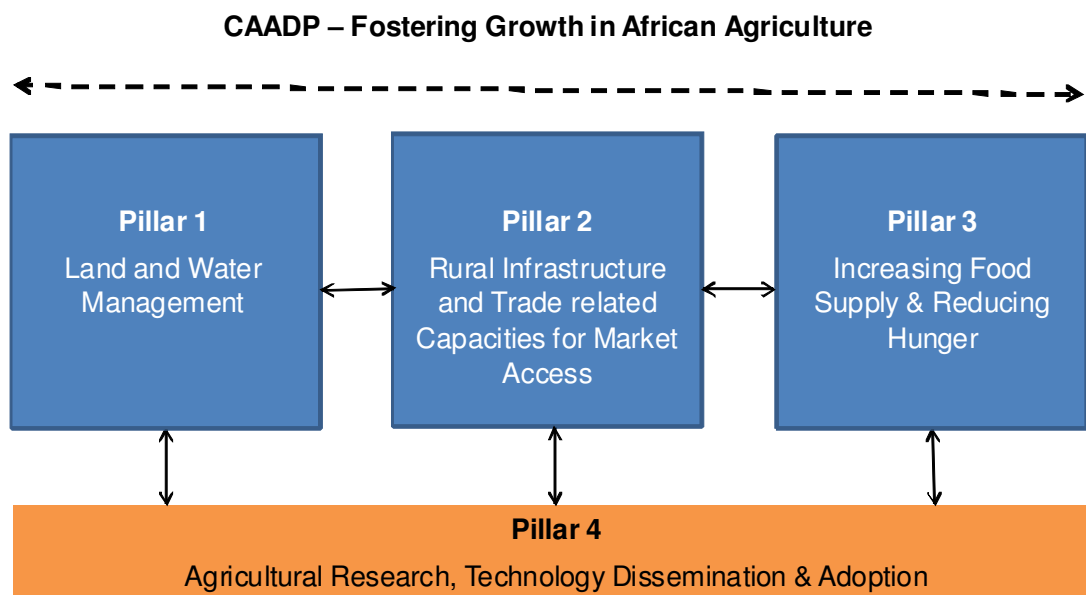
agribusiness, and civil society together will be essential to success. The CAADP has set out two primary targets to measure its success and these are to achieve:

- 10% of national budgets allocated to the agricultural sector;
- 6% average annual growth in agriculture output at the national level.

i. The four pillars of CAADP

The CAADP recognizes that attaining these high-level objectives will require significant efforts in a wide-range of areas linked to agriculture. While the CAADP does not list all of the activities that countries can undertake to support these goals it provides four broad pillars or strategic themes, with a range of activities that can be undertaken under each. These four pillars are discussed in turn in *Figure 1* below.

Figure 1: The four pillars of the CAADP⁷



Pillar 1: Land and Water Management. The goal of this pillar is to extend the area under sustainable land management and reliable water control systems. The TerrAfrica initiative has mobilized over USD 1 billion to invest in country programmes for sustainable land and water management through the Global Environment Facility Strategic Investment Programme. The design of country programmes and disbursement of funds are underway. As of June 2008, close to \$900million had been leveraged to implement Pillar 1 activities with 48 projects in 30 countries and a further 5 regional-level projects in the planning stages. Under this pillar, NEPAD also coordinates, aligns and manages knowledge initiatives.

Pillar 2: Market Access. Pillar 2 aims to increase market access through improved rural infrastructure and other trade related interventions. Strategies to achieve the objectives of pillar 2 are focused on:

- Improving local infrastructure such as: transportation, storage, retail facilities, information technology and supply chains.

⁷ Source: www.donorplatform.org, Global Donor Platform for Rural Development, July 2008

- Improving competitiveness through sound trade policies at the national, regional and continental levels;
- Strengthening capacity to participate in trade negotiations and meet market access requirements for international trade (quality, grades, standards)
- Strengthening capacities of agribusinesses and facilitating linkages/ partnerships with companies in importing countries;
- Building strategic alliances to create industry-to-industry linkages and expand domestic and foreign direct investment in agriculture.

Some of the programs that illustrate the work done under pillar 2 include:

- Regional trade integration programs under COMESA and ECOWAS that seek to foster better coordination among trade blocs;
- The fertilizer program, which has mobilized more than \$35million for countries to finance purchase of fertilizers;
- The African Enterprise Challenge Fund managed jointly with UK to finance agribusiness joint ventures; and
- Streamlining of rules for African exports to the US under the US African Growth and Opportunities Act.

Pillar 3: Food supply and hunger. Pillar 3 aims to increase food supply and reduce hunger across the region by increasing smallholder productivity and improving response to food emergencies. Specifically pillar three seeks to support activities that will improve domestic production and marketing, facilitate regional trade in food staples; and build household productivity and assets. Some of the programs currently underway include:

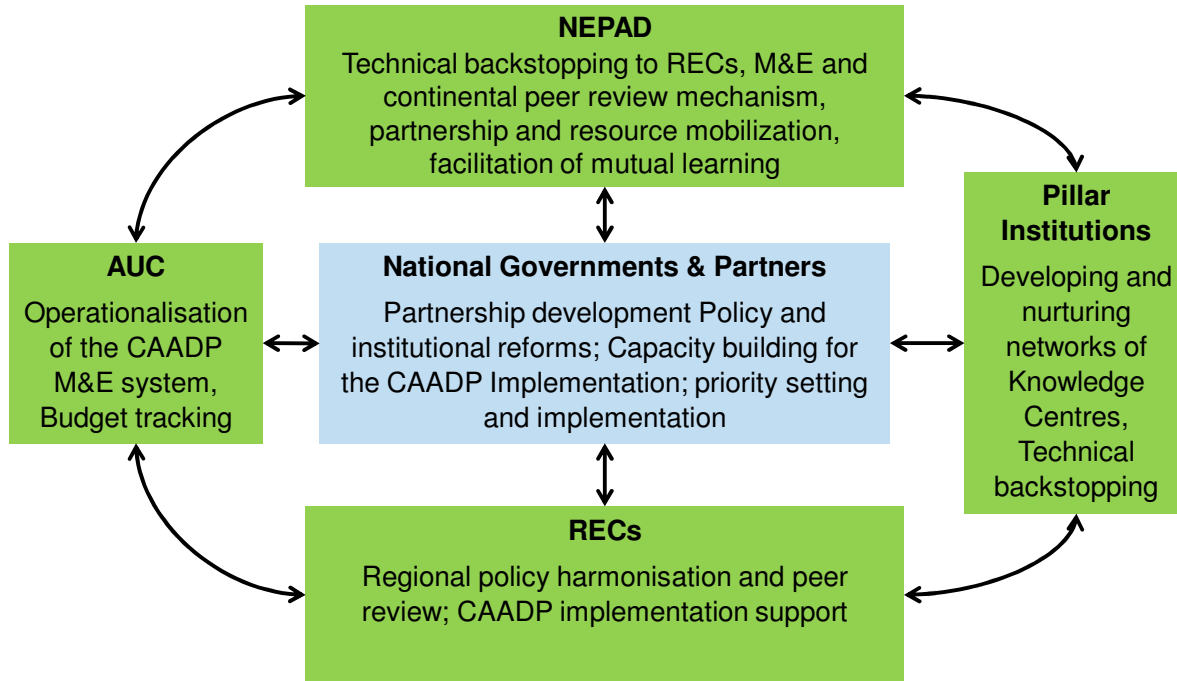
- The USAID-funded Regional Enhanced Livelihoods for Pastoral Areas (RELPA) Project;
- The EU-funded Regional Food Security and Risk Management Program for Eastern and Southern Africa (REFORM) that focuses mainly on capacity building,
- The World Bank/DFID-funded Making Markets work for the Poor (MMWR) initiative, which involves practical analysis, policy outreach and capacity building both at the national and regional levels; and
- The World Bank-funded Improved Regional Trade in Food Staples (RTFS) project, which seeks to develop predictive analytical tools for the spatical mapping of outcomes resulting from common natural and policy shocks; etc.

Pillar 4: Agricultural Research. Pillar 4 aims to improve agricultural research and systems in order to disseminate appropriate new technologies and to boost the support available to help farmers. A broad group of development partners have initiated programs and partnered with regional and national research institutions to build capacity and conduct research. FARA and the CAADP Secretariat have been collaboration with the DFID UK Research Into Use Programme (RIU).

ii. Framework for implementation at the CAADP level

The CAADP's agenda is to be achieved through a combination of CAADP's strategic functions, regional and economic communities, national roundtables and activities implemented under the 4 key pillars. The diagram in *Figure 2* below shows the roles of the different institutions and the linkages between them.

Figure 2: CAADP Implementing Institutions



NEPAD is an AUC programme. It is the vision and strategic framework for Africa’s renewal that was created by the AU in 2001. NEPAD is designed to address the current challenges facing the African continent and its’ objectives are to eradicate poverty, place African countries on the path to sustainable growth and development, halt the marginalization of Africa in the global process and enhance its integration into the global economy, and accelerate empowerment of women on the continent. NEPAD’s priority action areas include operationalising the African peer review mechanism; facilitating and supporting implementation of regional programmes for infrastructure, food security and agricultural development; and facilitating the preparation of a coordinated African position on Market. NEPAD has a Steering Committee, comprised of the representatives of the Heads of State of (3 per AU region), who oversee projects and programme development. The CAADP is such a programme.

The Steering Committee works with the AUC on a regular basis and to the AU Summit on an annual basis. The AU is the Umbrella organization comprised of all the States. It is Africa’s principal organization for the promotion of accelerated socio-economic integration of the continent and its’ objectives include promoting sustainable economic development across the continent, coordinating and harmonizing the policies of RECs to those of the AU, and to promote research to advance the development of the continent. The AUC is the central organ in charge of the day-to-day management of the AU and, among its functions, elaborates, coordinates and harmonizes the programmes of the AU (such as the CAADP) with those of the RECs.

The Pillar institution provide technical support to CAADP implementation processes (quality assurance in the analysis and guiding design and implementation of investment programmes) and analytical, planning and implementation tools and instruments (stocktaking tools, stakeholder analysis, problem/gap analysis, sector performance reviews, institutional and human capacity assessment, and M&E). The lead pillar institutions are the University of Zambia and CILSS-Agrhyment (in Niger) and Morogoro University for Pillar 1; the Conference

of Ministers of Agriculture of West and Central Africa for Pillar 2; Kwa-Zulu Natal University and CILSS for Pillar 3; and FARA for Pillar 4.

The RECs recognized by the AU and thus implicated in the CAADP are the Arab Maghreb Union (UMA), the Common Market for Eastern and Southern Africa (COMESA), The Community of Sahel-Saharan States (ECCAS), the East African Community (EAC), the Economic Community of Central African States (ECCAS), the Economic Community of West African States (ECOWAS), the Intergovernmental Authority on Development (IGAD), and the Southern Africa Development Community (SADC). The RECs are considered the building blocks of the AU and are central to the strategy for implementing the NEPAD programmes, including the CAADP.

The CAADP is also facilitated and supported through international alignments such as the EC Advancing African Agriculture, USAID's Initiative to cut hunger in Africa, the World Bank Development Report, DFID, the CAADP Pillar 4 (FAAP) Support Alliance, the Global Platform on rural development, SIDA/UK/NORAD USA support of RECs, CAADP trust fund (World Bank) and increasing bilateral and multi-lateral support to countries within CAADP framework.

The CAADP supports regional and country level players in designing and implementing agricultural programs through 5 strategic functions⁸:

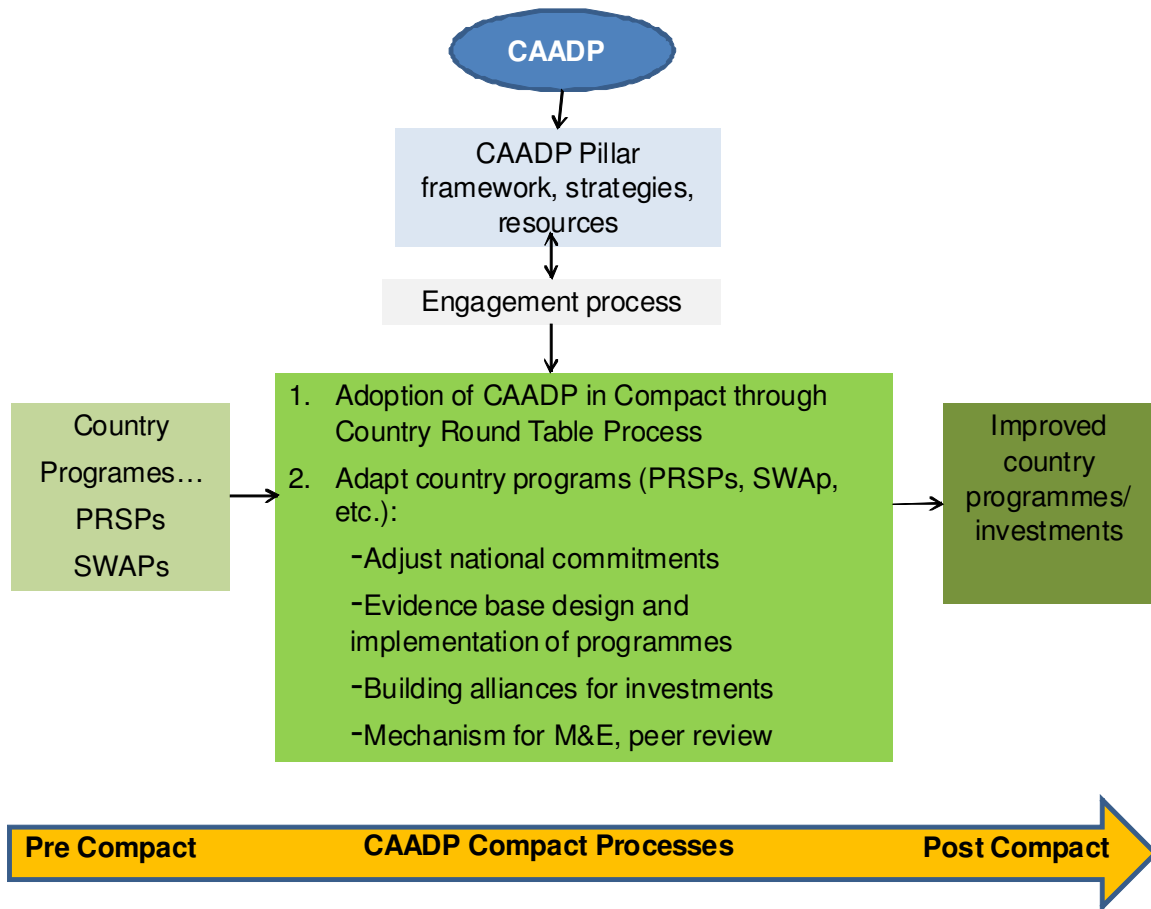
- Supporting CAADP specific programme implementation,
- Managing communication and information in support of CAADP,
- M&E: impact assessments, lessons learned, peer reviews, etc.,
- Partnerships linking resources and agriculture investments,
- Harnessing new knowledge and experiences.

iii. Framework for implementation at the Country Level

While the CAADP is continental in scope, implementation is at the national level through the country's roundtable process. The national roundtables lead to national pacts between donors and individual governments that will help different countries to achieve the 4 pillars. The national roundtables have to commit government funding to the agriculture sector, align government policies with regional priorities and the 4 pillars, determine how to overcome regional economic bottlenecks, identify gaps in donor funding and initiate work to monitor and evaluate the CAADP's progress. This process is formalized through a CAADP Compact agreement signed by all key partners.

⁸ CAADP: A NEPAD Vision and Framework for the Restoration of Agriculture Growth and Food Security, Richarch Mkandawire, July 2008.

Figure 3: Country level CAADP implementation Process⁹



The CAADP Compact is a common framework that is used to guide countries' strategies and investment program, allow regional peer learning and review, and facilitate greater alignment and harmonization of development efforts. The purpose of the CAADP Compact is to ensure that national agricultural development programmes are CAADP compliant. Given the broadness of the CAADP, each country will interpret the CAADP Agenda in its own way while using a common set of tools such as the pillar frameworks and the roundtable process. However, through the CAADP Compact, the signatory state agrees on the long term investment and growth targets set in the CAADP document, agrees to support other member states in achieving MDG1, takes responsibility for mobilizing of stakeholders and development partners at the country-level for effective implementation, will do the groundwork for scaling up funding, and commits to positioning agriculture higher on the country agenda.

The Steps leading to the CAADP National Compact are the following¹⁰:

1. A focal point is appointed in the Ministry of Agriculture to facilitate the national CAADP implementation process.
2. Focal point is briefed by the REC (COMESA in the case of Rwanda).

⁹ Source: The CAADP Responding to High Food Prices, Richard Mkandawire, Nepad Secretariat, November 2008

¹⁰ CAADP: Implementation Steps at National and Regional Levels, COMESA, Lutangu Mukuti.

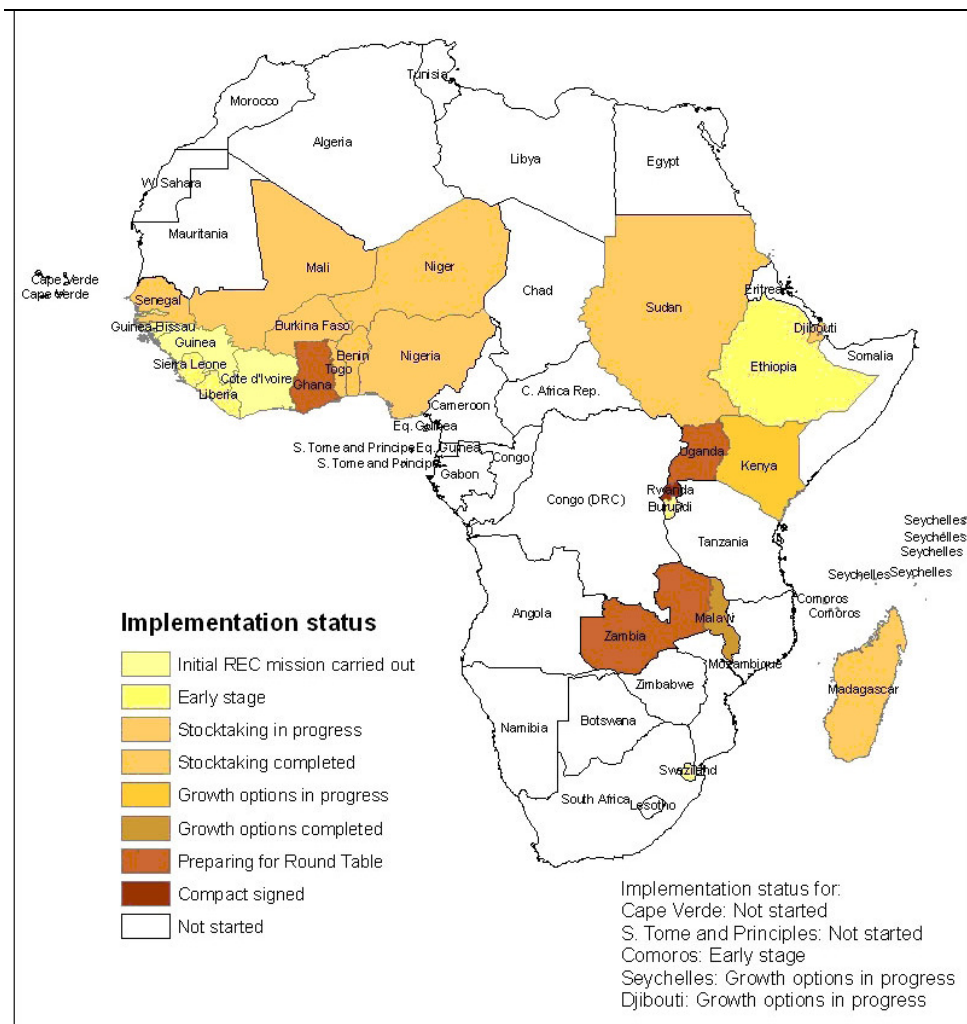
3. The Round Table Process is launched with the participation of key stakeholders in the agriculture sector (ministries, civil society, development partners, farmers unions, private sector, academics, etc.).
4. Minister of agriculture sends cabinet a memo and government approves CAADP implementation.
5. Stock is taken: review of agriculture programmes, strategic options are determined, investment requirements are assessed.
6. A policy dialogue and response ensues.
7. The national compact is providing a general framework for implementing the agricultural agenda under the CAADP principles and developed from the stock taking is sent to the relevant REC for approval.
8. The national round table conference is held and signed by all the relevant stakeholders.
9. Post-round table implementation: national resource mobilization, budget allocation, implementation of activities and M&E by REC/partners.

B. Progress in CAADP implementation

A dozen African countries agricultural sectors grew at annual rates of 5% or more for the period 2003-2005 while Angola, Eritrea, Ethiopia, Burkina Faso, Republic of Congo, Gambia, Guinea Bissau, Nigeria and Senegal (9) achieved greater than 6% growth. Other countries, including Rwanda, were close to 5%. Overall the number of countries that have achieved the 6% CAADP annual sector growth target has increased from 5 to 11 since 2003.

Achieving the 6% target growth rates requires significant investment and although about a dozen countries have reached or exceeded half of the budget target, very few have achieved it thus investments will need to be accelerated and greater efficiency in planning and executing the expenditures will be required. The only countries that allocate 10% or more of total government spend to agriculture are Mali, Madagascar, Namibia, Niger, Chad and Ethiopia. As Ethiopia is the only country in this list that has met the growth targets, it suggests that government spend, while important, is not the key driver of sector performance.

Figure 4: Implementation Progress (June 2008)¹¹



African exports have also shown to be increasingly competitive in international agricultural markets by exceeding their previous world averages since 2001 in terms of both volume and value although African trade still only accounts for about 3% of the world trade.

i. - Progress in implementing CAADP multi-laterally

As evidenced from the list of achievements below, it is clear that the CAADP is making significant progress towards establishing itself as a credible vehicle for boosting agricultural growth, reducing poverty and achieving food and nutrition security¹². Specific achievements are:

- The AU/NEPAD secretariat has developed a comprehensive implementation roadmap and country-level implementation note, both of which address key challenges and outline a well defined process.
- Regional Economic Communities (RECs) are playing an increasingly pivotal role in supporting member states as they implement the CAADP by identifying and refining national agriculture and rural development priorities, highlighting gaps and weaknesses

¹¹ Source: CAADP News, www.caadp.net

¹² Ibid.

with respect to meeting CAADP objectives and developing strategies to overcome these deficiencies.

- Leading African institutions (e.g. Forum for Agricultural Research in Africa, African Center for Food Security, University of Zambia, Natal University, CILSS, etc.) have mobilized technical expertise to guide planning and implementation. The institutions are developing frameworks for each of the 4 pillars to guide the RECs and their member countries in developing policy and programs.
- Regional Strategy Analysis and Knowledge Support Systems have been created under the RECs in collaboration with the Consultative Group on International Agricultural Research (CGIAR) to facilitate peer review, benchmarking and adoption of best practices.
- A growing number of bilateral and multilateral development partners are embracing the CAADP framework and aligning their assistance to the agricultural sector with the CAADP agenda.
- Several platforms to build public-private partnerships and business-to-business alliances such as the US-based Corporate Council on Africa have been established to both stimulate investment and build capacity in the agricultural sectors in support of Pillar 2.
- The CAADP Partnership Platform brings together a wide variety of stakeholders/leaders from the AU/NEPAD, RECs, development partners, the private sector and farmer organizations to review program progress twice a year and address any relevant issues.

ii. Progress in mobilizing resources for implementation of CAADP

The CAADP, through NEPAD, has also created partnerships and coalitions to link resources to agricultural investment programs through several methods including¹³:

- A CAADP Trust Fund established at the World Bank by a coalition of partners supporting RECs and country teams for CAADP implementation (USD 20 million per year from 2008-2012)
- USD 11 Billion pledged in support of rising food prices
- The Forum for Agricultural Research in Africa (FARA) has set up a program of USD 50 million for 2008-2010
- AGRA and Foundations
- Funds provided by partners to RECs to support planning and implementation process by member countries (USD 22 million)
- NEPAD-TerrAfrica (USD 150 million) and other partners (USD 1 billion) to invest in country and regional projects (28 were submitted at the end of 2008 of which 22 were country projects and 6 regional).
- Mobilization of private sector investment into agriculture from both Africa and outside.
- Bilateral financing support through the CAADP roundtable implementation processes.
- Investments in regional programmes such as the Agribusiness Programs (1 in East and 1 in West/Central Africa), Regional Irrigation Program (USD 150 million for 10 SADC countries), the Pan-African Rice Initiative (USD 33.5 million in west Africa), the Multi-country Agricultural Productivity Program (USD 50 million in southern Africa).

¹³ CAADP: A NEPAD Vision and Framework for the Restoration of Agriculture Growth and Food Security, Richarch Mkandawire, July 2008. And NEPAD Secretariat Agriculture Unit Strategic Plan 2008-2-13, NEPAD.

CAADP has had a positive impact on global visibility and has helped return African agriculture back onto the global agenda. There is a growing local and international interest and commitment to supporting agriculture in the pursuit of food security, poverty alleviation and growth objectives through COMESA/ECOWAS taking leadership on CAADP, the EC initiative on Advancing Africa Agriculture, as well as the World Development Report on Agriculture and sustained dialogue on agriculture in the recent G8 summits. Furthermore, national and international partners seem to be increasingly aligning their support to CAADP (AGRA, Agriculture Trust Fund, Foundations, Global Donor Platform, etc.). A CAADP Partnership Platform, comprised of an international forum, also meets twice a year to collectively engage/review and coordinate implementation of the CAADP agenda and ensure that agriculture stays high on the global agenda.

iii. Progress in implementing CAADP on a national level

By December 2008, at least a dozen countries had signed their CAADP Compacts. Data show that agriculture's share of total government spending has hovered around 5% over the past decade and only a few countries, as noted above, currently allocate more than the prescribed 10% to agriculture. Given the paucity of available data on public expenditure since 2004, it is difficult to evaluate progress since the CAADP was initiated but anecdotal evidence shows that some countries are trying to move in the direction of allocating at least 10% of their budget to agriculture¹⁴.

As stated above, the number of countries that have met or exceeded the 6% annual growth rate have gone from 5 to 11 since the CAADP was initiated and although it is too early to claim causality given that there was an already positive trend in place, countries' commitment to the CAADP is likely to reflect their commitment to the agriculture sector and hence can be seen as a predictor of growth in the sector. The impact of the CAADP over time will be difficult to assess for this reason, but there can be no question that it is already having an impact in bringing increased awareness and hence funding to the sector and should in the medium-term have a positive impact in the sharing of best practices.

Although still too slow, progress towards the poverty MDG has improved over the last few years. Although only one third of African countries are on track to achieve the targets set under MDG1, there has been an overall 7% reduction in poverty rates on the continent since implementation of the MDG programmes.

iv. Progress of development partners towards their commitments

There has been a steady decline in resources and other support allocated by both bilateral and multilateral donors to African Agriculture. The share of overseas development assistance committed to agriculture has decreased from 26% in the 1980s to slightly less than 5% in 2005. Development partners will need to increase investments in the sector to help African countries reach MDG1 and the commitment of the OECD countries at the recent G8 summits asserting support to the CAADP agenda and goals would indicate that more resources will be allocated to the agriculture sector.

Development partners are increasingly aligning their strategies and activities in the agricultural sector with CAADP priorities and targets, for example: the UK and Sweden have been re-

¹⁴ Progress Report on Implementing the Comprehensive Africa Agriculture Development Programme, 4th Conference of African Union Ministers of Agriculture, February 2008, African Union.

engaging in agriculture; the US and the EU have been realigning existing assistance programs and elaborating new strategies in support of CAADP; the African Development Bank has adopted the CAADP as the framework for its assistance to the agriculture sector; and the World Bank has realigned its resources to support the sustainable land management pillar of the CAADP. A consortium of development partners led by the World Bank have invested in programs for sustainable land and water management practices under Pillar 1 and is to cover 28 country programs (in 20 countries) and 6 regional programs. Regional trade facilitation programs are being funded in the COMESA and ECOWAS regions to promote the integration of regional markets and raise the competitiveness of local products in these markets under Pillar 2. The FAO and WFP are doing work in the Food Security in the Horn of Africa under Pillar 3. The Forum for Agricultural Research in Africa has developed a Framework of African Agricultural Productivity under Pillar 4. As a result of the harmonization process, a Multi-door Trust Fund, hosted by the World Bank, has been created to channel financial support to CAADP processes and investments.

Development partners have also been supporting the CAADP implementation process on the ground, the bulk of which has come from the EC, Germany, Sweden, UK, US, and the World Bank. The Global Donor Platform is used by development partners to coordinate and harmonize support for the CAADP and supporting the CAADP has become a major focus of Platform activities. Platform members include, as of 2008, CIDA, DFID, EC, BMZ, UNCCD, IFAD, SDC, USAID, WB, ADB, FAO, GTZ, several countries' ministries and research institutes such as IFPRI and NEPAD¹⁵.

v. Progress in mobilizing the Private Sector and Smallholder Farmers

Although some progress has been made on both these fronts, it has not as yet become systematic but the framework document for Pillar 2 is expected to accelerate the process.

¹⁵ Global Donor Platform for Rural Development, annual report 2008: list all members and partners.

II. Rwanda's agriculture sector -

While poverty rates have declined slightly due since the CAADP was adopted, in large part, to improved living standards in urban areas, poverty remains extreme in rural areas and the challenge continues as the number of rural households reliant on scarce wage labor increases and access to land becomes more difficult.

Rwanda's economy depends mainly on the production of the primary sector, in which agricultural production (particularly food crops) is essential. Rwanda's agricultural output grew at a rate of almost 10% during the period 1996-2000, but performed less well since then with average growth rates of under 5% from 2001-2006. In 2007 the agricultural output hardly grew at all (0.7%), but in 2008 recorded a significant jump with growth rate of over 10% due to increased fertilizer usage, but also to good climatic conditions.

Traditionally, coffee, tea, hides and skins and pyrethrum have been Rwanda's leading agricultural exports. These sectors have all seen rapid growth in the last two years, due in part to internationally high prices for coffee and tea, as well as significant investments in the leather sector. The expansion of agricultural exports, which constitute only a small portion of production currently, will be critical to achieving EDPRS goals as export crops typically offer a high value per hectare, especially important in light of the small farm sizes in Rwanda.

Traditional food crops still account for much of the land under production although Rwanda is beginning to see a slight shift towards higher value commodities such as fruits and vegetable, rice, sorghum, maize, groundnuts and soybeans. Livestock, although still in limited numbers, is slowly becoming a source of sustainable income through programs such as the GoR's "One Cow per Poor Family", which distributes heifers to poor families and ensures that they are not grazed.

Although Rwanda has the natural factors conducive to higher yields and higher value agricultural products, farmers are finding it increasingly difficult to satisfy basic subsistence needs. Below are a couple of key limiting factors that are holding the sector back:

- *Scarcity of arable land*: there are 1.4 million hectares of arable land but over 1.6million hectares are cultivated because of high population density and another 0.47million hectares are permanent pastures, so that 70% of the country's land surface is exploited for agriculture. Furthermore, 11.5% of rural households don't have land and off-farm employment is still relatively rare. Those that rent often get low quality land and without access to quality inputs are very susceptible to food insecurity if production conditions are not ideal¹⁶.
- *Small size farms*: over 60% of households cultivate less than 0.7 hectares and most farms have multiple, scattered plots.
- *High erosion risk*: 40% of Rwanda's land has a very high erosion risk and 37% requires retention measures before cultivation; however, controls are insufficiently applied or not deemed necessary by farmers. Less than 25% of cultivated land is more or less free from erosion risk.

¹⁶ EICV1 (household survey) from 2000/2001

- *Soil degradation*: although Rwanda has high soil fertility levels, 75% of Rwanda's soil is highly degraded and has some of the highest negative nutrient balances in Sub-Saharan Africa.
- *Loss of soil*: Rwanda is losing about 1.4 million tons of soil/year which translates into the decline in capacity to feed 40,000 people per year. Although close to 45% of the available marshland provides an opportunity for cultivation, it should be approached with the caveat that cultivation by most farmers of these lands so far has been without much assistance and is causing risk to the ecological balance of the ecosystem.
- *Agro-forestry underdeveloped*: the issue is compounded by the scarcity of land as well as the poor use of best practices.

III. Rwanda's CAADP Compact -

Rwanda was the first country to sign its CAADP Compact in 2007. This Compact was endorsed by the GoR (through MINAGRI and MINECOFIN), development partners, the African Union, COMESA, the private sector and civil society. The Compact is built on Rwanda's Vision 2020¹⁷, the EDPRS, the National Aid Policy and the Joint Donor's Statement. The CAADP has allowed Rwanda to narrow the focus of the Strategic Plan for Agricultural Transformation (PSTA II).

Rwanda's CAADP Compact provides a long-term framework to help ensure that current and future program design is in line with the overarching structure of the EDPRS and PSTA. It also allowed MINAGRI to target agriculture strategies that directly impact poverty reduction. The Compact also allowed Rwanda to clearly define the parameters for partnerships in the agricultural sector, specify government and development partners' commitments, and lay out expectations for the agribusiness and farming communities.

Under the EDPRS, and in line with the PSTA, the GoR has developed the following four major programs for 2007-2011. These programs represent Rwanda's priorities across the four CAADP Pillars (indicated in parentheses).

1. - Intensification and Development of Sustainable Production Systems (Pillar 1 – Land and Water Management and Pillar 3 – Food Supply and Hunger)
2. - Support to Professionalization of Producers (Pillar 4 – Agricultural Research and Pillar 2 – Market Access)
3. - Promotion of Commodity Chains and Development of Agribusiness (Pillar 2 – Market Access)
4. Institutional Development (Pillar 4 – Agricultural Research).

In the Joint Donor Statement, Rwanda's development partners requested that GoR clearly define its strategies and formulate credible long-term plans. The Compact serves this purpose for the agriculture sector by clarifying Rwanda's priorities and the partnerships and assistance that will be required to meet the goals. Development partners acknowledge that achieving MDGs and Rwanda's Vision 2020 will require increased assistance and have committed to aligning and increasing assistance to the agriculture sector with the programs identified in the EDPRS/PSTA.

The CAADP-Rwanda Compact supports partnerships between all key stakeholders in the agriculture sector that contribute towards achieving goals set out in the EDPRS/PSTA. The African Union, COMESA and other regional partners will support Rwanda in implementing the CAADP agenda. The oversight and coordination of these partnerships will be the responsibility of the Rural Sector Cluster, Development Partners Coordination Group (DPCG), Budget Support Harmonization Group and/or any other body designated by the DPCG.

The ultimate purpose of the CAADP Rwanda Compact is to increase the effectiveness of the GoR's programs and to provide a framework under which assistance is given to meet the needs of the sector.

¹⁷ Vision 2020, Ministry of Finance and Economic Planning, 2002.

IV. The PSTA II Document

The PSTA II updates the previous 2004 PSTA I and covers the period 2009-2012 to coincide with the EDPRS timeframe. The PSTA II reflects recent national strategies that have impacted the agriculture sector such as the EDPRS and the Decentralization Policy, develops detailed programs to achieve national goals, and forms the basis for a Sector-Wide Approach (SWAp) in Agriculture.

A. Overview of Objectives

i. The Donor Perspective

The donor community's objectives are symbolized in the MDG goals (amongst others) and although only a few of the MDG indicators are specifically related to the agriculture sector, it is recognized that the growth of agriculture in developing countries is the most effective way of reducing poverty. This is especially true for Rwanda where over 90% of the population is dependent on agriculture. The MDG indicators related to the agriculture sector and a summary of Rwanda's progress can be found in [Annex 1](#). Despite strong economic growth, poverty rates have not fallen proportionally. The biggest constraints facing Rwanda, according to the UNDP, are poor infrastructure (energy, water and sanitation) and limited investment in agriculture. Through the programs under the EDPRS/PSTA II, Rwanda is seeking to address these constraints and improve performance against the MDGs.

Donor confidence in Rwanda is high¹⁸, which will likely lead to an increase in donor support. Donor funding currently stands at \$67 per capita - the highest in the region but below the \$85 promised under the Gleneagles commitments – so there is room to expand programs if donors honor their commitments.

Rwanda's primary development partners in the Agriculture Sector are FAO, World Bank, UNDP, EU, PAM, CARE International, World Vision, Action Nord Sud, ACCORD, and CSR.

ii. In the regional context

African leaders' objectives for the agriculture sector has been developed into the CAADP whose overarching goals are to see a 6% annual sector growth rate and an allocation of 10% of national budgets to the sector. As stated earlier, the CAADP is continental in scope but the implementation has to be convened by the RECs and thereafter in each country where it is transformed into country strategies and investment programmes. The RECs play an important role in the harmonization and implementation of agricultural policies and have themselves developed a regional agricultural policy framework which their member states must adhere to. The RECs also play an important role in monitoring implementation and performance of their member states. The relevant RECs for Rwanda in terms of the CAADP compact, include, COMESA (Common Market for Eastern and Southern Africa), EAC, and the ECCAS. Rwanda was COMESA's first member state to sign a national compact which commits the REC to supporting Rwanda in its aspirations to achieve its agricultural goals. COMESA is also one of the AU's lead organizations in terms of implementing the CAADP launched The African Agricultural Markets Programme (AAMP) with the World Bank in support of Pillar 2 for

¹⁸ MDG Progress and Challenges in Rwanda, 2008, <www.undp.org.rw>

example. The EAC's Agriculture and Rural Development Strategy is compatible with the CAADP and supports Rwanda's Compact and the PSTA II in that its underpinning interventions are to improve food security, accelerate irrigation development, strengthen early warning systems, strengthen research/extension/training, increase intra and inter regional trade and commerce, and improve physical infrastructure and utilities.

iii. The Rwandan Perspective

The PSTAII and successful implementation of its programs are vital because Rwanda's ability to increase productivity, diversify products, capture value along the commodity market chain and create better market linkages will contribute to both economic growth and poverty reduction. The GoR's commitment to developing the agricultural sector is reflected in its Vision 2020 document, the EDPRS, the National Investment Strategy and the various priority sector strategies.

Vision 2020

This is the key socio-economic policy document on which all national and sector policies and strategies are derived and serves as the basis on which resources are allocated across sectors. The overall vision is to grow GDP per capita from USD 220 (in 2000) to USD 900¹⁹ by 2020 so as to reach middle income status. The Modernization of Agriculture and Animal Husbandry is one of the 6 pillars on which Vision 2020.

The agriculture sector in Rwanda employs 90% of the labor force but cannot meet the food and nutrition needs of the population, let alone contribute to substantial revenues for the country²⁰. The modernization of the agriculture sector should allow Rwanda to move away from subsistence to commercial production and help reduce poverty levels by 50% over the next 20 years by contributing to 33% of GDP²¹.

The goals of Vision 2020 include increasing arable land under modern farming practices by 50%, increasing vegetable production three fold, increasing milk production five-fold and increasing agricultural exports 5-10 times.

Vision 2020 also emphasizes gender equality and overcoming cultural and traditional discrimination faced by women who constitute over 54% of the population and are more involved in subsistence farming than are men. The issue of gender cuts across Vision 2020 and EDPRS and has been integrated into the PSTA II. Another cross-cutting issue is private sector led growth.

EDPRS

The EDPRS, which is the Vision 2020 strategy for 2006-2012, recognizes agriculture as one of the Rwanda's four priority sectors. The others are health, education, and road maintenance.

The EDPRS seeks to raise agricultural productivity and ensure food security with success measured through the following high level indicators:

1. 7% real agricultural GDP growth;
2. 4% per capita agricultural GDP growth;

¹⁹ USD amounts in constant 2000 prices.

²⁰ Vision 2020, Ministry of Finance and Economic Planning, 2002

²¹ Ibid

3. - 20% decrease in the number of people dependant on agriculture as a primary source of income;
4. - 50% reduction in the population below minimum food requirements.

A selection of agricultural sector related targets in the EDPRS and MDGs are contained in [Annex 2](#).

EDPRS also seeks to strengthen and expand the farmers' cooperative network, improve infrastructure for agricultural products (e.g. storage facilities, processing units, etc.) and increase the country's agricultural research capacities.

Another reason why the EDPRS is important to Rwanda's agriculture sector is that one of its functions is to guide budget allocation so that resources to the sector are increased to an average 6.9% of the national budget between 2007-2012; 4% of the national recurrent budget and 11.5% of the capital budget are to be earmarked for the sector. In 2008, this translated into approximately RWF 48 billion; however, MINAGRI's actual budget was RWF 26 billion.

*The National Agriculture Policy (PSTA I)*²²

The policy, issued in 2004, supports the agricultural sector's move from subsistence to market oriented production, which will have a direct impact on both economic growth and increased food security. Cash crop production is being promoted at the regional level while mixed crop and livestock farming is to be a national priority. The policy recognizes the importance of traditional commodities but also encourages diversification to other non-traditional crops such as rice, maize, beans, floriculture, and sericulture. These products were identified on the basis of their potential contribution to exports, food security and import substitution as well as their contribution to sectoral growth and diversification.

The policy envisions MINAGRI becoming more of the strategic guide with the private sector taking on a greater role in practical implementation and transformation of the sector. Although the NAP is one the primary basis' for the PSTAII update of PSTAI, the policies guidelines for implementation are still ongoing.

B. -PSTA II and its Programmes

The specific objective of the PSTA II is to "Increase output of all types of agriculture products with emphasis on export products, which have high potential and create large amounts of rural employment; this under sustainable modes of production."

Agricultural policies and strategies over the past 40 years might have used different approaches but have generally had to address the same challenges to agricultural development in Rwanda that include scarcity of land, small farm size and degradation of land. Broad strategies have emphasized improvements in productivity, regional specialization, market-led development, crop-livestock integration, improved soil and water management, and diversification of export crops. One of the reasons why the PSTAII is different is because the development of commodity chains and participatory modes of research and extension have been given greater priority.

As stated earlier, the PSTA II reflects changes in the policy environment but it also incorporates lessons learned from the PSTA I. For example, the PSTA II reflects the need to increase product

²² National Agriculture Policy, MINAGRI, 2004

quality as well as quantity as a way for Rwanda to increase its competitiveness in international markets. Efforts in the PSTA II were put into updating the four core programs, developing subprograms, and detailing actions to be undertaken. To facilitate implementation, a SWAp was developed.

The PSTA II develops Rwanda's agriculture agenda under four interrelated programs with 20 subprograms and 122 activities. The estimated cost of implementing these activities is US\$ 617.52 million (RWF 336 billion). The programs provide the GoR and its development partners with a framework for planning and financing interventions in the sector.

i. Overview of Programs

Program 1: Intensification and development of sustainable production systems (6 subprograms & 40 activities). The key objectives of this program are to: create soil and water structures; demonstrate to farmers/villagers benefits of soil fertility-enhancing technologies; increase livestock ownership, improve and intensify animal husbandry practices; improve cultivation practices and develop sustainable production systems. This program has a number of sub-programs:

- SP 1.1 Sustainable management of natural resources, water and soil conservation
- SP 1.2 Integrated development and intensification of crops and livestock
- SP 1.3 Marshland development
- SP1.4 Irrigation development
- SP 1.5 Supply and use of agricultural inputs
- SP 1.6 Food security, vulnerability management

Programme 2: Support to the professionalization of the producers (3 subprogrammes & 17 activities). The key objectives of this programme are to: strengthen the agriculture sector's social capital base; provide organizational frameworks for producers to develop commercial linkages and functions as entrepreneurs; and strengthen entities charged with developing productive technologies, applied knowledge and imparting knowledge to farmers. This program has a number of sub-programs:

- SP 2.1 Creating an environment conducive to business and entrepreneurship development and market access
- SP 2.2 Restructuring of proximity services for producers
- SP 2.3 Research for transforming agriculture

Programme 3: Promotion of commodity chains and agribusiness development (6 subprogrammes and 44 activities). The key objectives of this program are to: create a favorable environment for farmers and agro-entrepreneurs to develop high value products and to access markets through institutional reforms, investments and incentives. This program has a number of sub-programs:

- SP 3.1 Creating an environment conducive to business and entrepreneurship development and market access
- SP 3.2 Development of traditional exports
- SP 3.3 Development of non-traditional high value export products
- SP 3.4 Production and value addition for domestic staple products

- SP 3.5 Market oriented rural infrastructure
- SP 3.6 Strengthening rural financial systems

Programme 4: Institutional development (5 subprogrammes & 21 activities. The key objectives of this program are to: strengthen the institutional framework through which the public sector supports private agricultural development and to increase the effectiveness of investments made by the public sector. This program has a number of sub-programs:

- SP 4.1 Institutional strengthening and capacity building
- SP 4.2 Policy and regulatory framework for the sector
- SP 4.3 Ag statistics and ICT
- SP 4.4 M&E systems and coordination of the agricultural sector
- SP 4.5 Decentralization programme in agriculture. -

A detailed budget by programme, subprogramme and activity can be found in [Annex 3](#). Given that it would be impossible to implement all the activities simultaneously, priority actions have been chosen and are summarized [Annex 4](#).

ii. Implementation of the PSTA II

GoR and MINAGRI implement the PSTA II through a combination of programs, regulations, policies, legislation and institutional changes. An implementation Secretariat, established in MINAGRI, has oversight responsibility and is tasked with designing activities and interventions and selecting those responsible for their execution. Each activity has a set of indicators for monitoring and evaluating progress. Where activities are decentralized, the Secretariat will coordinate with local governments to ensure that PSTA II priorities are harmonized with local government priorities.

In 2002, GoR initiated a reform of local administration²³ that culminated in the implementation of the Decentralization Policy in 2006, which afforded local government greater involvement in the planning process. Rwanda is now divided into four provinces and Kigali City with a total of 30 districts, each with its own administrative unit (see *Figure 5*). The provincial governors' offices coordinate between the national government and districts, which are tasked with coordinating sector service delivery and determining and implementing development plans²⁴.

²³ National Decentralization Policy, Ministry of Local Government and Social Affairs, 2001

²⁴ Details as to roles and responsibilities of the different bodies can be found in Rwanda Decentralization Strategic Framework, MINALOC

Figure 5: Rwanda's provinces and districts



The decentralization process is ongoing and intergovernmental transfers are still relatively small with responsibilities still being worked out. The process of decentralization is important to MINAGRI as the ministry's projects, including its PSTA II programs, tend to operate in a highly decentralized manner with farmers and local communities playing a leading role.

It is also important to note that MINAGRI itself has undergone a degree of decentralization with technical level responsibilities given to various service providers including; RADA, RARDA, RHODA, OCIR-The, OCIR-Cafe and ISAR whose mandates are to respond to requests for support from the districts and other local entities.

Because agriculture touches so many sectors, it is critical that MINAGRI coordinate its programs and activities. Of particular importance are the modernization of the land tenure system, which is managed by both MINITERE and MINALOC and the strengthening of farming cooperatives and promotion of effective farming systems, which is being supported by MINICOM.

A SWAp for Rwanda's agricultural sector has been ratified by the GoR and its major development partners which makes the PSTA II the basis for funding. This represents significant progress in one of the priorities of the PSTA II to strengthen linkages in the development process. Specifically the PSTA II is seeking to:

- Establish a platform for stakeholder communication and coordination, for which the rural cluster and a SWAp working group are already in place
- Ensure operational linkages between national and local governments -- specifically the linkages between MINAGRI's agriculture service providers and the districts

- Ensure that fiscal and financial flows to provinces and districts are linked with the multi-stakeholder environment
- Establish linkages between market orientation and food security, as well as environmental management and sustained economic growth.

Funding for the PSTA II programs will come from three sources: (i) central and local governments' annual budgets, (ii) development partners through the SWAp mechanism, and (iii) GOR's medium-term expenditure framework.

V. Linkages and logical connections

The difficulty in evaluating whether Rwanda's PSTA II can be seen as the implementation of the CAADP lies in the lack of clarity within the pillars and programmes of the CAADP. The CAADP is extremely broad and the detailed programmes underpinning the pillar framework are still in the process of being designed. While, at the CAADP/NEPAD level, the programme goals and aspirations are clear, the roadmap is still being created. Yet, member states are asked to implement the CAADP.

Through its national compact, Rwanda has committed itself to adhering to the CAADP programme goals and aspirations. It is interesting to note that the CAADP Rwanda Compact was signed prior to the PSTA II being completed when the CAADP proposed process for developing national compacts suggests that the opposite process takes place. Thus, stakeholders agreed to support Rwanda in implementing the CAADP prior to the country having taken stock and developed a policy response to the CAADP. Stakeholders theoretically committed their support prior to the country having clearly defined how it would implement the CAADP agenda. However, given that the CAADP's scope was, and remains, relatively broad and undefined, the adoption of the PSTA II does not seem to have affected stakeholders' commitment to the Compact.

It is important to recognize that while, Rwanda did not design its implementation tool - the PSTA II - on the basis of the CAADP pillars and programmes, it did so on the basis of a detailed evaluation of the PSTA I, the EDPRS and the Vision 2020 planning documents. This has provided for a very strong and detailed strategic document that recognizes the specific limitations facing Rwandan agriculture and builds on the lessons learnt over the last few years.

Furthermore, although the PSTA II followed Rwanda's signing of the compact, it certainly embraces the key principles of the CAADP, despite the fact that there does not seem to have been any specific policy or institutional reforms to accommodate and promote the CAADP pillars and programmes as a priority. For example, the PSTA II recognizes the importance of partnerships, the necessity for inter-sectoral and inter-ministerial cooperation, and for a multi-stakeholder defined process and common understanding. *Figure 6* below shows how Rwanda's PSTA II programmes fit within the four pillars of the CAADP. It shows that while the four main programmes and their respective sub-programmes are not strictly aligned to the pillars of the CAADP they do cover all of the stated priority areas and all of the existing programmes. A more detailed picture of which PSTA II programmes fall under which pillar is available in Annex 5 attached.

As can be seen from the table below, there are no conflicts between the programmes of the PSTA II and the CAADP, i.e. there are no areas where the programmes of the PSTA II do not fall under one or more of the CAADP pillars. Also, the PSTA II specifically leaves room for adaptation of its programmes if and when the need arises. Thus, as the CAADP develops, there is no reason why Rwanda could not adopt new specific programmes into its PSTA.

Therefore, while the PSTA II was not created as Rwanda's implementation document of the CAADP, it can be seen as playing this role. The PSTA II is an updated strategy which reflects national lessons learned and targets but also acknowledges its commitment to achieving the CAADP goals (which do not conflict with EDPRS goals).

Figure 6: Rwanda's PSTA II programmes compared to the CAADP pillars

PSTA II	CAADP PILLARS			
	Pillar 1: Land and Water Management: extend area under sustainable land management and reliable water control systems	Pillar 2: Market Access: increase market access through improved rural infrastructure and other trade-related interventions	Pillar 3: Food Supply and Hunger: increase food supply and reduce hunger by raising smallholder productivity and improving responses to emergencies	Pillar 4: Agricultural Research: improve agricultural research and systems to disseminate appropriate technologies
Programme 1: Intensification and development of sustainable production systems				
SP 1.1. Sustainable management of natural resources and water and soil preservation				
SP 1.2. Integrated systems of crops and livestock				
SP 1.3. Marshland development				
SP1.4. Irrigation Development				
SP 1.5. Supply and use of agricultural inputs				
SP 1.6: Food security and vulnerability management				
Programme 2: Support to the professionalisation of the producers				
SP2.1. Promotion of farmers' organisations and capacity building for producers				
SP2.2 Restructuring proximity services for producers				
SP2.3. Research for transforming agriculture				
Programme 3: Promotion of commodity chains and agribusiness development				
SP3.1 Creating a conducive environment for business and enterprise development and market access				
SP3.2 Development of traditional exports				
SP3.3 Development of non-traditional high-value export products				
SP3.4 Production and value addition for domestic staple products				
SP3.5 Market-oriented rural infrastructure				
SP3.6 Strengthening rural financial systems				
Programme 4: Institutional Development				
SP4.1 Institutional strengthening and capacity building				
SP4.2 The policy and regulatory framework for the sector				
SP4.5 The decentralisation programme in agriculture				

Rwanda has certainly made significant progress in agriculture over recent years and is increasing its focus on agricultural productivity and development. In 2008, Rwanda's agricultural production grew by over 10% well above the targeted 6% CAADP growth mark. However, Rwanda has not been allocating the desired percentage of its budget to the agriculture sector. Furthermore, investments set out under the PSTA II require that 1/3 of the cost of implementation of the programs be borne by the private sector, but this has not been the case. Without the necessary investments into the sector, it will be tremendously challenging to continue to surpass the 6% growth rate targeted for the sector.

The CAADP is still a relatively young initiative with detailed programmes and partnerships still being developed. Nevertheless, the regional efforts to share best practices, support improved research and facilitate access to markets still have a lot of scope for progress. Rwanda can certainly contribute to pushing for change and for cohesive policies, specifically in the RECs to which it is a member. Donors can also play a key role in ensuring that the Global Donor Platform matures into an effective supporting body.

Annex 1: Selection of the indicators in EDPRS and MDGs -

Indicator	2006	2012
(i) EDPRS		
Ag. land protected against erosion (%)	40	100
Area under irrigation (ha)	15,000	24,000
- of which hillside irrigation (ha)	130	1,100
Reclaimed marshland (ha)	11,105	31,105
Fertiliser application (kg/ha)	4	12
Inorganic fertiliser use (% households)	11	17
Improved seed use (% households)	24	37
Rural households with livestock (%total)	71	85
(ii) MDGs		
Poverty prevalence (%)	56.9	34.7
Child 0-5 yrs stunted (%)	45	27.2
Child 0-5 yrs wasted (%)	4	2.5
Child 0-5 yrs under-weight (%)	23	16.3
Protein needs available/head (%)	<i>n.a.</i>	<i>n.a.</i>
Proportion of land area with titles (%)	1	<i>n.a.</i>

Source: MINECOFIN and MINAGRI

Annex 2: The MDGs and their agriculture-related target (%)

MDG	Indicators	2000 (base year)	Latest (<i>mostly 2006</i>)	2015
1. Eradicate extreme poverty & hunger	Poverty prevalence	60.4	56.9	30.2
	Child 0-5 yrs stunted	43	45	24.5
	Child 0-5 yrs wasted	7	4	2
	Child 0-5 yrs underweight	24	22.5	14.5
	Protein needs available/head	44	<i>n.a.</i>	22
7. Ensure environmental sustainability	Proportion of land area with Titles	1 (<i>2006</i>)	1	30

Source: MINECOFIN, EDPRS -

Annex 3: Budget by Program, Sub-Program and Activity -

Programme and Sub-Programme	Amount, USD
Programme 1: Intensification and development of sustainable production systems	441,663,955
SP 1.1. Sustainable management of natural resources and water and soil preservation (total budget over six years: \$321,750,000)	214,571,429
SP 1.2. Integrated systems of crops and livestock	54,238,626
SP 1.2.1 Crop diversification and intensification	24,925,108
SP 1.2.2 Livestock development	29,313,518
SP 1.3. Marshland development	51,188,900
SP1.4. Irrigation Development	22,660,000
SP 1.5. Supply and use of agricultural inputs	56,655,000
SP 1.5.1 Fertiliser and agrochemical supply and use	49,490,000
SP 1.5.2 Certified seeds and other inputs	7,165,000
SP 1.6: Food security and vulnerability management	42,350,000
Programme 2: Support the professionalisation of the producers	41,950,157
SP2.1. Promotion of farmers' organisations and capacity building for producers	12,555,000
SP2.2 Restructuring proximity services (6-yr. budget: 23,035,000)	15,935,000
SP2.3. Research for transforming agriculture	13,460,157
Programme 3: Promotion of commodity chains and agribusiness development	114,095,933
SP3.1 Creating a conducive environment for business and entrepreneurship development and market access	13,177,600
SP3.2 Development of traditional exports	37,180,647
SP3.2.1 Coffee	20,557,261
SP3.2.2 Tea	15,543,386
SP3.2.3 Pyrethrum	1,080,000
SP3.3 Development of non-traditional high-value export products	9,820,000
SP3.4 Production and value addition for domestic staple products	13,744,686
SP3.5 Market-oriented rural infrastructure	18,573,000
SP3.6 Strengthening rural financial systems	21,600,000
Programme 4: Institutional development	19,520,000
SP4.1 Institutional strengthening and capacity building	11,450,000
SP4.2 The policy and regulatory framework for the sector	330,000
SP4.3 Agricultural statistics and ICT	5,190,000
SP4.4 M&E systems and coordination of the agricultural sector	1,050,000
SP4.5 The decentralisation programme in agriculture	1,500,000
TOTAL PROGRAMMES 1-4 OF THE PSTA	617,230,045

PSTA II Budget Table, Programme 1	
Intensification and development of sustainable production systems	
Sub-programmes and actions	Amount (USD)
SP 1.1. Sustainable management of natural resources and water and soil preservation	214,571,429
1.1a. Construct 50 valley dams and reservoirs with conveyance structures for irrigating 3,570 hectares and catchment protection (6-yr. budget for 70 dams: 180,000,000)	134,571,429

1.1b. Participatory watershed management plans and protection of 20% of the land against erosion via progressive terraces (increasing protected percentage from 30% to 50%), radical terraces, living barriers, contour planting, shift to crops suitable for erosion control on steeper slopes, etc. (Allocating US\$5,000,000 for the plans.) 8-yr. budget: 110,000,000.	60,000,000
1.1c. Create effective buffer zones around national parks	20,000,000
SP 1.2. Integrated systems of crops and livestock	54,238,626
SP 1.2.1 Crop diversification and intensification	24,925,108
1.2.1.a. Replicate the systems of integrated livestock and cropping until the approach is fully internalised by farmers and farmer organisations	6,000,000
1.2.1.b. Link integrated crop development to pilots on pressurized irrigation	600,000
1.2.1.c. Scale up the One Cow per Poor Family programme	18,325,108
SP 1.2.2 Livestock development	29,313,518
1.2.2.a Animal disease control operations: control posts and monitoring; vaccinations	1,640,832
1.2.2.b Better, more complete veterinary services	1,140,000
1.2.2.c Artificial insemination and training	2,142,000
1.2.2.d Breed improvement programme for all species	2,500,000
1.2.2.e Livestock watering facilities	1,500,000
1.2.2f Farmer training in intensive animal husbandry, incl. fodder supply	3,971,000
1.2.2.g Management of internal lakes & aquaculture development	12,819,686
1.2.2.h Support for beekeeping, including for organic honey	3,600,000
SP 1.3. Marshland development	51,188,900
1.3a Complete the marshland development plan and feasibility studies for 3,975 has.	1,188,900
1.3b Develop 8,000 hectares of marshlands with irrigation systems, including drainage systems and measures for protection of catchment areas and farmer training	40,000,000
SP1.4. Irrigation Development	22,660,000
1.4a Complete development of irrigation master plan	150,000
1.4b. Formulate regulations and/or legislation that defines farmers' water use rights and defines tenure rights over the irrigation systems, and finish legally structuring water user associations (WUAs)	110,000
1.4c Promote the formation of WUAs and train their members	400,000
1.4d Develop 1,000 has of hillside irrigation systems	2,000,000
1.4e Implement on a pilot basis pressurized irrigation systems on hillside terraces and contours, with fertigation	20,000,000
SP 1.5. Supply and use of agricultural inputs	56,655,000
SP 1.5.1 Fertiliser and agrochemical supply and use	49,490,000
1.5.1a Establish long-term approach for fertilizer imports	20,000
1.5.1b Continuation of voucher programme with wider coverage	48,000,000
1.5.1c Fertiliser demonstration plots on farmer fields, participatory fertilisation trials	340,000
1.5.1d Sustainable agrochemicals distribution network	n.c.

1.5.1e Fertiliser quality control system	100,000
1.5.1f Negotiate free EAC market in agricultural inputs	30,000
1.5.1h Studies for development of methane-based fertiliser production	1,000,000
SP 1.5.2 Certified seeds and other inputs	7,165,000
1.5.2a Legal and institutional framework for certified seeds	100,000
1.5.2b Expanded production of basic seeds	4,115,000
1.5.2c Seed multiplication and distribution	2,200,000
1.5.2d Promote demand for certified seeds	300,000
1.5.2e Development of private nurseries	250,000
1.5.2f Development of agricultural mechanisation policy and machinery enterprises	200,000
SP 1.6: Food security and vulnerability management	42,350,000
1.6a Regional and national early warning systems on food	300,000
1.6b Wider coverage of hermetic storage facilities + training	2,200,000
1.6c Strengthen household nutrition, health training, programmes	10,500,000
1.6d Gender-friendly crops and livestock	4,000,000
1.6e More efficient fuelwood stoves (promotion)	350,000
1.6f Potable water sources for households	25,000,000
TOTAL FOR PROGRAMME 1	441,663,955

PSTA II Budget Table, Programme 2	
Support to the professionalisation of the producers	
Sub-programmes and actions	Amount (USD)
SP2.1. Promotion of farmers' organisations and capacity building for producers	12,555,000
2.1a Strategy and programme for capacity building in farmer and village organisations	6,830,000
2.1b Local points for training farmers, sharing experiences	2,650,000
2.1c Train abattoir operators and selected groups of farmers in proper care of livestock skins and hides	75,000
2.1d Train farmers in agronomic and quality issues for coffee	3,000,000
SP2.2 Restructuring proximity services for producers	15,935,000
2.2a Develop and promote a system through which farmers contract with the farm advisors or extension agents. 6-yr. budget: 15,000,000.	8,000,000
2.2b Establish a permanent training service for extension agents	3,000,000
2.2c Implement on farms participatory research-cum-extension approaches such as farm field schools	4,250,000
2.2d Programme of certifying farmers as trainers and facilitators	135,000
2.2e Programmes of mass extension messages, strengthen CICA	550,000
SP2.3. Research for transforming agriculture	13,460,157
2.3a Programme of participatory research with farmers on their plots	475,000
2.3b Involve farmers in local research agendas for innovation centres	60,000
2.3c Mechanism for competitive award of research funding	2,650,000

2.3d Strategy to secure long-term funding support for public-sector agricultural research	n.c.
2.3e Programmes of international cooperation and staff exchange and capacity building for senior research scientists	2,015,000
2.3f Increase adaptive research on varieties imported from the region	175,000
2.3g Maintain and operate ISAR's in vitro laboratories	8,055,157
2.3h Strengthen ISAR's collaboration with other institutions and activities	30,000
TOTAL PROGRAMME 2	41,950,157

PSTA II Budget Table, Programme 3	
Promotion of commodity chains and agribusiness development	
Sub-programmes and actions	Amount (USD)
SP3.1 Creating a conducive environment for business and entrepreneurship development and market access	13,177,600
3.1a Young Entrepreneurs Training Programme	1,200,000
3.1b Train women's organisations in entrepreneurship	900,000
3.1c Strengthen the sanitary, phytosanitary and food safety (SPS) system	750,000
3.1d Improve the laboratories and capacity used for sanitary, phytosanitary and food safety analyses (to ISO 17025 certification)	2,100,000
3.1e Harmonise sanitary and phytosanitary policies and legislation and inspection and certification procedures in the EAC region	n.c.
3.1f Support part of producers' costs of obtaining quality certifications	400,000
3.1g Configure Kigali Airport as an effective horticulture hub	827,600
3.1h Accord with Uganda and Kenya for use of international airports	n.c.
3.1i Government guarantee for air cargo space	7,000,000
SP3.2 Development of traditional exports	37,180,647
SP3.2.1 Coffee	20,373,000
SP3.2.1a System to improve input distribution for coffee, and monitoring that distribution (chemical inputs, seedlings), introducing private modalities, and to increase use of organic fertiliser and shade trees.	200,000
SP3.2.1a Identify causes of and solution for the "potato taste" problem that is reducing market acceptance of Rwanda's specialty coffee.	250,000
SP3.2.1c Turn-around programme for washing stations including upgrading infrastructure	9,723,000
SP3.2.1d Control of coffee leaf rust and other diseases and adaptive research on coffee varieties	2,500,000
SP3.2.1e Improve international marketing of coffee including initiating toll roasting and partnerships with major buyers abroad	2,700,000
SP3.2.1f Rehabilitate coffee plantations, establish multiplication centres. To facilitate the rehabilitation, carry out a census of all coffee-producing areas	5,000,000
SP3.2.2 Tea	15,543,386
SP3.2.2a Privatise tea estates with farmer shareholdings	n.c.

SP3.2.2b Pre-feasibility, feasibility studies and investment for tea estates in Karongi, Gatara and elsewhere, with cost sharing	14,293,386
SP3.2.2c Research program on high-quality clones of tea varieties	450,000
SP3.2.2d Tea marketing strategies	800,000
SP3.2.3 Pyrethrum	1,080,000
SP3.2.3a Install solar dryers	150,000
SP3.2.3b Develop export markets for high value distillates	280,000
SP3.2.3c Research on varieties with high pyrethrin content	600,000
SP3.2.3d Strengthen distribution of seeds with high pyrethrin content	50,000
SP3.3 Development of non-traditional high-value export products	9,820,000
SP3.3a Specialised technical assistance for horticulture farmers and for marketing, including organic production	3,610,000
SP3.3b Increase ISAR's capacity in horticulture research; disease control in high-value products	2,210,000
SP3.3c Continued development of sericulture	1,800,000
SP3.3d Cost-sharing for greenhouse cultivation	2,200,000
SP3.4 Production and value addition for domestic staple products	13,744,686
SP3.4a Integrated programme for cassava development	600,000
SP3.4b Integrated programme for cereal development	150,000
SP3.4c Key supply-side interventions in domestic market crops	175,000
SP3.4d Development of the fish commodity chain in Lake Kivu	12,819,686
SP3.5 Market-oriented rural infrastructure	18,573,000
SP3.5a Technical assistance for feasibility studies of new agro-processing facilities and government cost-sharing for investment in the facilities	3,750,000
SP3.5b Modernisation of slaughterhouses and tanneries	1,200,000
SP3.5c Improved collection and hygienic transport of raw milk	125,000
SP3.5d Cold storage and transport facilities including ice-making capacities at all fisheries sites	2,800,000
SP3.5e Plan for rural electrification with agricultural priorities	98,000
SP3.5f All-weather agricultural marketing roads ²⁵	10,000,000
SP3.5g Refrigerated lorries	600,000
SP3.6 Strengthening rural financial systems	21,600,000
SP3.6a Strengthen programmes for diversified rural financial services	1,000,000
SP3.6b Loan guarantees	5,000,000
SP3.6c Risk mitigation products, incl. pilot for a weather insurance programme for	760,000
SP3.6d Value chain finance including warehouse receipts, factoring regulations	300,000
SP3.6e Finance for productive investment, incl. grants-loan programme, credit lines, leasing, venture capital	12,000,000
SP3.6f Financial literacy and preparing the demand side for agricultural credit	2,000,000
TOTAL PROGRAMME 3	114,095,933

PSTA II Budget Table, Programme 4

Institutional development

²⁵ Perhaps this budget would be administered through MININFRA.

Sub-programmes and actions	Amount (USD)
SP4.1 Institutional strengthening and capacity building	11,450,000
SP4.1a Create mechanism for venture capital investments in agriculture and agro-processing	200,000
SP4.1b Create an autonomous service responsible for monitoring, controls and international communications for sanitary, phytosanitary and food safety issues	4,500,000
SP4.1c Create independent seed certification service	300,000
SP4.1d Assess training needs in the agricultural public sector and formulate and implement a programme for technical capacity building in the sector	5,000,000
SP4.1e Develop a sector-wide gender strategy	300,000
SP4.1f Leadership and Strategic Management Development Programme	500,000
SP4.1g Develop a new plan for personnel management	250,000
SP4.1h Consolidate and implement the Management Information System	400,000
SP4.2 The policy and regulatory framework for the sector	330,000
SP4.2a Policy framework for management of irrigation water and soils	160,000
SP4.2b Policy framework for agro-export development	120,000
SP4.2c Decree on land consolidation	50,000
SP4.2d Agrochemicals Law	n.c.
SP4.3 Agricultural statistics and ICT	5,190,000
SP4.3a Reinforce production survey methodologies with updated sampling procedures designed to cover more specialised crops	1,500,000
SP4.3b Develop procedures for and train staff in timely analysis of survey data for policy makers plus collection and analysis of crop budgets	350,000
SP4.3c Establish a sector-wide ICT system with real-time market information and network of local meteorological stations	3,340,000
SP4.4 M&E systems and coordination of the agricultural sector	1,050,000
SP4.4a Put in place a SWAp structure	25,000
SP4.4b PSTA II monitoring system	175,000
SP4.4c Procedures for obtaining feedback regarding agricultural programmes and projects from farmers and other stakeholders	100,000
SP4.4d Put in place an evaluation system with baselines	750,000
SP4.5 The decentralisation programme in agriculture	1,500,000
SP4.5a Implement the recent recommendations for improving fiscal decentralisation in agriculture	500,000
SP4.5b Strengthen Joint Action Forums in the districts and to strengthen the capacity of secteur-level authorities to collaborate with farmers	1,000,000
TOTAL FOR PROGRAMME 4	19,520,000

Source: PSTA II, MINAGRI -

Annex 4: Specific activities within the PSTA II -

Programme 1: Intensification and development of sustainable production systems	
SP 1.1. Sustainable management of natural resources and water and soil preservation	1.1a. Construct 50 valley dams and reservoirs with conveyance structures 1.1b Participatory watershed management plans and protection of 20% of the land against erosion
SP 1.2. Integrated systems of crops and livestock	
SP 1.2.1 Crop diversification and intensification	1.2.1.a. Replicate the systems of integrated livestock and cropping 1.2.1.c. Scale up the One Cow programme
SP 1.2.2 Livestock development	1.2.2.a Animal disease control operations: control posts and monitoring; vaccinations 1.2.2.c Artificial insemination and training 1.2.2.d Breed improvement programme for all species 1.2.2.e Livestock watering facilities 1.2.2f Farmer training in intensive animal husbandry, incl. fodder supply 1.2.2.g Management of internal lakes & aquaculture development
SP 1.3. Marshland development	1.3a Complete the marshland development plan and feasibility studies for 3,975 has.
SP1.4. Irrigation Development	1.4a Complete development of irrigation master plan 1.4b. Formulate regulations and/or legislation that defines farmers' water use rights and defines tenure rights over the irrigation systems, and finish legally structuring water user associations (WUAs)
SP 1.5. Supply and use of agricultural inputs	
SP 1.5.1 Fertiliser and agrochemical supply and use	1.5.1a Establish long-term approach for fertilizer imports 1.5.1b Continuation of voucher programme with wider coverage 1.5.1c Fertiliser demonstration plots on farmer fields, participatory fertilisation trials 1.5.1d Sustainable agrochemicals distribution network
SP 1.5.2 Certified seeds and other inputs	1.5.2a Legal and institutional framework for certified seeds 1.5.2b Expanded production of basic seeds 1.5.2c Seed multiplication and distribution
SP 1.6: Food security and vulnerability management	1.6b Wider coverage of hermetic storage facilities + training 1.6c Strengthen household nutrition, health training, programmes 1.6d Gender-friendly crops and livestock 1.6f Potable water sources for households
Programme 2: Support to the professionalisation of the producers	
SP2.1. Promotion of farmers' organisations and capacity building for producers	2.1a Strategy and programme for capacity building in farmer and village organisations 2.1d Train farmers in agronomic and quality issues for coffee
SP2.2 Restructuring proximity services	2.2a Develop and promote a system through which farmers contract with the farm advisors or extension agents 2.2b Establish permanent training service for extension agents 2.2c Implement on farms participatory research-cum-extension approaches such as farm field schools
SP2.3. Research for transforming agriculture	2.3a Programme of participatory research with farmers on their plots 2.3c Mechanism for competitive award of research funding 2.3e Programmes of international cooperation and staff exchange and capacity building for senior research scientists 2.3g Maintain and operate ISAR's in vitro laboratories
Programme 3: Promotion of commodity chains and agribusiness development	
SP3.1 Creating a conducive environment for business and entrepreneurship development and market access	3.1a Young Entrepreneurs Training Programme 3.1c Strengthen the sanitary, phytosanitary and food safety (SPS) system 3.1d Improve the laboratories and capacity used for sanitary, phytosanitary and food safety analyses (to ISO 17025 certification)

	3.1g Configure Kigali Airport as an effective horticulture hub 3.1i Government guarantee for air cargo space
SP3.2 Development of traditional exports	
SP3.2.1 Coffee	3.2.1a System to improve input distribution for coffee, and monitoring that distribution (chemical inputs, seedlings), introducing private modalities, and to increase use of organic fertiliser and shade trees. 3.2.1a Identify causes of and solution for the “potato taste” problem that is reducing market acceptance of Rwanda’s specialty coffee. 3.2.1d Control of coffee leaf rust and other diseases and adaptive research on coffee varieties 3.2.1e Improve international marketing of coffee including initiating toll roasting and partnerships with major buyers abroad
SP3.2.2 Tea	3.2.2a Privatised tea estates with farmer shareholdings 3.2.2c Research program on high-quality clones of tea varieties
SP3.2.3 Pyrethrum	3.2.3a Install solar dryers 3.2.3b Develop export markets for high value distillates
SP3.3 Development of non-traditional high-value export products	3.3a Specialised technical assistance for horticulture farmers and for marketing, including organic production 3.3c Continued development of sericulture
SP3.4 Production and value addition for domestic staple products	3.4a Integrated programme for cassava development 3.4b Integrated programme for cereal development 3.4d Development of the fish commodity chain in Lake Kivu
SP3.5 Market-oriented rural infrastructure	3.5a Technical assistance for feasibility studies of new agro-processing facilities and government cost-sharing for investment in the facilities 3.5c Improved collection and hygienic transport of raw milk 3.5d Cold storage and transport facilities including ice-making capacities at all fisheries sites 3.5e Plan for rural electrification with agricultural priorities 3.5f All-weather agricultural marketing roads
SP3.6 Strengthening rural financial systems	3.6b Loan guarantees 3.6c Risk mitigation products, incl. pilot for a weather insurance programme for crops 3.6d Value chain finance including warehouse receipts, factoring regulations 3.6e Finance for productive investment, incl. grants-loan programme, credit lines, leasing, venture capital 3.6f Financial literacy and preparing the demand side for agricultural credit
Programme 4: Institutional development	
SP4.1 Institutional strengthening and capacity building	4.1a Create mechanism for venture capital investments in agriculture and agro-processing 4.1b Create an autonomous service responsible for monitoring, controls and international communications for sanitary, phytosanitary and food safety
SP4.2 The policy and regulatory framework for the sector	phytosanitary and food safety issues 4.1c Create independent seed certification service 4.1e Develop a sector-wide gender strategy 4.1h Consolidate and implement the Management Information System
SP4.3 Agricultural statistics and ICT	4.3b Develop procedures for and train staff in timely analysis of survey data for policy makers plus collection and analysis of crop budgets 4.3c Establish a sector-wide ICT system with real-time market information and network of local meteorological stations
SP4.4 M&E systems and	4.4a Put in place a SWAp structure

coordination of the agricultural sector	4.4b PSTA II monitoring system 4.4d Put in place an evaluation system with baselines
SP4.5 The decentralisation programme in agriculture	4.5a Implement the recent recommendations for improving fiscal decentralisation in agriculture

Annex 5: See separate document -