

Rwanda

Promoting Smallholder Agro-Export Competitiveness Project

Project Design Report

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Map of the Project Area



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Map compiled by IFAD | 30-05-2022

Abbreviations and Acronyms

AA	Authorized Allocation
A-CAT	Agriculture Credit Assessment Tool
AfCFTA	African continental free trade area
AFR	Access to Finance Rwanda
AFS	Access to Finance Specialist
AGRA	Alliance for a Green Revolution in Africa
ARCAFIM	Africa Rural Climate Adaptation Finance Mechanism
AWPB	Annual Work Plan and Budget
A2F	Access to Finance
BDF	Business Development Fund
BDS	Business Development Service
BMO	Business Membership Organizations
BP	Business Plan
BRD	Rwanda Development Bank
CACHET	Climate and Commodity Hedging to Enable Transformation
CAGR	Compound Annual Growth Rate
CC	Climate Change
CDAT	Commercialization and De-risking for Agricultural Transformation Project
CEO	Chief Executive Officer

CEPAR	Coffee Exporters and Processors Association of <i>Rwanda</i>
CFO	Chief Finance Officer
CFSVA	Comprehensive Food Security and Vulnerability and Nutrition Analysis Survey
CI	Core Indicator
CoA	Chart of Accounts
COO	Chief Operation Officer
COSOP	Country Strategic Opportunities Programme
CPIA	Country Policy and Institutional Assessment
CPO	Country Programme Officer
CRA	Climate Risk Assessment
CWS	Coffee Washing Station
DA	Designated Account
DRC	Democratic Republic of Congo
EAC	East African Community
EFA	Economic and Financial Analysis
EGF	Export Growth Fund
EICV	Integrated Household Living Conditions Survey
EIT	Efficient Irrigation Technologies
EIRR	Economic Internal Rate of Return

ENRM	Environmental and Natural Resources Management
ESMS	Environmental and Social Management System
E.O.	Essential Oils
ERR	Economic Rate of Return
ESCMP	Environmental, Social and Climate Management Plan
ESCMF	Environmental, Social and Climate Management Framework
EU	European Union
FaaB	Farming as a Business
FAO	Food and Agriculture Organization
FCD	Financial Closing Date
FERWACOTHE	Rwanda Federation of Tea Cooperatives
FFS	Farmer Field School
FGD	Focus Group Discussion
FI	Financial Institution(s)
FM	Financial Management
FMS	Financial Management Systems
FPIC	Free Prior and Informed Consent
FS	Feasibility Study
FSS	Food Systems Summit

FSSC	Food Safety System Certification
FY	Fiscal Year
GALS	Gender Action Learning System
GAP	Good Agricultural Practices
GBV	Gender-Based Violence
GDP	Gross Domestic Product
GEWE	Gender Equality and Women Empowerment
GHG	Greenhouse Gas
GIS	Geographic Information System
GoR	Government of Rwanda
GRM	Grievance Redress Mechanism
HACCP	Hazard Analysis and Critical Control Point system
HCoE	Horticulture Center of Excellence
HEGF	Horticulture Export Guarantee Facility
HGSFP	Home-Grown School Feeding Programme
HH	Household
IA	Internal Audit
ICB	International Competitive Bidding
ICT4D	Information and Communications Technology for Development

IFAD	International Fund for Agricultural Development
IFMIS	Integrated Financial Management Information System
IFR	Interim Financial Reporting
IGA	Income Generating Activity
IMF	International Monetary Fund
IPM	Integrated Pest Management
IPRC	Integrated Polytechnic Regional Colleges
IPRM	Integrated Project Risk Management Framework
KIIWP	Kayonza Irrigation and Integrated Watershed Management Project
KM	Knowledge Management
KWAMP	Kirehe Community based Watershed Management Project
LF	Lead Farmer
LIC	Low Income Country
LtB	Letter to Borrower
MARKUP	Market Access Upgrade Programme
M&E	Monitoring and Evaluation
MFI	Micro Finance Institution
MG	Matching Grant
MINAFFET	Ministry of Foreign Affairs and International Cooperation

MINAGRI	Ministry of Agriculture and Animal Resources
MINALOC	Ministry of Local Government
MINECOFIN	Ministry of Finance and Economic Planning
MIS	Management Information System
MoU	Memorandum of Understanding
MRL	Maximum Residue Level
MT	Metric Ton
MTR	Mid Term Review
NAEB	National Agricultural Export development Board
NAP	National Agricultural Policy
NCB	National Competitive Bidding
NCCLCD	National Strategy on Climate Change and Low-Carbon Development
NGO	Non-Governmental Organisation
NO	No Objection
NPL	Non-Performing Loan
NPV	Net Present Value
NST	National Strategy for Transformation
NTR	National Tea Register
OAG	Office of the Auditor General

ORMS	Operational Results Management System
P4P	Purchase for Progress Programme
PAP	Project Affected Person
PARM	Platform for Agricultural Risk Management
PASP	Climate-resilient Post-harvest and Agribusiness Support Programme
PBGF	Performance Based Guarantee Facility
PCD	Project Completion Date
PCI	Policy Coordination Instrument
PCN	Project Concept Note
PCR	Project Completion Review
PDT	Programme Delivery Team
PEFA	Public Expenditure and Financial Accountability
PFI	<i>Partner Financial Institution</i>
PFM	Public Financial Management
PH	<i>Post-Harvest</i>
PIP	Productivity Improvement Plan
PMP	<i>Productivity Management Plan</i>
PO	<i>Producer Organization</i>
PP	Procurement Plan

PPP	Public Private Partnership
PRICE	Project for Rural Income through Exports
PRISM	Partnership for Resilient and Inclusive Small Livestock Markets Programme
PRSP	Poverty Reduction Strategy Paper
PS	Permanent Secretary
PSAC	Promoting Smallholder Agro-export Competitiveness project
PSC	Project Steering Committee
PSFP	Private Sector Financing Programme
PSTA	Strategic Plan for the Transformation of Agriculture in Rwanda
PwD	Person with Disabilities
4P	Public Private Producers Partnership
R&D	Research and Development
RAB	Rwanda Agriculture Board
RBA	Rome-based Agency
RCA	Rwanda Cooperative Agency
RCCF	Rwanda Coffee Cooperatives Federation
RDDP	Rwanda Dairy Development Project
RDHS	Rwanda Demographic and Health Survey
RFHC	Rwanda Federation of Horticulture Cooperatives

RFP	Request for Proposals
RFS	Revolving Fertilizer Scheme
RGF	Rwanda Green Fund
RHWG	Rwanda Horticulture Working Group
RPPA	Rwanda Public Procurement Authority
RSB	Rwanda Standards Board
RSFF	Rwanda Sericulture Farmers Federation
RTA	Rwanda Tea Association
RTC	Rwanda Trading Company
RWF	Rwandan Franc
RYAF	Rural Youth in Agribusiness Forum
SACCOS	Savings and Credit Cooperative Society
SBCC	Social and Behaviour Change Communication
SC	Sub-Component
SCAA	Specialty Coffee Association of America
SDG	Sustainable Development Goal
SDF	Skills Development Fund
SDR	Special Drawing Rights
SEA	Sexual Exploitation and Abuse

SECAP	Social Environment and Climate Assessment Procedures
SKS	Smart Kungahara System
S-Mark	Rwanda Standardization Mark
SMART	Sustainable Market Alliance and Assets Creation for Resilient Communities and Gender Transformation
SME	Small and Medium Enterprise
SNV	Netherlands Development Organization
SO	Strategic Objective
SOE	Statement of Expenditure
SP	Service Provider
SPIU	Single Project Implementation Unit
TA	Technical Assistance
TAFY	Technical Assistance Facility
TAP	Turn Around Programme
ToC	Theory of Change
ToR	Terms of Reference
ToT	Training of Trainers
TVET	Technical, Vocational and Education Training (Institutes)
TSA	Treasury Single Account
USADF	United States African Development Foundation

UK United Kingdom

USAID United States Agency for International Development

US\$ United States Dollar

VC Value Chain

VfM Value for Money

WA Withdrawal Application

WFP World Food Programme

In line with IFAD mainstreaming commitments, the project has been validated as:

- Gender Transformative Youth Sensitive Nutrition Sensitive Persons with Disabilities Indigenous Peoples
Climate Finance Adaptive Capacity

Executive Summary

I. National Context

For almost two decades, Rwanda enjoyed a strong economic growth of more than 7 per cent per annum. Although COVID-19, combined with subsequent measures to contain the spread of the virus, deepened the country's economic slowdown such that real Gross Domestic Product (GDP) growth considerably declined to -3.4 per cent in 2020, the Rwandan economy managed to rebound the real GDP strongly by 10.9 per cent in 2021. With this recovery trend, the International Monetary Fund (IMF^[1]) initially projected a real GDP growth to 6.4 per cent in 2022, it is now uncertain with rapidly changing global environment and spillovers related to the Ukraine crisis. The latest available data show an unemployment rate of 19.4 per cent in August 2021, compared with 15 per cent in 2019 as a result of shutdown of major businesses during the COVID-19 related lockdown and is likely to increase the poverty rate. The unemployment rate among youth populations aged 16 to 30 are relatively higher (25.5%) than the rest group of aged 31 and above (14.9%). The unemployment rate remained relatively higher among females (18.2%) as compared to males (15.0%).

Agriculture is still the major economic sector, which accounts for one-third of the GDP and employs over two-thirds of the Rwandan population^[2]. It accounts for a more significant part of the foreign exchange earnings from the exports of products, including; coffee, tea, horticulture, hides and skins, and pyrethrum. Despite its importance, the sector continues to be predominantly subsistence and low-income agriculture that 75 per cent of the farm production is from smallholder farmers^[3]. Most farmers possess small plots of less than 0.4 hectares (ha) on average^[4], which negatively affects productivity and competitiveness. Agriculture is also affected by climate change (CC), which leads to soil degradation and vulnerabilities of the majority of farmers' dependent on rain-fed agriculture.

Development of agriculture value chains (VCs) and transition into high-value export markets remains a big challenge. Yet, strong opportunities exist in the coffee, tea and horticulture sectors that enjoy favourable agro-climatic conditions and an investment-friendly environment that led to classify them as priority export VCs. To support this transition, the Government of Rwanda (GoR) has been proactively creating an enabling environment through strengthening of agricultural extension services, promoting export through the National Agricultural Export Development Board (NAEB) established in 2017, creation of guarantee funds for small enterprises development, and emphasizing the role of private sector and smallholder farmer cooperatives in the development of these export-oriented VCs.

Despite substantial growth in agricultural production, food security and nutrition remain a concern. Small plot sizes, limited land availability, low productivity in subsistence agriculture and low farmers' purchasing power are some of the inter-related underlying causes of food insecurity. These factors are accentuated by erratic weather patterns including intense rains in some locations and recurrent droughts in others. Resource poor rural households who cultivate small plots are the most food insecure^[5]. According to the latest Comprehensive Food Security and Vulnerability Analysis^[6] the Western Province has the highest prevalence of food insecure households (29.9%), followed by the Southern Province (20.5%), Northern Province (17.8%) and Eastern Province (16.2%). While stunting and undernourishment have been reducing at a steady pace, overall stunting rates remain high by international comparison (38%), and 17.8% of 6-23 months old do not meet the Minimum Acceptable Diet^[7].

The Strategic Plan for Agriculture Transformation (PSTA 4) guides public investments in the agriculture sector for the period 2018-24 and sets out the estimated required resources, contributing to the three National Strategy for Transformation (NST) pillars of economic, social, and governance transformation towards the aspirations of Vision 2050. Under this vision, Rwanda aspires to attain upper middle-income country status by 2035 and high-income status by 2050 with the intention of providing high quality livelihoods and living standards to Rwanda citizens by mid-century. Vision 2050 stresses the importance of agro-processing and technology-intensive agriculture with a commercial focus under its Pillar III: Transformation for Prosperity. The National Agricultural Policy (NAP 2018) sets the policy framework for a productive, green, and market-led agriculture sector towards 2030. The NAP responds to the rapid changes experienced in the sector and anticipates key trends and concerns including pressure on land, the absorption of rural youth into the labour market and the need to raise productivity of smallholder farmers.

II. Rationale for IFAD involvement

IFAD as a trusted partner. IFAD has been a key contributor to the development of Rwandan agricultural exports in both traditional and emerging commodities. Recently closed Project for Rural Income through Exports (PRICE) has strengthened the capacities of a wide range of players: smallholder farmers, enterprise-oriented cooperatives, rural SMEs, service providers, rural institutions and government agencies. Smallholder farmers have been supported to access markets as well as progress in the value chain through aggregation and value addition interventions at the grassroot level. PRICE has also introduced a wide range of new and innovative practices which will be scaled up under PSAC.

Building on the rich experience and lessons learned from the implementation of the Project for Rural Income through Exports (PRICE), PSAC intends to be a transformative project focused on selected export-driven VCs (coffee, tea and various strategic commodities in the horticulture sector). Producing origin based, certified, and premium quality products for the export market provides important opportunities for smallholder farmers and producers organizations to enhance their income and revenue streams.

Potential market demand and opportunities. Since 2008, increasing investments in horticulture for export have started to yield returns for Rwanda. However, there is considerable scope to further develop the horticulture sector, as demand continues to grow for specialty products like chili peppers, macadamia nuts, french beans, avocados, etc. In tea, although Rwanda has already raised its average yields, smallholder farmers and young cooperatives still need support to achieve their full potential. The sector employs over

50,000 tea growers, mostly smallholder farmers^[8] in the form of co-operatives and their sustainable partnerships with tea processing factories are key to the growth of this sector. As for coffee, the commodity is highly strategic as it represents in itself up to 25 per cent of Rwandan formal export earnings and it involves 355,000 growers^[9]. Despite a steady increase in the exports of specialty coffee, there is still a need to rejuvenate old plantations, enhance climate smart productivity, strengthen producers' organizations, and ensure that all coffee washing stations (CWS) are used at optimum capacity to deliver sustainable incomes to coffee growers.

PSAC focus will be on improving the competitiveness of the targeted VCs through (i) promoting climate smart productivity enhancing technologies; (ii) reduction of post-harvest losses; (iii) infrastructural development; (iv) use of climate-resilient agricultural practices; (v) backward and forward market linkages; (vi) enhanced quality control/assurance to ascertain compliance with export market requirements; and (vii) access to financial services by using a value chain approach. This approach is also expected to enhance women and youth leadership and advocate for smallholder sensitive policy formulations.

The creation of new marketing opportunities through export support will boost economic prosperity in the country and help to reduce poverty, food insecurity and the burden of malnutrition. In addition, by promoting climate-resilient practices, locally adapted and resource-efficient, the project will contribute to climate change mitigation strategies.

III. Project description

A. Project objectives, geographic area of intervention and target groups

The project goal is 'to increase incomes of the rural poor, by supporting inclusive and sustainable agri-exports Value Chains'. The project development objective is 'to support the inclusion of rural poor in targeted export-driven value chains, by increasing their climate resilient productive capacity and market access'.

The project outcomes will be achieved through the implementation of three inter-related components: (A) Enhance smallholders' climate smart production and productivity in selected export-driven value chains; (B) Enabling business environment along selected export-driven value chains; and (C) Policy support and coordination. Due to the specific features of each export-driven VCs, their respective interventions and implementation modalities across the components will be adapted to close identified gaps and ensure optimum competitiveness.

Programme area (Geographic targeting). The project will target a total of fourteen (14) districts, with a particular emphasis on the Western and Southern regions which has some of the most vulnerable rural population. Region wise targeted districts will be: Nyamasheke, Rutsiro, Karongi, Nyabihu and Rusizi in Western Province; Huye, Nyaruguru, Nyamagabe, Ruhango and Nyanza in Southern Province; Rulindo and Musanze in Northern Province and Rwamagana and Bugesera in Eastern Province. The final selection of the districts and their respective sectors has been based on the following criteria: (i) high poverty rates and high rates of food insecurity; (ii) comparative advantage for the development of targeted export-driven VCs, such as the existence of a traditional production basin, the proximity of a strong market, and favourable agro-climatic conditions; and (iii) alignment and development of strategic partnerships with other development partners in Rwanda to avoid the duplication of investments and to seek complementarity among the proposed interventions.

Within the targeted districts the new plantations will be located on elevated areas. Currently the lower-lying plantations are already "marginal" in terms of producing quality tea due to rising temperatures and that the rising temperatures will further reduce the quality of tea and coffee as current growing areas will become too hot for growing the current varieties.

The planning for new plantations will take care of climate uncertainty. The climate-resilient innovation is to plan future plantations in locations that take account of the warmer climate such as higher, cooler regions.

Target groups. The main categories of beneficiaries will be targeted based on a number of mechanisms that are sensitive to the various needs and constraints of smallholder women and men farmers, as well as youth and specific vulnerable groups. PSAC will include complementary interventions meant to support its target groups' participation in commercial and inclusive VCs:(i) rural smallholder farmers, grouped as much as possible along Producer Organizations (POs)^[10], with a strong focus on women and youth; (ii) off-takers processors/exporters, who can be cooperatives, individuals or rural SMEs. The targeting mechanisms will be based on the Ubudehe system, as is currently done for all IFAD-funded projects in Rwanda.

The estimated main direct beneficiary group will be composed of 56,695 households (approximately 255,128 household members^[11], of which 73,704 persons receiving direct project services), giving preferential attention to Categories 2 and 3^[12] amongst whom the project will give priority to women (40%) (and among them 20% to be women-headed households) and youth^[13] (30%). Simultaneously engagement of the poorest and the most vulnerable households e.g. indigenous communities and Persons with Disability (PWD) will be explored.

Gender equality, women and youth empowerment. PSAC will address gender disparities and the key constraints, which limit women's participation in the VCs by: (i) ensuring that women and men have equal access to project's interventions including addressing unbalanced workloads and targeting 40 per cent women as direct beneficiaries and 20 per cent women-headed households; (ii) increasing women's voice in decision-making at the household and community level; (iii) increasing women's financial literacy, encouraging their economic empowerment and participation throughout the selected VCs; iv) and promoting gender transformative outcomes through addressing discriminatory social norms and structures. Towards this, the enhanced gender action learning system (GALS+) with a focus on FFS will be used as a complementary approach to VC development. Specific interventions will reflect the unique roles, needs and priorities of women and youth to create employment and income generating activities (IGA) along community-based nurseries, lead farmers and certification facilitators.

The project will also invest in both youth agripreneurship (start-ups and business acceleration) and youth access to wage employment; capitalize on the youth employment ecosystem created by IFAD's agribusiness hub grant implemented by Kilimo Trust

in Rwanda; and tap into the agribusiness hubs dual training (on irrigation, horticulture, mechanization, etc) and “matching services” (matching skilled unemployed youth with potential employers).

B. Project Components

The project outcomes will be achieved through the implementation of three inter-related components: (A) Enhance smallholders’ climate smart production and productivity in selected export-driven value chains; (B) Enabling business environment along selected export-driven value chains; and (C) Policy support and coordination.

Component A - Investments to enhance climate smart production and productivity of selected export-driven value chains (approx. US\$ 38.35 million)

Sub-component A.1 – Support smallholder farmers’ production and productivity

PSAC will focus on expansion and rehabilitation of plantation areas of 8,242 ha while adopting innovative climate-resilient technologies and practices. It includes 4,132 ha for coffee; 2,410 ha for tea; and 1,700 ha for horticulture and essential oil. Except macadamia^[14], community-based nursery raising approach will be used which will also create space for women and youth in VC development. Prior consent from the farmers will be taken to confirm their interest in replacing / rehabilitating their coffee bushes. In tea expansion, the aim is to reach a minimum 1,000ha consolidated cooperative tea farms serving single tea factory to strengthen co-operative and factory business performance, and also to get an assurance from tea factories of higher pay to farmers producing green leaf for specialty or new tea products. For horticulture, the approach of consolidated plantation of fruit trees with titles in the name of smallholders will be used to facilitate production at scale, manage certification processes, improved access to market, and develop necessary facilities. Under Horticulture, the project will engage in french beans and chili value chains for export.

The Revolving Fertilizer Scheme (RFS) for tea plantations started under PRICE will be scaled-up with additional investment of US\$ 2 million and incorporating lessons learned based on its detailed performance review. The project will support RAB to release the GxE clones which are adaptable to different agro-climatic zones and develop tea seedling production in proximity to project supported cooperatives. The coffee and horticulture plantation will also be supported by providing seedlings and inputs for plantation and maintenance support. Considering the poor survival rate of Macadamia seedlings at nursery stage, international experts' support will be taken to improve the seedlings' survival rate. Simultaneously, varietal trials of essential oil plant – Patchouli will be conducted using selected Indonesian Patchouli varieties to improve productivity.

PSAC will promote climate-resilient innovations and practices as well as energy and resources efficiency along the selected value chains. This will be done through a combination of tailor-made capacity building and investments meant to address the main challenges observed in the selected VCs. One of the prominent interventions include 100 per cent self-sufficiency for wood fuel in tea factories by increasing the capacity of tea farmers to produce and sell wood fuel through creation of agroforestry zones. Other climate-sensitive interventions are promotion of chili solar dryers, efficient irrigation technologies (EIT), soil and water testing kits for CWS, eco-friendly coffee drying technologies, etc. It will also introduce environment friendly practices such as live mulching material and intercrops in coffee plantation, cultivation of tomato, garlic, onion, carrot for crop rotation in horticulture as environmentally friendly practices as well as to ensure food and nutrition security.

Sub-component A.2 - Improvement of rural infrastructure facilities and equipment at cooperative and exporters' level

PSAC will address the key infrastructure facilities and equipment gaps that are hindering smallholder cooperatives/POs in each export-driven VCs through different modes of financing. The critical infrastructure development to improve the efficiency of VCs and can benefit the majority of smallholders in the VC directly or indirectly are fully supported by the project with the beneficiaries' in-kind contribution (e.g. land) or cash contribution for maintenance of the facilities. The fully supported interventions include – i) Procurement of instruments and software viz. soil and water testing kit, Palintest to control the level of effluents in wastewater at CWS; electronic weighing scale that will be used by leaf collection teams per truck to record and receipt weight of green tea leaves per farmer and software based database of farmers records of the quantity of leaves supplied as well as payments made by cooperatives; ii) Hangar constructions for decentralized collection of produce; iii) Demonstration of eco-friendly dryers to improve the quality processed coffee beans so that CWS can adopt the new technologies. iv) Avocado grading line at NAEB packhouse to manage increasing volumes and adhere to strict export guidelines and; v) Trucks for tea co-operatives for quick collection of green tea leaves and delivery to factories.

PSAC will support two small scale investments for climate-resilient technologies (known as CAT 1) – i) protective agriculture (e.g. greenhouse, walk-in tunnel, shade nets, etc.), and ii) coffee drying technologies through Performance Based Grant Facility (PBGF)^[15]. PBGF involves compulsory matching grant to loan. The grant will be provided with a different benefit package for men (50%) and women (70%) with a ceiling of US\$ 5,000. Efficient irrigation technologies (EIT) initially considered under CAT 1 support, which is envisaged to ensure irrigation for fruit plantation, will be supported through similar existing schemes under the RAB led Small-Scale Irrigation Technologies (SSIT) program and the upcoming WB funded CDAT project.

The project will also support medium-scale investments for co-operatives (known as CAT 2) and exporters (known as CAT 3) through various matching-grant (MG) windows^[16]. These investments will include: i) Basic facilities, tools and equipment to acquire certification; ii) Medium-scale protective agriculture viz. greenhouse, walk-in tunnel, shade nets etc., and iii) Proper effluent and solid waste handling units. The grant support will be 50 per cent for cooperatives (CAT 2) and 40 per cent for exporters (CAT 3) with a grant ceiling of US\$ 30,000 and US\$ 24,000, respectively.

PSAC will promote strategic investments in tea to boost value addition to increase the national revenues from tea and increase farmers' take-home income. It will support the undertaking of a full economic and financial analysis (EFA) and the development of Business Plans (BPs) for the promotion of secondary processing of tea e.g. a Blending & Exporting enterprise owned by Rwanda Tea Association (RTA) and partners. It will then widely disseminate the results of this EFA and BPs, for potential investors to come in and invest jointly with RTA.

Component B - Enabling business environment along selected export-driven value chains (approx. US\$ 17.94 million) will enhance competitiveness and sustainability by improving smallholder VC actors' access to advisory services, sustainable markets, and financial services.

Sub-component B.1 - Capacity building of Producer Organizations

Capacity building of beneficiaries will remain a central theme to PSAC's overall approach. Support will be provided to established cooperatives especially which are weak as well as new cooperatives, out-growers schemes, and farmers groups. The cooperatives in coffee and tea are matured whereas horticultural cooperatives are still at nascent stage. PSAC will partner with Cordaid (formerly ICCO) for i) Co-operative strengthening which focuses on Governance, and financial management; ii) Crosscutting issues across all the VCs such as business management (BDS, FaaB, market access), gender and youth in value chain. It will also develop specific tools to assess the capacity of cooperatives and accordingly provide required support for strengthening.

The FFS approach, strengthened by proximity coaching, will be mainstreamed along all technical capacity building, starting from seedling plantation^[17] and up to post-harvest handling and processing. Each FFS will have two lead farmers of which at least one will be a woman. Also, there will be one person trained in GALS+, who will work closely with lead farmers. PSAC will engage with all the producers through more than 1,600 FFS (in horticulture, FFS will be combined with the "innovative training" approach developed under PRICE, that involves directly the off-taker (exporter) for the macadamia, avocado, french beans and chili crops). FFS coaches and lead farmers will act as an interface between the PSAC implementation team and project participants. Cordaid will develop a FaaB module for FFS and impart training to coaches and lead farmers which will facilitate in turning subsistence farming into sustainable farming business enterprises and increasing farmers' capacity to understand commercial farming. It will also build their capacity in access to the market by working on appropriate supply contracts and product quality improvement to meet export standards.

PSAC activities will expand women's economic empowerment through access to and control over productive and household assets, strengthen women's decision-making and address inequitable workloads between women and men. Use of GALS+ will be used to tackle discriminatory social norms and to generate gender transformative changes and improved intra-household gender relations. Its interventions will be focused on FFS and will closely work with lead farmers, proximity FFS coaches and district teams.

Besides GALS+, PSAC will focus on capacity building of women and youth through specific skills and knowledge-based trainings so that they can play a key role in VC development. PSAC will engage with experienced agencies / Service Providers (SPs) to avail the required services including assessing the possibility of building on the existing trainings already running in the Agribusiness Hub grant. The specific interventions include - i) Training of selected lead farmers and operators of protective agriculture units through the Horticulture Center of Excellence (HCoE)^[18]; ii) Training of women and youth in nursery raising and grafting techniques to ensure access to good quality seedlings locally through RAB and district teams; and iii) Cordaid will develop a cross-cutting women and youth inclusivity approach to ensure their participation in the VCs and in accessing finance. It will identify new opportunities for women and youth in agricultural services, develop tailored financial products and impart appropriate trainings. The efforts will help women and youth to emerge as proximity business SPs (e.g. equipment maintenance, business planning, market linkages, filing taxes etc.) and entrepreneurs.

PSAC will engage with local and international institutions to improve the services for smallholders and their organizations such as i) In tea, the management and capital capacity of Ferwacothé (Union of tea co-operatives) will be enhanced in order to reduce cooperative operations costs through development and adoption of a common services model^[19] to serve all cooperatives; ii) In coffee, PSAC will support the coffee zone policy in association with local district authorities, which will help to increase coffee cherry volume as well as spike in performance of CWS due organized and formalized groups becoming loyal to CWS; iii) In horticulture, PSAC will also engage with Heifer International for climate smart and resilient horticulture production (i.e. tomato, garlic, onion, carrots) focusing on the domestic/regional market, facilitating crop rotation and improving food and nutritional security. Heifer International will work on product diversification and access to markets. It will leverage US\$ 1 million Heifer Impact Capital Fund (HIC) to provide additional farmer-friendly financing in the form of Working Capital, Equipment Lease and Guarantees etc., and also to complement Cordaid's efforts to develop new financial products.

Sub-component B.2 - Backward and forward market linkages

Sub-component B.2 comprises quality control, access to finance, market promotion and facilitation of market linkages with international buyers.

PSAC will build on the experience of IFAD Agribusiness Hub approach in Rwanda to strengthen the capacity of youth through training and internships as internal inspectors, some of which may become certified auditors. It will provide fillip to market driven certifications for which the support will be provided on cost sharing basis. It will also strive to get accreditation to existing agro-export testing facilities of NAEB through technical support, calibration of equipment/instruments and upgrading the observed gaps for compliance.

In order to facilitate the targeted value chain stakeholders' access to financial services, PSAC with its partner Cordaid will: (i) support Participating Financial Institutions (PFI) quality and outreach of rural financial services by improving knowledge about project VCs, developing innovative agri-finance products for entrepreneurs / exporters and smallholders e.g. equipment leasing, asset financing, and potentially by establishment of agent networks in PSAC target areas; (ii) build the capacity of the target groups to access financial services by developing and rolling out the FFS module for financial literacy involving selected FIs.; (iii) facilitate the PFIs to access resources from private and public sector wholesale financiers for on-lending to PSAC targeted VCs. In overall, the access to finance strategy will be aligned with PSAC VC interventions including matching grants and the introduction of best production practices, to ensure sustainable long term development impact.

PSAC, through its business development services, will overall ensure that the smallholder farmers groups / cooperatives are actively engaged with the exporters through mutually benefiting supply contracts. Backward linkages with input suppliers (esp. seeds, fertilizers, packaging materials) will also be facilitated to ensure timely and affordable delivery of key inputs.

Strategies need to be developed to promote the existing brands (Rwanda coffee brand, Rwanda Tea brand, and Rwanda Fresh brand in fruits and vegetables) that display the uniqueness of the Rwandan produce. In Coffee, it involves implementation of appellation findings, enhancing production of traceable certified coffees, participation in the National, Regional and International coffee cupping events and competitions, using e-marketing forum, etc. In tea, the national tea market strategy will be developed to exploit inherent qualities and cultural attributes of the Rwandan tea. Simultaneously, an online tea trading platform will be operationalized which will help producers to reach new market outlets as well as facilitate brand promotion on a global scale. In horticulture, that is a more nascent sector, PSAC will support exporters - to improve understanding of the international markets and quality control through trainings, to participate in international horticultural promotional events and to hire market agents/facilitators, posted in a few key diplomatic missions (e.g. Europe, Middle east Asia, Central Africa) to facilitate in-country market intelligence and trade procedures in partnership with the Ministry of Foreign Affairs and International Cooperation (MINAFFET). PSAC will support the HEGF piloted under PRICE and hosted by BRD with targeted technical assistance for increased uptake of the facility, and provide additional support to extend guarantees.

PSAC in partnership with Cordaid, Mobile network operators (MNOs) and FinTech will promote digitization of financial services such as enabling mobile payments through farmer mobile phones linked to their SACCO accounts for tea farmers, digitize core operations and services of the SACCOs using core banking software, digitize farmers' profiles and supply contract details in FIs to improve access to finance, reduce costs (of transaction and travel) and improve efficiency of operation of SACCOs and MFIs for financing VCs.

PSAC will leverage the special initiative under development launched by IFAD Private Sector Advisory and Investment Unit (CACHET: Climate and Commodity Hedging to Enable Transformation) to build price risk management capacities of local cooperatives, especially in the target VCs.

Component C - Policy support and coordination (approx. US\$ 6.60 million)

Sub-component C.1 - Enabling policy environment

PSAC will influence policies and practices mainly through i) evidence based advocacy to share the best practices on financial services and intercropping of banana and essential oil plants in coffee; ii) research and analysis to overcome bottlenecks in access to packaging material, increasing air-freight capacity and maintaining affordable rates, and supply contact-based business models; iii) supporting existing and new VC stakeholder platforms such as horticulture exporters' working groups, coffee roundtables to address the gaps in value chain development and providing inputs to policy formulation; and iv) working closely with MIGEPROF to identify possible entry points for engagement in-country policy frameworks related to gender equality in the agricultural sector (e.g. support in GBV mitigation, ensuring new agro-export policies are gender responsive based on lessons learned from PSAC and other projects).

Sub-component C.2 – Specific support to VC platforms

In coffee, PSAC will support Coffee Exporters and Processors Association of Rwanda (CEPAR), a business membership organization for public-private dialogue to improve the efficiency and competitiveness of the coffee VC.

In tea, there are three main areas of support: i) consolidation of the implementation framework of three platforms - National tea register, National tea brand and E-commerce, developed under PRICE but still incomplete. Support will be provided to NAEB to consolidate implementation activities including the National Tea Code of Practice and Awards where producers and buyers would participate as a means of building trust in the brand (supply side activities), and quality of services (buyer side activities); ii) define and formalize the commercial relations between tea factories and cooperatives, broaden tea cooperative membership rules, define tea planting zones (putting limit on catchment radius between tea farms and factories) and develop profile of an ideal tea farmer to ensure minimum economic tea production per farmer; and iii) development of a strategic roadmap to increase the levels of value addition and boost earnings of cooperatives and factories by NAEB.

In Horticulture, district level VC platforms will be formed to identify ground level problems, solutions and develop local leadership in VC involving women and youth. These platforms will be initially convened by the District Director of Agriculture and facilitate the process in such a way that a natural structure for the platform emerges over a period of time.

PSAC will also provide internship opportunities for youth to learn about value chains, follow-up with farmers, quality control aspects for international markets, role of financial institutions etc. while engaging value chain actors.

IV. Project costs and financing

The total cost of PSAC has been estimated at US\$ 62.89 million. IFAD will contribute US\$ 29.98 million (equivalent to EUR 28.89 million). The contribution of beneficiaries and the private sector (from Component A) is estimated at US\$ 5.67 million^[20]. The contribution of implementing partners (Cordaid and Heifer International) is so far estimated at US\$ 1.91 million. The Government contribution is estimated at US\$ 5.41 million (equivalent to EUR 5.22 million)^[21]. There remains a financing gap of US\$ 19.92 million which is to be potentially financed by the Government of Spain (GoS).

Project benefits. The beneficiaries are expected to experience increase in income as a direct result of the: (i) increased volume and value of targeted commodities exported from Rwanda; (ii) increased value of targeted commodities exported from Rwanda; (iii) increased access to advisory services, market and financial services which facilitated smallholder's inclusion in sustainable export driven VCs; (iv) increased employment opportunities either for hired or family labour, for both on-farm and off-farm activities; (v) improved institutional and policy environment for export driven VCs selected under PSAC.

Investment in PSAC was found to be economically viable with expected to generate a positive ENPV of Rwf 27.8 billion (US\$ 27.01 million) resulting into an EIRR of 19 per cent. Therefore, based on such results, the project should be undertaken. A sensitive analysis was also carried out on the effects of changes in costs and expected benefits on expected viability of the project, and based on the results, it is observed that PSAC costs should not increase beyond 110 per cent. Any increase in costs above 110 per cent will

require additional benefits to be included into the project. At the same time, expected PSAC benefits should not reduce by more than 57 per cent in order to ensure that the project continues to be economically viable

PSAC has potential to positively contribute to export volumes by increasing the volumes and value of targeted VC crops exported. The US\$ 62.89 million investment in order to achieve the desired financial and economic benefits will be fully recovered through export earnings.

V. Exit strategy, environmental, social and climate risk classification

Exit strategy and Sustainability. The Project's Exit Strategy is embedded in: i) the strategic approach of working directly with the Government's agriculture export board (project VCs are part of its current strategic plan) along with administrative structures at district and sector levels which can continue to provide extension services; ii) building capacity of each category of VC stakeholders so that they can gain knowledge, access to resources and interconnect to develop a strong chain while promoting gender equality and youth engagement; iii) improving the competitiveness of export-driven value chains while creating power in markets for smallholders in terms of enhanced productivity and quality, aggregation of smallholder production at scale, strong market linkages development, development of infrastructure and services as well as creation of enabling policy environment; and iv) developing detailed exit plan during the mid-term of the project and leaving a window of one to two years for consolidation of activities and beginning of a "gradual exit" process which can be completed by the end of the 6th.

Environment and social classification. The environment and social category for PSAC is *substantial* due to the potential risks associated with impacts on biodiversity, labour, and working conditions. The potential adverse impacts are predictable, will be localized, mostly reversible and can be managed with appropriate measures. The activities will take place in non-sensitive areas and infrastructure being developed will be small scale.

Climate risk classification. The climate risk classification for PSAC is *moderate*. The main climate change risks facing the smallholders in the PSAC target areas include rising temperatures and rainfall variability with more intense rainfall in some areas, shorter rain seasons and potential droughts in some locations. A detailed climate risk analysis (CRA) was done during the design and this will be conducted during the implementation together with the rest of the SECAP risk management instruments.

VI. Implementation of organizational framework

The PSAC implementation arrangements are meant to ensure optimal use of human resources and smooth coordination between MINAGRI's institutions^[22]. In line with the practice for IFAD-funded projects in Rwanda, a Project Steering Committee (PSC) under MINAGRI will be established for PSAC. The Lead Implementation Agency will be NAEB, under the responsibility of its Chief Executive Officer (CEO). The district authorities along with district and sector agriculture staff under the authority of MINALOC will play a key role to ensure smooth implementation (including provision of extension services), monitoring and coordination of PSAC interventions at field level.

The project acknowledges the key role of the district authorities and will allocate necessary resources to ensure smooth implementation, monitoring and coordination of PSAC interventions. Bringing in the district and sector agriculture staff under the authority of Ministry of Local Government (MINALOC) will be particularly important to ensure continuous and sustainable extension services that will further protect the project's investments. The project will also be engaged into a specific partnership by signing a global MOU between NAEB and identified partners (Heifer International and Cordaid) who will be a co-financier but also a key implementing partner. A detailed AWPB reflecting activities to be implemented by them and related costs (including co-financing) will be developed every fiscal year.

Financial management arrangements. On the basis of the other IFAD managed projects by GoR and in line with project implementation and management framework. The existing financial management staff at NAEB, SPIU, and District are in place which would contribute to guarantee quick start-up of project activities.

Procurement arrangements. A Procurement Risk Matrix (PRM) which included a risk assessment of both the country level and the project institutional dimensions of public procurement was undertaken. The PRM returned a low inherent risk. A procurement plan for the first 18 months has been prepared. A Procurement Officer will be recruited to support the procurement functions under the PSAC project and will be reporting to the Sr. Procurement Officer at the SPIU. For better coordination, the Procurement Officer will be stationed at NAEB offices in order to coordinate with the rest of the project team.

Monitoring and Evaluation (M&E). The district level NAEB coordinators will work jointly with the District authorities to ensure activities are implemented as per work plan and specifications. The Project M&E Specialist will provide the necessary guidance and oversight role to ensure the data capture forms are duly filled and data points disaggregated as per LF requirements. The forms will be filled by the SPs/contractors (including district level agronomists and other extension agents) directly interfacing with the beneficiaries at the district level.

The M&E Specialist will ensure adequate monitoring systems are used to address potential overlap of beneficiaries with other similar development projects in the respective target areas. Similar to monitoring arrangements in the PRICE project, NAEB will assign dedicated technical staff to monitor activities to ensure they are implemented as per recommended specifications. The Project M&E Specialist will commission bi-annual Data Quality Assurance (DQAs) missions and coordinate the implementation of targeted studies, including: baseline, annual outcome surveys, survey for annual survival rate estimation and reasons of new plantation, Mid-Term and End Term surveys to assess progress on key outcome and impact level indicators.

PSAC will also collect qualitative information through annual qualitative surveys on specific issues, case studies and Focus Group Discussions, as required. The information will be collected by the project coordinators and SPs as per the guidance of the M&E Specialist. The qualitative evidence will generate insights on the behaviour change and assess whether interventions are happening and delivering changes as envisioned in the project's theory of change.

Knowledge management (KM). KM will be coordinated by KM Specialist at NAEB. KM will serve as a basis for scaling up of successes, provide the analytical basis to resolve challenges, and help to adapt activities to changing social and economic circumstances in the target areas and value chains. A KM action plan will be prepared to (i) identify knowledge gaps and prioritization of knowledge products to be developed; (ii) ease the scaling up of best practices in the different sectors and interventions or repackaging of innovative approaches developed elsewhere; (iii) disseminate know-how based on available communication tools (newsletter, brochures, websites, radio, knowledge gained through FFS trainings etc).

1. Context

A. National context and rationale for IFAD involvement

a. National Context

1. **Political Context.** Rwanda continued to enjoy political stability and general security, low levels of corruption with liberal legal frameworks in place. The Presidential election will take place in 2024 and a significant political and social unrest remains unlikely in the foreseeable future. Rwanda has adopted the National Decentralization Policy^[23] which promotes good governance, reduction of poverty as well as efficient, effective, and accountable service delivery.
2. **Socio-economic context.** For almost two decades, Rwanda enjoyed a strong economic growth of more than 7 per cent per annum. However, COVID-19 combined with subsequent measures to contain the spread of the virus, deepened the country's economic slowdown such that real Gross Domestic Product (GDP) growth considerably declined to -3.4 per cent in 2020. Although the outlook remains highly uncertain, the International Monetary Fund^[24] (IMF) projected a rebound in real GDP growth to 6.4 per cent in 2022, albeit below potential. The latest available data show an unemployment rate of 19.4 per cent in August 2021, compared with 15 per cent in 2019^[25]. The increased unemployment rate is due to the shutdown of major businesses during the COVID-19 related lockdown and is likely to increase the poverty rate. The unemployment rate among youth populations aged 16 to 30 are relatively higher (25.5%) than those aged 31 and above (14.9%). The unemployment rate remained relatively higher among females (18.2%) as compared to males (15.0%).
3. Rwanda's debt remains sustainable with a moderate risk of debt distress^[26]. The IMF's Policy Coordination Instrument (PCI)^[27] continues to support the authorities' efforts in the macroeconomic and structural reform agenda and ongoing economic recovery, while also ensuring policies are in place to reduce debt vulnerabilities and maintain macroeconomic and financial stability^[28].
4. A strong focus on home-grown policies and initiatives has contributed to significant improvements in access to services and human development indicators. Measured by the national poverty line, poverty declined from 77 per cent in 2001 to 55 per cent in 2017^[29], while life expectancy at birth improved from 29 in the mid-1990s to 69 in 2022. The official inequality measure, the Gini index, declined from 52.0 in 2005 to 43.7 in 2016 (most recently measured)^[30]. The incidence of poverty continues to be higher in rural areas (32.1%) than in urban areas (13.4%).
5. **Food security and nutrition.** Despite substantial growth in agricultural production, food security and nutrition remain a concern. Small plot sizes, limited land availability, low productivity in subsistence agriculture and low farmers' purchasing power are some of the inter-related underlying causes of food insecurity. These factors are accentuated by erratic weather patterns including intense rains in some locations and recurrent droughts in others. Resource poor rural households (HH) who cultivate small plots are the most food insecure^[31]. According to the latest Comprehensive Food Security and Vulnerability Analysis^[32], 16.8 per cent of Rwandan household are food-insecure, with the highest prevalence in the Western Province (29.9%), followed by the Southern Province (20.5%), Northern Province (17.8%) and Eastern Province (16.2%). While stunting and undernourishment have been reducing at a steady pace, overall stunting rates remain high by international comparison (38%), and 17.8 per cent of 6-23 months old do not meet the Minimum Acceptable Diet^[33].
6. **Agricultural and rural development context.** The agriculture sector accounts for one-third of GDP and employs over two-thirds of the Rwandan population (70%)^[34]. Despite its importance, the sector continues to be predominantly subsistence and low-income agriculture. Most farmers possess small plots of less than 0.4 ha on average^[35], which negatively affects productivity and competitiveness. Agriculture is also affected by climate change (CC), which leads to soil degradation and vulnerabilities of the majority of farmers' dependent on rain-fed agriculture.
7. Development of agriculture value chains (VCs) and transition into high-value export markets remains a big challenge. Yet, strong opportunities exist in the coffee, tea and horticulture sectors (see Box 1), which enjoy favourable agro-climatic conditions and an investment-friendly environment that resulted in them being classified as priority export VCs. To support this transition, the Government of Rwanda (GoR) has been proactively: (i) creating an enabling environment through strengthening of agricultural extension services; (ii) promoting export, through the National Agricultural Export Development Board (NAEB); (iii) establishing guarantee funds for small enterprises development; and (iv) emphasizing the role of the private sector and smallholder farmer cooperatives in the development of these export-oriented VCs.

Box 1. Export opportunities in selected Value Chains

Coffee: Coffee is highly strategic as it represents up to 25 per cent of Rwandan formal export earnings and it involves over 355,000 growers. Rwanda exports over 95 per cent of national coffee production. Despite a steady increase in the exports of specialty coffee, there is still a need to rehabilitate old plantations, enhance climate smart productivity, strengthen producers' organizations, and ensure that all coffee washing stations (CWS) are used at optimum capacity to deliver sustainable incomes to coffee growers. The global consumption trend of coffee indicates an upward trajectory. It creates a great opportunity for the specialty class of Rwanda's coffee due to its consistent quality. However, it is yet to achieve its full potential as a competitive specialty grade product, which is differentiated and strategically placed in international markets, due to lower volume of production. This is evident from the fact that highest coffee production was 38.34 MT in 1992/93 and to the level of 20 to 23 MT during the last decade. The National Strategy for Transformation (NST 1) has targeted fully washed coffee at 80 per cent of total production by 2024 with increase in productivity to 4kg per tree (MINAGRI, 2018) to reach to the level of 1992/93 coffee season production. The synergistic effect will lead to sizable increase in income of smallholder coffee producers which is the core rationale for support through PSAC.

Tea: In tea, although Rwanda has already raised its average yields, smallholder farmers and young cooperatives still need support to achieve their full potential. It is worth noting that the tea sector employs over 50,000 tea growers, mostly smallholder farmers. As demonstrated in the recently closed PRICE, sustainable partnerships between cooperatives and tea processing factories are key to the growth of this sector, and this requires continuous cooperative capacity building to ensure sustained productivity gains. Some of the key challenges that limit the growth of Rwanda's tea sector and impact on poverty levels are: i) deficit in fertilizer access and application; ii) low value addition; iii) Low productivity of small-scale tea plantations; and iv) higher deductions in farmers' incomes and gaps in policy frameworks.

Horticulture: Horticulture crop VCs selected for PSAC are based on the list of priority crops identified by NAEB and its further assessment from the perspective of PSAC target group – smallholders, women and youth. The macadamia, avocado, french beans, chili and essential oils show strong potential in developing smallholder-exporter led VC development, opportunities to engage women and youth based on consistent and growing export demand. Markets already tested or experienced by Rwandan exporters and provide good margins for smallholders over domestic and regional markets. In order to reduce some of the market risks as well as support food security and nutrition, four more crops grown in the region – onion, garlic, carrot and tomato are also considered as complementary crops in partnership with Heifer International. They have good local and regional market demand, can be cultivated as intercrops in orchards as well as useful for crop rotation to french beans and chilies. Additionally, a fruit crop mango is selected as an import substitute.

8. Like for other countries, the Ukraine crisis has an impact on the economy of Rwanda. The World Food Programme (WFP) report[\[36\]](#) shows that: (i) the average monthly price of the local food basket has increased by 16 per cent from January to May 2022; (ii) increase in inflation rate by 10.3 per cent as against 1.3 per cent in May 2021; and (iii) sharp reduction in fertilizer imports which may affect crop production as well as the price hike in fertilizers. As a mitigation measure, GoR has taken policy decisions such as continued fertilizer subsidies, promoting food substitution, strengthening extension services, and increasing the area under wheat production.
9. **Relevant national strategies, policies and/or programmes.** The Strategic Plan for Agriculture Transformation (PSTA 4) guides public investments in the agriculture sector for the period 2018-24 and sets out the estimated required resources, contributing to the three National Strategy for Transformation (NST 1) pillars of economic, social, and governance transformation towards the aspirations of Vision 2050. Under this vision, Rwanda aspires to attain upper middle-income country status by 2035 and high-income status by 2050, with the intention of providing high quality livelihoods and living standards to Rwanda citizens by mid-century. Vision 2050 stresses the importance of agro-processing and technology-intensive agriculture with a commercial focus under its Pillar III: Transformation for Prosperity. The National Agricultural Policy (NAP) 2018 sets the policy framework for a productive, green, and market-led agriculture sector towards 2030. The NAP responds to the rapid changes experienced in the sector and anticipates key trends and concerns including pressure on land, the absorption of rural youth into the labour market and the need to raise productivity of smallholder farmers. Other government policies and strategies relevant for PSAC include the National Strategy on Climate Change and Low-Carbon Development (NCCLCD), the National Policy on Promotion of Cooperatives, Irrigation Master Plan, Post-Harvest Sector Strategy, and National ICT4Ag Strategy.
10. Since 2000, the GoR has opted for the decentralization policy as an alternative solution for poverty reduction, through the improvement of the quality of governance and community mobilization, as defined in the first Vision 2020. Successful implementation of the decentralization policy still remains on the agenda to promote service delivery and national development. Ubudehe, a wealth-ranking system, was initiated by the Ministry of Finance and Economic Planning (MINECOFIN) in conjunction with the Ministry of Local Government (MINALOC) in the context of the Poverty Reduction Strategy Paper (PRSP), purposely to enhance the decentralization process rooted in Rwanda and to contribute to poverty reduction as well as to promote community cohesion and reconciliation.
11. In addition, through the Food Systems Summit (FSS) convened by the United Nations (UN) in February 2021, Rwanda identified priority national pathways that cut across the five FSS action tracks[\[37\]](#). Key food systems opportunities include improving diet quality and nutrition security, ensuring livelihoods become more equitable, strengthening environmental resilience, boosting agricultural productivity to reach potential, investing in infrastructure capacity to minimize food loss and improving access to finance and investments across the food system.

b. Special aspects relating to IFAD's corporate mainstreaming priorities

12. **Gender equality and women's empowerment.** In the 2019/2020 agricultural year the total population living in agricultural HH was estimated to be 10.5 million, of whom 47.5 per cent of HH members were males and 52.5 per cent were females^[38]. An estimated 92 per cent of women are involved in agriculture and about 28 per cent of rural HHs of Rwanda are headed by women^[39]. According to the Women's Empowerment in Agriculture Index Study from 2020, the largest contributor to women's disempowerment in Rwanda is workloads^[40]. Access to credit, decisions on credit, and difficulty speaking publicly are also important contributors to disempowerment. In addition, women often have less control over agricultural assets, inputs, produce and capacity building opportunities as compared to men. Women also have relatively low inclusion in formal financial services and face greater impacts of climate change due to their limited access to resources and opportunities and restricted autonomy to make decisions about their own lives. Many of these constraints are rooted in discriminatory social norms, practices and attitudes, which continue to limit women's full participation in the agricultural sector^[41].
13. **Youth inclusion.** In Rwanda, youth are considered as people aged 16 – 30 years of age^[42]. Working age youth in Rwanda are 77 per cent of the rural population. Yet, the involvement of youth in agriculture is low, only a quarter of farmers (26.6%) are between 16 and 30 years old^[43]. Attracting qualified youth will be critical for ensuring wage employment, entrepreneurship (start-ups and business acceleration), accelerate adoption of new technologies and drive the Rwandan agri-export products to more added value.
14. **Vulnerable households.** Socially vulnerable groups include HH with older people aged above 65 years, persons with disabilities (PWD) and the indigenous community. Older persons represent 4.9 per cent of the total resident population of Rwanda and some of the targeted plantations and fields belong to the elderly members of the communities. The HH with elderly people are particularly vulnerable in the absence of assistance from Government. In addition, the poverty level of a household with PWD is 1.7 per cent above the national average and 76.6 per cent of such HH are either poor or vulnerable to falling into poverty^[44].
15. Despite impressive economic growth, the progress in reducing the level of stunting in smallholder rural children continues to be a serious concern. The country faces the triple burden of malnutrition (undernutrition, micronutrient deficiencies and overweight/obesity). Making VCs more nutrition-sensitive can help improve the quality of the foods that are available, affordable and acceptable. The introduction of improved processing and packaging of horticulture produce will help in addressing the access, acceptability and nutritional quality of what the consumer eats. A substantial part of VC actors (producers, processors, retailers and etc.) lack knowledge on the nutritional value of produce, importance of quality and safety of different products, including choosing products that are safe and nutritious, at the same time environmentally sustainable and eco-friendly, including proper food preparation and waste management.
16. **Climate change (CC) mitigation and variability.** The productivity of smallholders in the tea, coffee and horticulture VCs is adversely affected by CC and variability. Increasing temperatures, rainfall variability and events such as droughts reduce yields and have negative effects on volumes, costs and quality of produce. These climatic trends as well as excessive rains also result in pests and diseases incidences and in some cases, aggressive weed growth. CC and variability adaptation measures will be integrated in the PSAC design to ensure the resilience of the target beneficiaries. PSAC will implement "multiple-benefit" approaches, which will typically build climate resilience alongside other benefits, contributing to poverty reduction, enhancement of biodiversity, increased agricultural productivity and lowering of greenhouse gas emissions from the agriculture sector. The planning for new plantations will take care of climate uncertainty and be more resilient to rising temperatures, and the increased risk of flooding and landslides. The rising temperatures risk to affect the quality of tea and coffee as current growing areas will become too hot for growing the current varieties. It will be strategic to plan future plantations in locations that take account of the warmer climate such as higher, cooler regions. This will be buttressed by the following practices include: i) capacity building in timing of husbandry activities such as pruning and fertilizer application; ii) when to plant, which varieties to plant and which inputs to use; iii) adjustment of spraying programs and wider use of improved coffee varieties and tested tea clones; iv) Institution of Agroforestry, v) intercropping of nitrogen-fixing plants with staple crops; vi) construction of erosion control structures; and vii) composting and mulching among others.

Table 1. Mainstreaming theme eligibility criteria

	<input checked="" type="checkbox"/> Gender transformational	<input type="checkbox"/> Nutrition sensitive	<input checked="" type="checkbox"/> Youth sensitive	<input checked="" type="checkbox"/> Climate focused
Situation analysis	<input checked="" type="checkbox"/> National gender policies, strategies and actors <input checked="" type="checkbox"/> Gender roles and exclusion/discrimination <input checked="" type="checkbox"/> Key livelihood problems and opportunities, by gender <input checked="" type="checkbox"/> Use(pro-WEAI) ^[45] assessment for M&E baseline	<input type="checkbox"/> National nutrition policies, strategies and actors <input type="checkbox"/> Key nutrition problems and underlying causes, by group <input type="checkbox"/> Nutritionally vulnerable beneficiaries, by group	<input checked="" type="checkbox"/> National youth policies, strategies and actors <input checked="" type="checkbox"/> Main youth groups <input checked="" type="checkbox"/> Challenges and opportunities by youth group	

Theory of change	<input checked="" type="checkbox"/> Gender policy objectives (empowerment, voice, workload) <input checked="" type="checkbox"/> Gender transformative pathways <input checked="" type="checkbox"/> Policy engagement on GEWE [46]	<input type="checkbox"/> Nutrition pathways <input type="checkbox"/> Causal linkage between problems, outcomes and impacts	<input checked="" type="checkbox"/> Pathways to youth socioeconomic empowerment <input checked="" type="checkbox"/> Youth inclusion in project objectives/activities	
Logframe indicators	<input checked="" type="checkbox"/> Outreach disaggregated by gender <input checked="" type="checkbox"/> Women are >40% of outreach beneficiaries <input checked="" type="checkbox"/> Pro-WEAI indicator	<input checked="" type="checkbox"/> Outreach disaggregated by gender, youth, indigenous peoples <input type="checkbox"/> Women reporting improved diets AND/OR Persons reporting improved nutrition knowledge	<input checked="" type="checkbox"/> Outreach disaggregated by age	
Human and financial resources	<input checked="" type="checkbox"/> Staff with gender TORs <input checked="" type="checkbox"/> Funds for gender activities <input checked="" type="checkbox"/> Funds for Pro-WEIA surveys in M&E budget	<input type="checkbox"/> Staff or partner with nutrition TORs <input type="checkbox"/> Funds for nutrition activities	<input checked="" type="checkbox"/> Staff with youth TORs <input checked="" type="checkbox"/> Funds for youth activities	<i>Based on the initial estimates PSAC has 24.1% climate finance (all of which is adaptation finance). The actual amount of climate finance is being calculated.</i>

c. Rationale for IFAD involvement

17. IFAD remains a trusted partner for the GoR, having successfully supported different development projects over 40 years, including exports of both traditional and emerging commodities. PSAC builds on IFAD's global and extensive experience in promoting pro-poor agricultural VCs.
18. Building on the rich experience and lessons learned gained from the implementation of the Project for Rural Income through Exports (PRICE), PSAC intends to be a transformative project focused on selected export-driven VCs (coffee, tea and various strategic commodities in the horticulture sector). Producing origin-based, certified, and premium quality products for export market provides important opportunities for smallholder farmers and producers organizations to enhance their income and revenue streams. PRICE introduced a wide range of new and innovative practices, which will be scaled up under PSAC.
19. The rationale for PSAC to support the identified export commodities is based on (i) the Government's will to keep the momentum created by PRICE in the coffee, tea, and horticulture sectors to further increase their competitiveness; (ii) the proved capacity of the NAEB, the implementing agency, to successfully implement PSAC interventions across different VCs through its Traditional Commodities Division (for tea and coffee), Emerging Commodities Division (for horticulture), Quality Assurance and Regulatory Division and Export Services Division[\[47\]](#); and (iii) the opportunity to effectively improve the livelihoods of smallholder farmers, by closing outstanding gaps that have been identified in each value chains, as further detailed below:
 - The coffee commodity is highly strategic as it represents in itself up to 25 per cent of Rwandan formal export earnings and it involves over 355,000 growers[\[48\]](#). Despite a steady increase in the exports of specialty coffee, there is still a need to rehabilitate old plantations[\[49\]](#), enhance climate smart productivity, strengthen producers' organizations, and ensure that all CWS are used at optimum capacity to be competitive and to deliver sustainable incomes to coffee growers.
 - In tea, although Rwanda has already raised its average yields, smallholder farmers and young cooperatives still need support to achieve their full potential. It is worth noting that the tea sector employs over 50,000 tea growers, mostly smallholder farmers[\[50\]](#). As demonstrated in the recently closed PRICE Project, sustainable partnerships between cooperatives and tea processing factories are key to the growth of this sector, and this requires continuous cooperative capacity building (esp. for new tea cooperatives) to ensure sustained productivity gains.
 - As for horticulture which is a more nascent sector, increasing investments since 2008 have started to yield returns for Rwanda. However, there is considerable scope to further develop this sector on the export market, as demand continues to grow for specialty products like chili peppers, macadamia nuts, french beans, avocados, essential oils, etc., for which Rwanda has appropriate agro-climate conditions and processing infrastructure that are not yet used at full capacity.
20. Leveraging other development partners' initiatives, PSAC will facilitate beneficiaries' access to tailored financial services, which is critical for sustainable agriculture VC development in Rwanda which is still underdeveloped.
21. PSAC implementation will provide opportunity for evidence-based advocacy which can influence existing policies and practices as well as the scaling-up of investments in the target VCs. Some of the potential areas are VC financing, engagement of women and youth in VCs, application of climate smart practices/technologies, Revolving Fertilizer Scheme (RFS), supply contracts with

the private sector, etc.

B. Lessons learned

22. The PSAC design was informed by lessons from IFAD's experience in Rwanda and other countries in the region. Particular attention has been put on the following lessons:
23. **Geographic concentration and focus on a manageable number of VCs.** Lessons learned from the PRICE project showed how challenging it can be to address several export commodities^[51] in nation-wide projects. PSAC will operate in a limited number of districts and will strive to limit itself to coffee, tea and horticulture. And within the horticulture sector, PSAC will focus only on those presenting the best prospects for improved competitiveness. PSAC will also prioritize interventions, aiming to contribute in resolving key bottlenecks, which can be realistically implemented within the project's timeline and available budget. In tea VC, cooperatives, which have already benefited from both Smallholder Cash and Export Crops Development Project (PDCRE) and PRICE projects, will only be considered for consolidation activities, especially gap filling in tea plantations, enhanced access to the Revolving Fertilizer Scheme and financial linkages.
24. **Better results can be achieved when adopting a community-led approach to produce seedlings.** Experience from PRICE showed that community-led approaches also increase beneficiaries' ownership, improves the availability of seedlings at their own local level, and provides additional IGAs. PSAC will use this approach in a systematic manner, with a specific focus on women and youth for seedlings production.
25. **Fruit tree survival rates need to be optimized and monitored.** PRICE^[52] has clearly shown that: (i) when fruit trees are distributed for free, ownership is very low; a minimal fee or at least in-kind contribution should be sought from beneficiaries to increase ownership; (ii) seedling distribution needs to be accompanied by proper follow-up, especially in the first two years and in drought-prone areas. PSAC will adopt these two recommendations, and a comprehensive proximity coaching programme will be established to ensure optimal survival rates.
26. **Necessary capacity building of cooperatives.** Whilst several cooperatives were either formed or rehabilitated, and supported under PRICE, some continued to face organizational and governance issues^[53], so further tailored capacity building is required. This will be delivered in PSAC by partners and/or experienced SPs that demonstrated a solid experience and tangible results in this type of interventions. In tea value chain, these partners include processing factories that have access to higher management capacity and capital.
27. **Mainstreaming business approach to target VCs.** PSAC adopts an inclusive agricultural VC approach that, beyond productivity and production, invests in linking smallholder producers to more profitable export markets, and building their capacities to graduate from (semi-)subsistence farming to (semi-)commercial status, practicing farming as a business (FaaB). This will also entail an enhanced access to financial services via multiple instruments - guarantee facility, insurance services, development of innovative financial products and tools suitable for the smallholders and agribusiness SMEs, and matching grants based on the proven facilities already developed in Rwanda portfolio^[54].
28. **Matching Grants (MGs), when thoroughly designed and managed, remain an effective tool to support smallholder investments.** To support scalable VC investments, it is key to develop partnerships with FIs and adapt solutions to VC economic needs. Performance-based grant facilities (PBGFs) that tie the grant to a loan proved successful in PRICE as it raised the appetite of the Partner Financial Institutions (PFIs) to lend to smallholder farmers for specific on-farm investments. The PBGF model also ensures beneficiaries' ownership since they first engage into a loan that they will have to serve in full before receiving the grant. The grant portion can also be adjusted to reach out to specific target groups, who are often neglected by financial institutions (e.g. youth, women). Setting a low cap (ceiling) in MG facilities helps to reach out to more smallholders, avoid elite capture and promote access to financial services. This proved to be very effective in PRICE as it triggered a large number of applications, the majority coming from smallholder farmers who accessed loans through SACCOS^[55].
29. **Ensuring effective VC financing approaches.** IFAD's Independent Office of Evaluation (IOE)'s corporate level evaluation (CLE) on Pro-Poor VC development^[56] recommends collaborate with organizations and impact investors, with a proven record in this area. For pro-poor VC development, the CLE recommends to develop the capacity of project management teams through partnerships with specialized partners and service providers.
30. **Adequate implementation capacity for successful project implementation.** The Single Project Implementation Unit (SPIU) has demonstrated capacity to implement complex and challenging projects. NAEB has also gained relevant expertise and capacity to lead the implementation of large projects and programme. Implementation capacity support will be provided right from the onset of the project to support implementing partners and Government staff in fine-tuning the project's poverty targeting/gender equality strategy, implementation mechanisms and Monitoring and Evaluation (M&E) tools. PSAC will have its own dedicated staff for M&E, Gender and social inclusion, and Knowledge Management (KM). Experienced SPs and strategic partners with proved solid experience have already committed to support project implementation (e.g. Cordaid, Heifer International).
31. **Rural youth wage employment can be promoted through integrated ecosystems that train and match youth with employers.** The IFAD-supported Agribusiness Hub grant in Rwanda has established a model whereby rural unemployed youth can successfully access wage employment opportunities through a pathway of skills building and matching services. The existence of a supportive ecosystem created by that grant is available to PASC to tap into in order to enable young women and men to access existing and emerging jobs as well as start or upgrade existing micro and small enterprises for the coffee, tea and

horticulture VCs.

2. Project Description

C. Project objectives, geographic area of intervention and target groups

32. PSAC focus will be on improving the competitiveness of the targeted VCs, through promoting: (i) gender sensitive and climate smart productivity enhancing technologies; (ii) reduction of post-harvest losses; (iii) inclusive infrastructural facilities and equipment support; (iv) use of climate-resilient agricultural practices; (v) backward and forward market linkages; (vi) enhanced quality control/assurance to ascertain compliance with export market requirements; and (vii) equitable access to financial services by using a VC approach. This approach is also expected to contribute to women's empowerment, through enhancing their social, physical, and human capital. This in turn can improve women's status within their households, communities and local institutions and provides avenues for engaging men and challenging inequitable gender norms. The targeted activities are also expected enhance youth employment, entrepreneurship and leadership and advocate for smallholder sensitive policy formulations.
33. The creation of new marketing opportunities through export support will boost economic prosperity in the country and help to reduce poverty, food insecurity and the burden of malnutrition. By promoting traditional horticulture commodities that are climate-resilient, locally adapted and resource-efficient, the project will contribute to climate change mitigation strategies. These value-added high-quality nutritious horticulture products will be embedded in sustainable value chains by creating efficient linkages between producers, processors, traders, retailers and consumers.
34. **The project goal** of the PSAC is: "to increase incomes of the rural poor, by supporting inclusive and sustainable agri-exports VCs".
35. **The Project Development Objective (PDO)** of the PSAC is: "to support the inclusion of rural poor in targeted export-driven VCs, by increasing their climate resilient productive capacity and market access".
36. **Target groups and outreach.** The main categories of beneficiaries will be targeted based on a number of mechanisms that are sensitive to the various needs and constraints of smallholder women and men farmers, as well as youth and specific vulnerable groups. PSAC will include complementary interventions meant to support its target groups' participation in commercial and inclusive VCs: (i) rural smallholder farmers, grouped as much as possible along Producer Organizations (POs)[\[57\]](#); (ii) off-takers processors/exporters, who can be cooperatives, individuals or rural SMEs sourcing their products from smallholder farmers. PSAC will mostly focus on existing actors with proven track record in inclusive VC development; yet new producers/off-takers will also be given an opportunity to benefit from project support, especially in the more nascent horticulture sector. The targeting mechanism will be based on the Ubudehe system[\[58\]](#), as is currently done for all IFAD-funded projects in Rwanda[\[59\]](#).
37. The revised estimation after concept note indicates that the main direct beneficiary group will be composed of 56,695 households (approximately 255,128 household members[\[60\]](#), of which 73,704 persons receiving direct project services). The project will also give priority to women (40% and 20% of women-headed households) and youth aged 16-30 (30%). It is important to note that the women and youth target populations are not homogenous groups in need of a one particular intervention with male farmers as a proxy. Instead, intersecting vulnerabilities of both women and men (young and old) need to be captured and addressed. Possible graduation pathways for the poorest (Ubudehe 1) and the most vulnerable households such as those with PWD and indigenous community will be explored and appropriate quota to be set during baseline.
38. **Direct and self-targeting.** PSAC will use a variety of targeting mechanisms to implement the project in pro-poor manner that is sensitive to the various needs and constraints of smallholder women and men farmers, as well as youth and specific vulnerable groups. PSAC will specifically target small-scale farmers who are subsistence and vulnerable poor, have limited access to resources, less than 0.5ha of land, and depend on crop production, seasonal labour or external support (Ubudehe category 2[\[61\]](#)) as well as market-oriented producers who have on average 0.5 ha or more, and have moved beyond subsistence farming, or are owners of small and medium-scale enterprises. In order to reach the poorest (Ubudehe 1), PSAC will look into addressing their barriers to participation in VCs and adapting the project to their smaller land size and asset bases. These targeting approaches are elaborated in detail in the draft Project Implementation Manual (Annex 8). Specific products such as small-scale investments for climate-resilient technologies and activities are developed with different benefits for the intended target groups. Individual youth seeking to access existing and emerging wage employment opportunities will be provided with individual support to establish or strengthen micro and small enterprises in target VCs. To avoid elite capture and to foster inclusive participation, PSAC will involve Umuudugudu committees in the beneficiary selection whenever appropriate. Individual farmers will also be considered on a case-by-case basis according to their role in the target VCs and the services they can offer to the community.
39. PSAC will use different instruments for VC financing to support VC players especially smallholders and vulnerable beneficiaries[\[62\]](#) which include: a) Horticulture Export Guarantee Fund which directly supports exporters to reduce cash flow problems thereby expected to benefit smallholders to get timely payment for their produce. Some exporters have also shown interest in providing inputs to smallholders based on their supply contracts; b) Performance based grant facility with more favourable conditions for women and youth; c) Develop tailored financial products by improving understanding of PFIs about PSAC VCs enabling more smallholders can get access to credit. This will help risk averse PFIs to promote new financial products and increase their lending to IFAD target group; d) PSAC will also develop leasing products for agriculture equipment to reduce the issues of collateral and investment risks in partnership with Cordaid. This instrument is particularly relevant for youth and

women who have limited collaterals and track record with financial institutions.

40. **Geographical targeting.** The project will target a total of 14 districts^[63] out of 30 districts across Rwanda, with a particular emphasis on the Western and Southern regions, which include some of the most vulnerable rural population. In addition, Kayonza district will be targeted solely for the purpose of conducting trials on new improved essential oils varieties, given the farm facility that is already in place to conduct such trials. The district wise crop specific details are presented in Annex 13.
41. The final selection of the districts and their respective sectors has been based on the following criteria: (i) high poverty rates and high rates of food insecurity; (ii) comparative advantage for the development of targeted export-driven VCs, such as the existence of a traditional production basin, the proximity of a strong market, and favourable agro-climatic conditions; and (iii) alignment and development of strategic partnerships with other development partners in Rwanda to avoid the duplication of investments and to seek complementarity among the proposed interventions.
42. Within the targeted districts the new plantations will be located on elevated areas. Currently the lower-lying plantations are already “marginal” in terms of producing quality tea due to rising temperatures and that the rising temperatures will further reduce the quality of tea and coffee as current growing areas will become too hot for growing the current varieties.
43. **Empowering measures.** PSAC will adopt empowering measures to encourage targeted HH to participate actively in the planning, implementation, and decision-making processes of the project initiatives by: i) utilizing gender-sensitive and participatory appraisal methodologies in the planning, implementation and monitoring of project interventions to ensure that the differential experiences and intersecting vulnerabilities of both women and men (young and old) are captured; ii) setting up a formal stakeholder feedback mechanism; (iii) using minimum participation quotas to ensure women (at least 40% and 20% of women-headed households) and youth (at least 30%) participation; and (iv) using quotas to ensure minimum levels of women's representation in consultation and decision-making processes related to the project.^[64]
44. **Enabling measures.** PSAC will adopt enabling measures to help create and sustain a policy and operational environment favourable to poverty targeting, gender equality, women's and youth's empowerment. This will include: (i) discussing targeting and gender issues at start-up workshop; (ii) building the capacity of PSAC project management and service providers; (iii) building the capacity of those involved in the community social mobilization and other service providers through trainings, and integrating GEWE considerations into this training; and iv) including targeting and social inclusion in the ToRs of the PSAC project management team. A dedicated officer in NAEB will be responsible for implementation of the project's targeting and social inclusion strategy, which will address all targeting, youth and GEWE considerations.
45. **Gender equality and women's empowerment.** PSAC recognizes that women are key to agricultural transformation, but various obstacles and economic constraints limit their development and contribution to their households and communities as earlier detailed under section 1.A.b. PSAC will address gender disparities and the key constraints, which limit women's participation in the selected VCs and expand women's economic empowerment by: (i) ensuring that women and men have equal access to project's interventions including addressing unbalanced workloads and targeting 40 per cent women as direct beneficiaries and 20 per cent women-headed households; (ii) increasing women's voice in decision-making at the household and community level and improving their representation and leadership in local institutions; (iii) increasing women's financial literacy and encouraging their economic empowerment and participation throughout the selected VCs; iv) and promoting gender transformative outcomes through addressing discriminatory social norms and structures. Rwandan Ministry of Gender and Family Promotion (MIGEPROF) will be involved to identify possible entry points for engagement in-country policy frameworks related to gender equality in the agricultural sector.
46. Furthermore, enhanced GALS will be used to empower beneficiaries (male and female) to set themselves realistic livelihood and life objectives to work towards considering common barriers and risks as well as opportunities that otherwise are not usually considered including gender inequalities that hinder household progression. The methodology tackles discriminatory social norms to generate gender transformative changes and improved intra-household gender relations. GALS+ will also be used to address livelihood challenges related to nutrition, climate adaptation and youth inclusion. Lastly, promoting an inclusive policy environment in the coffee, tea and horticulture sector will aim to tackle structural gender inequality on an institutional level.
47. In addition to targeting women as beneficiaries in their own right and addressing intra-household gender inequalities, the project will use gender-sensitive and participatory appraisal methodologies in the planning, implementation and monitoring of project interventions to ensure that entry and performance barriers as well as the differential experiences and intersecting vulnerabilities of both women and men are captured and addressed.
48. **Youth targeting.** The project will ensure that at least 30 per cent of the beneficiaries are youth and it will adopt youth-sensitive programming approach that focuses on enhancing access to productive assets, skills and basic services. Key areas include: i) developing youth entrepreneurs and supporting existing youth enterprises; ii) fostering access for young people to wage employment opportunities; iii) targeting youth groups to engage in specific opportunities suited for them across target VCs; iv) ensuring that youth voices are heard and considered in all relevant spaces across the project cycle. The project will capitalize on the youth employment ecosystem, created by IFAD's agribusiness hub grant in Rwanda, by engaging with the stakeholders involved in that programme to upgrade youth skills to meet the development of the coffee, tea and horticulture VCs. PASC will tap into the agribusiness hubs dual training, “matching services” (matching skilled unemployed youth with potential employers), and entrepreneurship supportive interventions.
49. The project will utilize existing labour market assessments and undertake new ones if necessary to understand how both young men and women can access job opportunities and tailor their skills to meet the gaps within labour markets. During the project start-up, the specific challenges of the different age sub-groups^[65] will be further analysed. This is particularly relevant since: (i) the project is targeting young people aged 16-18 are a particularly vulnerable age group that will require specific attention and complemented activities for their full socio-economic empowerment; (ii) the project target group includes youth up to 30 years old,

with therefore higher level of heterogeneity. Further assessment of youth socio-economic traits to take into duly consideration of their heterogeneity and ensure that equal attention is provided to younger youth (16-18 / 19-24) and older youth (25-30) will be conducted design skill enhancement and financial packages that are tailored to the socio-economic profiles, challenges, and aspirations of the different age sub-groups within the youth project cohort.

50. Wage and individual self employment opportunities will be facilitated through the establishment of linkages with an ongoing IFAD Agribusiness hub grant led by Kilimo Trust and participating partner organizations, including the Rural Youth in Agribusiness Forum (RYAF), a network of Integrated Polytechnic Regional Colleges (IPRCs) and Technical, Vocational Education and Training Institutes (TVETs), the Business Development Fund (BDF). The partnership will enable PSAC to access the matchmaking and entrepreneurship support facilities established by the Agribusiness Hub grant.
51. New partnerships will be explored with Rwanda's Skills Development Fund (SDF) and FONERWA Rwanda Green Fund (RGF). Potential entry points for rural youth groups may include community-based nurseries, organized groups of pluckers and certification trainers. Finally, the project intends to hire young women and men graduates for the positions of NAEB focal persons in each district.
52. **Vulnerable households targeting.** PSAC will develop specific interventions to support elderly in the rehabilitation processes of plantations, for instance by mobilizing youth groups in the process of uprooting coffee trees and replanting new ones. While it would be difficult for such an export-oriented project to have a specific focus on PwDs, PSAC will however strive to work with PwDs who have the potential to take advantage of improved access to assets and opportunities for agricultural production and IGAs^[66].
53. Further caution will be taken to ensure that social risks associated with the various target groups are mitigated. The Environmental, Social and Climate Management Plan (ESCMP) matrix identifies potential social risks such as GBV, child labour, elite capture and provides mitigation actions that the project will follow.
54. **Nutrition pathways.** PSAC will mainstream three specific nutrition related approaches into the value chain activities. The first approach builds on increased income to be associated with nutrition education and Social and Behaviour Change Communication (SBCC) activities. The second approach relates to women's empowerment in ways that improve nutrition. This consists of different interrelated elements, such as women's use of income for food and non-food expenditures, the ability of women to care for themselves and their families, and women's energy expenditure. Lastly, PSAC will establish linkages between horticulture cooperatives and WFP HGSF programme. Partnership with WFP is expected to address nutrition enhancement in project target districts and catchment areas, but also to create stable markets, boost local agriculture, impact rural transformation and strengthen local food systems.

D. Components/outcomes and activities

55. The project outcomes will be achieved through the implementation of three inter-related components: (A) Enhance smallholders' climate smart production and productivity in selected export-driven value chains; (B) Enabling business environment along selected export-driven value chains; and (C) Policy support and coordination. Due to the specific features of each export-driven VC, their respective interventions and implementation modalities across the components will be adapted to close identified gaps (see Annex 12 – VC analysis) and ensure optimum competitiveness.

Component A - Investments to enhance climate smart production and productivity of selected export-driven value chains

56. This component will support the intensification and improve the competitiveness of the production levels of the selected export-driven VCs through targeted investments along two sets of interventions as detailed below:

Sub-component A.1 – Support smallholder farmers' production and productivity

57. This subcomponent (SC) will focus on expansion and rehabilitation of plantation areas, supported by the development and adoption of innovative climate-resilient technologies and practices. The targets are 4,132 ha for coffee^[67]; 2,410 ha^[68] for tea and 1,700 ha for horticulture^[69]. These interventions will entail the use of community-based nurseries for the production of seedlings, building on the lessons learned from PRICE project that demonstrated better effectiveness, ownership and value for money using this approach, as well as a clear impact in terms of income generation and empowerment of the core project target group. PSAC will target women and youth for community-based nurseries with a specific strategy^[70] to create their foot-print in the VC and enable them to engage in a profitable IGA. In terms of varieties, improved coffee varieties and tested GxE tea clones, developed under PRICE, will be used, whereas in horticulture, grafted seedlings of the most demanded varieties will be promoted.
58. **Development and adoption of innovative climate-resilient technologies and practices:** The project will promote climate-resilient innovations and practices as well as energy and resources efficiency along the selected VCs. This will be done through a combination of tailor-made capacity building and investments to support addressing the main challenges in the selected VCs.
59. In coffee, a study will be undertaken at project inception to determine the most cost-effective strategies in coffee processing and coffee production. The project will also support the introduction of the coffee drying parabolic structures, which has been successfully developed in Kenya, to address the challenges of increasing wet periods at harvest time that are considerably affecting the quality of the coffee processed in cooperative-owned CWS. In addition, PSAC will catalyze high-level adoption of new production practices and technologies, by conducting an ambitious training program, combined with proximity extension services, targeting up to 50 per cent of active coffee growers in targeted zones (see also Component B). Furthermore, PSAC will introduce the use of both live mulching and other mulching materials, shade trees, and coffee intercrops with other crops as environment-friendly practices.

60. In tea, PSAC will aim at fast track-tracking the goal of 100 per cent self-sufficiency for wood fuel in factories. Whenever feasible, the tea cooperatives will be supported to practice agroforestry along contours and boundaries on tea farms, using suitable tree varieties to mitigate CC effects. PSAC will support farmers to establish 2,042 ha of agroforestry^[71] through cooperatives and its members, which have adequate land to plant recommended trees, without interfering with tea productivity or the risk of introducing diseases like armillaria root rot.
61. In horticulture, the project will use a community-based approach for the production of avocado and mango seedlings. The project will also invest in capacity building of the nursery operators through intensive, practical training and close follow-up. Rwanda Agriculture and Animal Resources Development Board (RAB) trainers will be involved and will work jointly with the district authorities to source healthy rootstock. The approach of consolidated plantation and cluster based plantation^[72] of fruit trees with titles in the name of smallholders will be used to facilitate production at scale, manage certification process, improved access to market, and develop necessary infrastructure.
62. Engagement of youth and women in tree crops will be supported with the establishment of new farms, as established tree crop farms tend to be owned by men who are beyond the youth age threshold. The project will encourage their access to land through community-based sensitization and, where communal / state land is available, requiring that small adequate plots be attributed to these groups. Women-headed households with proved lack of male labour power will be supported in clearing their plots.
63. Access of adequate fertilizers for tea cooperatives: In year 2020/21, 8,000 MT of fertilizers were targeted for application but the target was surpassed and 11,895 MT were applied in plantations. It is noteworthy that the Revolving Fertilizer Scheme (RFS) started by PRICE has continued to operate satisfactorily, according to NAEB. Productivity achievement was 6.86 MT/ha against a target of 7 MT/ha by end of PRICE. NAEB with FERWACOTHE (Union of tea cooperatives) shall conduct a performance review of RFS within the implementation parameters set out in the concept paper and share the report to enable IFAD and GoR to pick up lessons and plan for scaling up the scheme under PSAC. If the review is confirmed favourable, PSAC will invest US\$ 2 million to scale up the RFS to new cooperatives, with the objective of supporting young and new cooperatives to achieve higher yields that are closer to the national productivity average^[73]. The RFS will also serve as an incentive to new farmers, who will now produce substantial quantities of green leaf for sale to factories by year 3, which will provide them with new monthly income.

Sub-component A.2 - Improvement of rural infrastructure facilities and equipment at cooperative and exporters' level

64. PSAC will address the key infrastructure and equipment gaps that are hindering smallholder cooperatives/POs in each export-driven VC^[74]. The rehabilitation of 323 km of feeder roads in tea production areas, considered in initial concept note but assessed as beyond the financial capacity of the project, will be replaced by the support for the acquisition of trucks to fast-track delivery of fresh tea leaves, making sure co-operatives develop and implement effective operating and maintenance plans. The investment in an Avocado grading line at NAEB packhouse and software system for green tea leaves' collection as well as payment records will be supported by the project. Acquisition of Complete Soil and Water Testing Kit (Palintest), which are key to control the effluent wastes and fertilization levels in the coffee VC.
65. PSAC will also strive to address some of the recurrent constraints observed in specific crops, including for chili, which is already enjoying a steady demand, but is affected by quality problems at both fresh and dry stages. This will be done through three identified technologies – Chili solar dryers and protective agriculture (i.e. greenhouses, shade nets, walk-in tunnels) to meet the export quality requirements and efficient irrigation technologies (EIT) to overcome the challenge of recurrent drought periods and to ensure high survival rates in fruit tree plantations. However, PSAC will not directly invest in chili solar dryers and EIT since these investments are addressed by the upcoming World Bank (WB) Project “Commercialization and de-risking for Agricultural Transformation” (CDAT) investing US\$ 12.61 million to the horticulture sector. NAEB and the district authorities will however strive to keep track of how its specific beneficiaries' demand for solar dryers and EIT are being addressed. PSAC will also benefit from the CDAT support to RAB to continue its applied research to release improved chili varieties adapted to Rwandan context and demanded by the market.
66. Two types of small-scale climate-resilient investments (e.g. units of protective agriculture^[75] and eco-friendly coffee drying technologies) will be supported by a PBGF along the same model as the one piloted under PRICE, and further developed under the Kayonza Irrigation and Integrated Watershed management Project Phase II (KIIWP2). This model will involve the compulsory matching of the grant to a loan, as earlier mentioned under lesson learned section. More favourable conditions will be made for women and youth in order to alleviate the usual barriers they are facing when they seek loans, and thus increase their inclusion. The detailed implementation modalities of the different grant windows are provided in Annex 8 – PIM.
67. Other investments will include: (i) Basic facilities, tools and equipment to acquire certification; (ii) Medium-scale protective agriculture; (iii) Proper effluent and solid waste handling facilities.
68. Additional strategic investments in tea have been proposed by NAEB to boost value addition to increase the national revenues from tea and increase farmers' take-home income. Specifically, PSAC will support the undertaking of a full economic and financial analysis (EFA) and the development of Business Plans (BPs) for the promotion of secondary processing of tea. PSAC will then widely disseminate the results of this EFA and BPs, for potential investors to come in and invest jointly with RTA. This is in line with the GoR privatization agenda where Rwanda Development Board (RDB) entered into agreements with new tea factory owners indicating that they would be required to pursue value addition. To date, the level of in-country value addition to Rwanda tea is limited and has barely impacted the average price of Rwanda tea. The investment in value addition or blending for export will help the country to introduce an additional sales channel which will contribute to bridging the gap between top earning cooperatives/factories and the lowest earning ones as a result of premiums earned and selling costs that will be avoided by making use of the online platforms and development of new customer relationships.
69. All investments foreseen under Component A will be made in compliance with the procurement rules set in the IFAD Procurement Handbook. All investments involving a grant will be supported under component B for business planning and

linkage to financing, in addition to the overall capacity building support to be provided for improved cooperative governance and enhanced technical and business skills. The aspects of ownership and management have been considered for major interventions related to the improvement of rural infrastructure and equipment. It has been done through: a) provision of matching grants after piloting and demonstration of new technologies (such as coffee drying units) so that community groups can own such units; b) maintenance fees from cooperative members for using the facility; c) upfront contribution from tea cooperative members towards maintenance of vehicles.

Component B - Enabling business environment along selected export-driven value chains

70. This component will enhance the competitiveness and sustainability of the targeted VCs by improving smallholder value chain actors' access to advisory services, sustainable markets and financial services.

Sub-component B.1 - Capacity building of Producer Organizations (POs)

71. The cooperative movement in Rwanda has been a strong entry point for farmers' inclusion and empowerment, and it will remain central to PSAC overall approach. The smallholders engaged in coffee and tea VCs are already organized in POs but there is a variation in their operational and management capacities. POs engaged in coffee are all linked to coffee washing stations (CWS) some of these are owned by farmers' cooperatives whereas others by private sector players. POs active in the tea VC are associated with tea factories. As compared to tea and coffee, POs in the horticulture VC are at the nascent stage. PSAC will promote partnership between exporters/public entities with POs through supply contracts.
72. In the target districts, support will be provided to both established cooperatives, especially the ones that have been identified as weak in previous assessments made under PRICE, and new cooperatives, out-grower schemes, and farmer groups that will be formed to accompany the expansion of certain crops as foreseen under component A. Issues to be addressed will focus on: (i) governance, decision-making process and management; (ii) price-risk management and hedging in well-developed cooperatives intending to engage directly in the export business; (iii) deductions and take-home income for farmer members; (iv) planning, infrastructure development, operations and reporting; (v) membership policies; (vi) internal control processes; (vii) group dynamics, gender equality and youth engagement; (viii) climate change adaptation approaches; (ix) environmental and natural resources management; (x) optimal fertiliser application/use of organic fertiliser; (xi) waste management; (xii) pesticides and pest management; (xiii) collaborative policies within a VC; (xiv) economies of scale/common services strategies; (xv) business planning & implementation plans.
73. Support will be provided directly by partners and/or experienced SPs that have demonstrated a solid experience and tangible results in this type of interventions. Cordaid (formerly ICCO) will contribute financially and technically along this range of interventions. Other SPs will be recruited on a competitive basis. Cordaid will leverage on its previous STARS project to spur the development of an entrepreneurial farming mind-set among PSAC beneficiaries. In particular, it will assist farmers to acquire a better understanding of market demand and gross margin calculations to assess crop profitability, plan their production accordingly and prepare their grant applications. A FaaB training module will be developed by Cordaid and incorporated in the FFS curriculum so that FFS members can acquire these skills. The frontline staff in target districts, as well as FFS Facilitators will be systematically involved in the FaaB training to ensure a spill-over effect and sustainability beyond the project's life.
74. Furthermore, during the project implementation, PSAC will leverage the special initiative launched by IFAD's Private Sector Advisory and Investment Unit (CACHET: Climate and Commodity Hedging to Enable Transformation) to build price risk management capacities of local cooperatives, especially in the target VCs.
75. The FFS approach, strengthened by proximity coaching, will be mainstreamed along all technical capacity building, starting from seedling plantation and up to post-harvest handling and processing. PSAC will make use of the Lead Farmers and Training of Trainers (ToT) agents formed under PRICE. New FFS will be organized across all selected export-driven VCs engaging with all the producers through more than 1,600 FFS (1,300 in coffee, 108 in tea and 225 in horticulture VC).
76. In the horticulture sector, this will be combined with the "innovative training" approach developed under PRICE, that involves directly the off-taker (exporter) for the macadamia, French beans and chili crops. As for the other crops foreseen for the domestic/regional market (e.g. tomato, garlic, onion, carrots), PSAC will enter into a partnership agreement with Heifer International along three key interventions: (i) climate smart and resilient horticulture production; ii) capacity building for smallholder farmers^[76]; and iii) product diversification and access to markets^[77]. The engagement with Heifer will ensure participation of poor households who may be left out of the project, facilitate crop rotation, reduce risks of price fluctuations (of export crops) on poor HH and enhance the capacity of participants to move from subsistence agriculture to commercial agriculture.
77. The project will also engage with the Horticulture Center of Excellence (HCoE), especially to transfer protective agriculture technologies, avail services such as scions for grafting and seedlings when there is a gap in seedling production and training to selected lead farmers in green house management as per arising needs.
78. In coffee, Technoserve (TNS) is already working with NAEB and BK Techouse to include an extra module of the Smart Kungahara System (SKS) for management of farmer data and extension/advisory services to farmers from farm to CWS. The project shall collaborate with TNS to reach out to more as they are working with only few cooperatives in five out of the six districts of PSAC. In addition, PSAC will support the coffee zone policy initiated by the Government, as one of the strategies that is intended to help increase cherry volume and spike increased performance by dedicating a specific CWS to a specific zone. The move intends to also have organized and formalized groups that make up a zone and which shall be loyal to CWS to which they supply their cherry. It is to be noted that NAEB has already mapped out all the zones and produced lists of farmers per zone, allocated them to CWS. The approach in PSAC to use local district authorities can come a long way in the enforcement of the zoning policy.

79. In tea, PRICE had targeted to implement a cooperatives turnaround plan in the tea value chain with the objective of increasing the efficiency of operations and overall business performance of tea cooperatives. Reducing costs will subsequently increase the take-home income of farmers. The management and capital capacity of Ferwacothé will be enhanced in order to reduce cooperative operations costs through development and adoption of a common services model to serve all cooperatives. This will be guided by an expert/SP who has experience in designing and delivering common services required by producer organizations within the tea value chain at a national scale. The services will be offered for a cumulative period of 12 months spread out within the period of the project or as reviewed during the MTR.
80. Quality control and market-driven certification: Outreach to high-end export markets often requires intensive quality assurance, quality control and specific certifications. PSAC support will revolve around three pillars: (i) closing the remaining equipment gaps[78] that hamper the accreditation of certain testing services at the NAEB laboratory; (ii) creating a national pool of various voluntary standards certified lead trainers and, whenever possible, their graduation as certified auditors to ensure availability of these key human resources in-country; and (iii) supporting on cost-sharing basis the certification process at both cooperative and private sector level, as long as these certifications are assessed as providing real value addition and being sustainable after the withdrawal of project support. PSAC shall also support training of local coffee quality specialist from CWS downstream on the coffee value chain targeting mainly the youth to become coffee processing specialists, barristers, coffee grading quality specialists. More Q-graders shall be trained[79].

Sub-component B.2 – Backward and forward market linkages

81. A major milestone has been achieved under PRICE with the development of the Rwanda coffee brand, Rwanda Tea brand, and Rwanda Fresh brand in fruits and vegetables. Besides the usual showcasing of the various brands at the international markets, through trade fairs and exhibitions, which the project will continue to support, there is need to look into strategies to further promote these brands that display the uniqueness of the Rwandan produce.
82. In the coffee VC, this will involve the implementation of appellation findings, enhancing production of traceable certified; participation in the National, Regional and International coffee events and competitions; implementation of the E-Marketing Forum based on findings previously supported by PRICE.
83. In tea, PSAC will consider the development and dissemination of an implementation plan for the existing online tea trading platform and support its initial operationalization and stabilization. Financial products will also developed to support the platform stakeholders. It will also be crucial to develop/improve the national tea marketing strategy in order to fully exploit inherent qualities and cultural attributes of the Rwandan tea ecosystem to promote and showcase Rwandan teas on the international scene as a much sought-after ingredient in popular global tea brands. Collaboration with RDB in developing this strategy will be important.
84. In horticulture, which is a more nascent sector, most of the new exporters that have appeared in the past three years or so are not well acquainted with the market dynamics, and many have been affected by unsettled bills. To support in addressing this problem, PSAC's support will be threefold: (i) improve the exporters' understanding of the international business environment, quality controls and clients' requirements, through dedicated training sessions; (ii) participate in international horticultural promotional events; and (iii) hire market agents/facilitators who will be posted in a few key diplomatic missions (e.g., UK, Belgium for EU, Dubai for Middle East, DRC for Central Africa) to facilitate in-country market intelligence and trade procedures. This innovative way to support Rwandan exports will be done in partnership with the Ministry of Foreign Affairs and International Cooperation (MINAFFET).
85. The project, through its business development services, spearheaded by Cordaid, will in overall ensure that the smallholder farmers cooperatives are actively engaged with the exporters, through mutually benefiting supply contracts. Backward linkages with input suppliers will also be facilitated to ensure timely and affordable delivery of key inputs. As an illustrative example, in tea, the Sorwathe tea factory is providing farmers with loans to develop organic tea farms under Hillside Organic Tea (HOT) cooperative. A grace period of 6 years has been factored in the loan while over 350 ha have already been developed under this model. PSAC will strive to study the success factors behind this model of access to farm inputs through supply contracts and to explore its potential for scaling up through financial institutions.
86. Enhanced access to financial services To facilitate the targeted VC stakeholders' access to financial services, PSAC will: (i) support the quality and outreach of rural financial services by financial institutions and (ii) build the capacity of the target groups to access financial services. These interventions will be aligned with the above-described BDS Package and MGs, so to ensure bankability of the BPs and to facilitate beneficiary's contributions to MG investments. The overall PSAC access to finance strategy is to enable commercial long-term financing to support the growth of project's best practices in the VC, to ensure sustainable long-term development impact.
87. Partner Financial Institutions (PFIs) will be selected using pre-agreed criteria, which include but not limited to: (i) FI strategy to increase agri-finance; (ii) FI capacity and willingness to finance export agriculture value chain stakeholders; (iii) FI overall financial standing and institutional capacity to service PSAC clients; and (iv) FI appetite to adopt innovative financial products and tools suitable for the smallholder and agribusiness SME sectors[80].
88. To strengthen the target groups' financial literacy skills, PSAC, together with Cordaid, will develop an FFS module for financial literacy for smallholder households. The activity will include: (i) a preliminary assessment of average farmer financial knowledge in the target areas, assess mechanisms/channels of delivering financial literacy modules disaggregated by age and gender; (ii) collaboration with targeted financial institutions to deliver financial literacy modules that will be linked to farmers accessing and uptaking various financial products such as savings for inputs, value chain loan products, agriculture insurance, farmer payments; (iv) training on simple business development skills such as record keeping, financial management, product marketing; (v) training on green financing opportunities; and (vi) training on borrowing modalities, interest rates, collateral requirements, bank

transactions, payments, and use of mobile and digital banking. More advanced and targeted financial literacy trainings will be provided to agribusinesses.

89. In parallel, considering the risk averse nature of PFIs about agriculture sector, it is essential to improve their knowledge about the project value chains and sharing available financing mechanisms. PSAC in partnership with Cordaid will work with the PFIs to develop and strengthen their innovative and client-oriented agri-finance products for MSMEs and smallholders in the identified export VCs, including equipment leasing and asset financing. Digitalization of financial services for smallholders and cooperatives in order to reduce transaction costs, increase efficiency and sustainable access to finance will be promoted. PFIs will also receive institutional capacity building to strengthen their local agri-finance capacities. Particular attention will be given to Green Finance lending products. Environmental and Social Management System (ESMS) will be strengthened for all PFIs. The project will also facilitate young entrepreneurs' access to financial products through partnership with the Business Development Fund (BDF) as part of the existing agribusiness hub ecosystem.
90. PSAC will facilitate the PFIs to access resources from private and public sector wholesale financiers for on-lending to PSAC targeted VCs. The main target for mobilizing this private financing is the IFAD Private Sector Financing Programme's (PSFP) upcoming Africa Rural Climate Adaptation Finance Mechanism (ARCAFIM), which is currently under design and foreseen to also target Rwanda. Other anticipated sources of financing may include the Development Bank of Rwanda (BRD), ABC Fund, Rabobank, including Green Finance dedicated financial resources by these institutions.
91. PFIs financing horticulture sector agro-export companies will also be supported by the existing Horticulture Export Guarantee Facility (HEGF) of US\$ 500,000 hosted by the BRD, which has been formulated and piloted under the PRICE project with initial results, which are not yet in large scale. During the first half of project duration, PSAC will support the HEGF with targeted technical assistance for increased uptake and outreach of the Facility. The intervention will involve an institutional capacity needs assessment to deliver on the HEGF, high quality technical assistance to implement the identified required improvements, and design of specific targets coupled with a monitoring and evaluation framework to ensure that intended results are achieved. At MTR, with the condition that improvements were successfully completed, the project can increase the HEGF resources by an additional amount of up to US\$ 500,000.
92. Through the package of rural finance support interventions, *PSAC target is to facilitate commercial investments from the PFIs into the project VCs*. The overall objective of the project's de-risking interventions especially the tailored technical advisory services, matching grants and the strengthened HEGF, is to mobilize investment finance available to the targeted sectors. The facilitated investments by PFIs will be targeted to enable the US\$ 3 million of private sector co-financing of the Matching Grants, as well as an expected additional amount of US\$ 2.5 million targeting the VC stakeholders. In overall the project is expected to contribute to expansion of financing of the coffee, tea and horticulture sectors, with expected 120 per cent, 100 per cent and 80 per cent growth by end of the project, respectively.

Component C - Policy support and coordination

93. Coordination in PSAC is addressed under the below section '4.Implementation'. PSAC will play critical role by providing support to develop high quality briefs to inform policy processes. Considering the existing level of investment, policy briefs and evidence-based results through projects. PSAC will inform MINAGRI's budget allocation process for agriculture export commodities. It will closely work with other development projects/agencies to advocate on policy issues for the development of selected VCs. Some of the immediately identified issues are access to packaging material, increasing air-freight capacity and supply contact-based business models.
94. In the coffee VC, PSAC will support Coffee Exporters and Processors Association of Rwanda (CEPAR)[\[81\]](#) to improve the efficiency and competitiveness of the coffee VC. The project will also support Coffee roundtables to assess the gaps in the VC and provide inputs for policy formulation.
95. In the tea VC, PSAC will focus on: i) consolidation of the implementation framework of three platforms - National tea register, National tea brand and E-commerce, developed under PRICE but still incomplete. Support will be provided to NAEB to consolidate implementation activities including the National Tea Code of Practice and Awards where producers and buyers would participate as a means of building trust in the brand (supply side activities), and quality of services (buyer side activities); ii) define and formalize the commercial relations between tea factories and cooperatives, broaden tea cooperative membership rules, define tea planting zones (putting limit on catchment radius between tea farms and factories) and develop profile of an ideal tea farmer to ensure minimum economic tea production per farmer, and iii) development of a strategic roadmap to increase the levels of value addition and boost earnings of cooperatives and factories by NAEB.
96. Horticulture district level VC platforms will be formed to identify ground level problems, policy-related issues and solutions, while developing local leadership in VC involving women and youth. These platforms will be initially convened by the District Director of Agriculture and will facilitate the process in such a way that a natural structure for the platform emerges over a period of time. Additionally, project will also support horticulture exporters' working groups to deliberate on issues affecting the VC development and identification of solutions.
97. PSAC will also contribute to promoting an enabling rural finance environment. The GoR, through Access to Finance Rwanda (AFR) is currently developing a new Rwanda Agriculture Finance Strategy, not yet released at the time of design. To ensure an enabling agriculture finance environment, especially for export agriculture, PSAC in collaboration with Cordaid and AFR will support the establishment of a platform to coordinate the implementation of the final strategy, guaranteeing wider stakeholder engagement.
98. The policy interventions are aimed at improving competitiveness of the selected VCs with focus on regional and international markets. The improved competitiveness will lead to scaling up. The platforms such as CEPAR, district level VC platforms will play a critical role in promoting scaling up as they regularly assess existing bottlenecks in supply/demand, also highlighting policy

issues affecting VCs. The process of scaling-up activities will be led by NAEB through its coffee, tea, horticulture and emerging commodities departments. It can also facilitate the promotion of innovations such as CACHET to build price risk management capacities of local cooperatives, especially in the targeted VCs.

99. It is to be noted that being a Gender Transformative project, PSAC will support policy processes related to Gender Equality and Women's Empowerment (GEWE) in the target value chains. The project will work closely with MIGEPROF to identify possible entry points for engagement in country policy frameworks related to gender equality in the agricultural sector (e.g. support in GBV mitigation, ensuring new agro-export policies are gender responsive based on lessons learned from PSAC and other projects).

E. Theory of Change

100. PSAC Theory of Change (ToC) is based on the assumption that poor smallholder farmers are able to equitably increase their productive capacity, their resilience to economic, environmental and climate-related risks and their access to markets through their direct inclusion in export-driven value chains in 14 districts of Rwanda. PSAC will support smallholder organized in groups by equipping them to enhance their knowledge, skills and practices to participate at different levels of the coffee, tea, and horticulture value chains. PSAC will address the needs of its target group through a comprehensive support package that includes technical and financial literacy skills development packages, as well as linkages to markets and financial services. PSAC has 24.1 per cent of climate (adaptation) finance which is integrated with VC intervention measures to enhance beneficiaries' resilience and contribute to poverty reduction through agricultural productivity improvement.
101. Youth unemployment in agriculture is mostly related to lack of access to productive assets and natural resources, goods and services; lack of knowledge and technical and business skills; a negative perception of agriculture among youth and non-conducive environment for youth involvement in agriculture and agribusinesses. Key pathways for youth engagement and empowerment include: fostering access to wage employment opportunities in targeted VCs, orienting youth about VC approach (e.g. internship opportunities) and creating space for youth leadership development in the targeted VCs, orienting youth about value chain approach (through internship opportunities) and creating space for youth leadership development in the targeted VCs, providing grant and credit support with more favourable conditions for youth and financial products tailored to their needs. As the project is expected to contribute to the broader development of the target value chains, it will tap into the ecosystem created by the Agribusiness Hub grant in the country to provide support to individual youth to access wage and self-employment. This will be done through a partnership with Kilimo Trust and its partners.
102. Promoting gender transformative change requires a focus on a broader set of factors with direct or indirect influence on women's opportunities to engage in and benefit from value chains addressing root causes of gender inequality. Five different pathways for women's empowerment and gender transformative outcomes are part of PSAC's TOC. Firstly, the project will create economic opportunities (e.g. community-based nurseries), expand plantation areas dedicated specifically to women and improve women's access to finance. These interventions will improve women's access to and control over productive assets, inputs, produce, financing and capacity building opportunities. Secondly, PSAC enhance women's professional confidence through trainings, create spaces for collective action and strengthen their role in business management of POs which is expected to also improve women's positioning and bargaining power within the selected value chains and to enhance their representation, voice in decision-making and leadership in producer organizations. Thirdly the introduction of gender sensitive and climate smart productivity enhancing technologies will address women's time poverty and increase their participation in productive activities. Fourthly, the enhanced Gender Action Learning System (GALS+) will be implemented to tackle discriminatory social norms and to generate gender transformative changes and improved intra-household gender relations. GALS+ will also be used to address livelihood challenges related to nutrition, climate adaptation and youth inclusion. Lastly, promoting an inclusive policy environment in the coffee, tea and horticulture sector will aim to tackle structural gender inequality on an institutional level. The visual presentation of the ToC is in Annex 2.
103. Building on evidences from past IFAD projects in the country, PSAC will organize beneficiaries into groups and provide them the support they require to produce and market their goods efficiently, effectively and sustainably within the VCs. Through Component A, the production support will involve expanding planting areas, and improving access to seeds, fertiliser, climate-resilient technologies; plus, key infrastructure for processing and transport. To capitalize on this enhanced production and productivity, through Component B the project will organise producers into groups and strengthen the group's capacity to market their goods, access financial services, form business linkages, and support their members. This marketing support to the groups will be strengthened further by improving branding, and training on export markets, and access to digital marketing platforms. It is expected that the two components will form a virtuous cycle, whereby productive smallholders channel their goods through well-functioning producer groups, helping the group to grow, thus continually increasing demand for producers' goods, as well as their access to capital and services to re-invest in production and marketing. Cutting across the production and marketing activities, Component C through policy support will aim to facilitate a more conducive environment for smallholders and their groups, as well as the wider VCs targeted by the project, in particular in terms of access to services, including financial services.

F. Alignment, ownership and partnerships

104. **Alignment with Sustainable Development Goals (SDGs) and national priorities.** PSAC will be aligned to the SDGs related to the agriculture sector, especially: SDG 1 (no poverty); SDG 2 (zero hunger); SDG 5 (gender equality); SDG 8 (decent work and economic growth) and SDG 13 (climate action). The SDGs are fully owned by the GoR and integrated in national strategic frameworks, notably 'NST 2017-2024' and 'Vision 2050'. PSAC will contribute to Rwanda's achievement of several SDGs as it is fully aligned with Rwanda's PSTA 4 and Vision 2050 under the Pillar III: Transformation for Prosperity through supporting agro-processing and technology-intensive agriculture with a commercial focus. PSAC is also aligned with the NAP 2018, the National Policy on Promotion of Cooperatives, the Post-Harvest Sector Strategy, and the National Strategy on Climate Change and Low-Carbon Development. PSAC is expected to respond directly to the implementation of GoR's decentralization strategy by closely

coordinating with NAEB and the Local Government Authorities in each target districts.

105. **Alignment with IFAD policies and priorities.** PSAC is well-aligned with the Country Strategic Opportunities Programme (COSOP) 2019-24 with its overall objective being to support the inclusion of rural poor in targeted export-driven value chains by increasing their climate resilient productive capacity and market access. PSAC contributes to SO1: to sustainably increase agricultural productivity in priority food and export value chains; and SO2: to improve post-harvest processes and strengthen market linkages. PSAC also strongly reflects IFAD's key mainstreaming areas with a strong focus on gender, youth, nutrition, environment and climate change.
106. PSAC will address gender disparities and the key constraints by: (i) ensuring that women and men have equal access to project's interventions including addressing unbalanced workloads and targeting 40 per cent women as direct beneficiaries; (ii) increasing women's voice in decision-making at the household and community level and improving their representation and leadership in local institutions; (iii) increasing women's financial literacy and encouraging their economic empowerment and participation throughout the selected value chains iv) and promoting gender transformative outcomes through addressing discriminatory social norms and structures. PSAC is also expected to enhance youth employment, entrepreneurship, leadership, and advocate for smallholder sensitive policy formulations.
107. **Harmonization and Partnerships.** Partnerships are envisaged during implementation with relevant Government specialized agencies notably: (i) MINALOC, (ii) RAB, (iii) MINAFFET, (iv) MIGEPROF, (v) BRD, (vi) BDF, (vii) Rwanda Environment Management Authority (REMA), (viii) Rwanda Standards Board (RSB), (ix) Rwanda Cooperative Agency (RCA), and (x) HCoE. As earlier indicated, the project will also be engaged into *specific partnerships with Cordaid and Heifer International* as key implementing partners. Government of Spain (GoS) expressed interest to co-financing the project, thus the government proceeded with the formal request to the GoS.
108. Government's efforts to address children's hunger during the school day and to expand access to educational opportunities to disadvantaged children are supported mainly by the WFP Home-Grown School Feeding Programme (HGSFP). In this context, the WFP will be a key partner of PSAC in order to link horticulture cooperatives with the HGSFP.
109. PSAC has already established several strategic partnerships which will maximize the opportunities for knowledge sharing and south-south triangular cooperation. One of the implementing partners, Cordaid, for example, is the recipient of a SSTC grant covering Rwanda and Kenya on access to financial services and market linkages. Heifer International has operations in several African countries as well as in Asia and LAC, as well as through the network established by Kilimo Trust in East Africa. The linkages with the CACHET project will allow PSAC cooperatives to learn from other countries' experiences in price risk management. In addition, best practices and south-south learning from the first phase of the Joint Programme on Accelerating Progress towards the Economic Empowerment of Rural Women (JP RWEE) will be adopted.
110. Synergies will be sought with other ongoing or upcoming programmes such as the just-launched USAID KWA project, the CDAT funded by WB and the 'Smart Food Value Chain Management Project (SFVCM)' funded by KOICA planned to be rolled out in 2022-2026. PSAC will have the opportunity to tap into this wide range of expertise and knowledge, leveraging South-South knowledge exchanges through learning events and peer-to-peer exchanges. Potential partnerships and synergies with similar programmes are summarized in the Table below.

Table 2. Potential partners and complementarities with PSAC

Agency / Project	Potential Areas of Collaboration
Heifer International – co-financier & service provider, KM	Climate Smart and resilient horticulture production, Capacity building for smallholder farmers, Product diversification and access to markets, To mobilize funds (approx. US\$ 1 million) through impact capital facility in the form of working capital, equipment lease and guarantees
Cordaid – co-financier & service provider, KM	(i) A Farming as a Business (Faab) training module to be incorporated in FFS curriculum, including financial literacy for smallholder HH across all three sectors (ii) Support PFIs to develop and strengthen innovative client-oriented agri-finance products for MSMEs and smallholders, also to access existing credit lines for on-lending to PSAC targeted VCs
WFP – RBA Partnership / overall collaboration at district level, KM	Establish linkage between horticulture cooperatives and WFP HGSF programme. Partnership with WFP is expected to address nutrition enhancement in project target districts and catchment areas, but also to create stable markets, boost local agriculture, impact rural transformation and strengthen local food systems
WBG – synergies with CDAT	Knowledge sharing and synergies in the horticulture sector (e.g. chili solar dryers, cold storage RAB research, Small Scale Irrigation Technologies (SSTC), will be directly supported by the CDAT programme)

KOICA – synergies withSFVCM	Knowledge sharing and synergies in the chili, onion and garlic VCs across two common districts of Bugesera and Rulindo, that will be directly supported by the SFVCM project (drying facilities and practices, development of master plan for these horticulture exports)
USAID – synergies withKWA	Knowledge sharing and synergies on: (i) coffee sector pricing mechanisms; (ii) strengthening tea and coffee stakeholder platforms; (iii) strengthening of the horticulture sector working group
ENABEL – synergies with upcoming project	Knowledge sharing and synergies in the support to horticulture crops for the domestic and regional market
CACHET – access to credit lines	Building price risk management capacities of local cooperatives to support 11 coffee Smallholder Producer Organizations (SPOs)
Kilimo Trust	Partner in the agribusiness hub grant in Rwanda, linking smallholder farmers to consumer driven markets (national and export), employment creation for youth and women, promotion and adoption of regenerative and other sustainable production practices.

G. Costs, benefits and financing

a. Project costs

a. Project costs^[82]

111. The total cost of PSAC has been estimated at US\$ 62.89 million. IFAD will contribute US\$ 29.98 million (equivalent to EUR 28.89 million). The contribution of beneficiaries and the private sector is estimated at US\$ 5.67 million^[83]. The contribution of implementing partners (Cordaid and Heifer International) is currently estimated at US\$ 1.91 million. The Government contribution is estimated at US\$ 5.41 million (equivalent to EUR 5.22 million)^[84]. There remains a financing gap of US\$ 19.92 million, which is expected to be potentially financed by the Government of Spain (GoS), but could be filled by funding from IFAD13 in the unlikely event this funding does not materialise. As per the multilateral development banks' methodologies for tracking climate change adaptation and mitigation finance, the total amount of IFAD climate finance for this project is preliminarily calculated as US\$ 7,220,000.

b. Project financing/co-financing strategy and plan

112. The Table below presents the financiers of the Project by component.

Rwanda PSAC - Components by Financiers (US\$)																
	IFAD		Beneficiaries		Private Sector		Heifer		Cordaid		Government of Spain (Potential financing gap)		The Government		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
A. Investments to enhance climate smart production and productivity of selected export-driven value chains	15 007 980.0	39.1	1 375 796.7	3.6	4 302 509.5	11.2	260 703.5	0.7	-	-	12 214 217.6	31.9	5 186 117.5	13.5	38 347 324.8	61.0
B. Enabling business environment along selected export-driven value chains	10 583 635.2	59.0	-	-	-	-	941 809.5	5.2	695 136.6	3.9	5 679 717.8	31.7	44 511.6	0.2	17 944 810.6	28.5
C. Policy support and coordination	4 393 911.1	66.6	-	-	-	-	-	-	-	-	2 020 210.0	30.6	187 837.4	2.8	6 601 958.5	10.5
Total Project Costs	29 985 526.3	47.7	1 375 796.7	2.2	4 302 509.5	6.8	1 202 513.0	1.9	695 136.6	1.1	19 914 145.4	31.7	5 418 466.5	8.6	62 894 093.9	100.0

113. The Table below presents the project financing per year by component.

Rwanda PSAC - Project Components by Year, Totals Including Contingencies (US\$)									
	Totals Including Contingencies								
	2023	2024	2025	2026	2027	2028	Total		
A. Investments to enhance climate smart production and productivity of selected export-driven value chains	3 614 527.0	11 406 400.7	12 325 116.7	7 921 204.5	2 697 298.2	382 777.8	38 347 324.8		
B. Enabling business environment along selected export-driven value chains	2 435 963.6	3 419 053.0	3 790 199.1	3 400 867.2	2 748 810.6	2 149 917.2	17 944 810.6		
C. Policy support and coordination	1 426 526.5	1 294 276.7	1 211 930.7	925 499.5	871 917.4	871 807.8	6 601 958.5		
Total Project Costs	7 477 017.1	16 119 730.4	17 327 246.5	12 247 571.2	6 318 026.1	3 404 502.7	62 894 093.9		

c. Disbursement

114. IFAD is committed to adopt existing Financial Management (FM) country systems, to the extent possible, for implementing its funded programmes. The fiduciary risk of the Treasury-country system is low. The opening of any Government bank account requires the approval of MINECOFIN. These are consolidated (zero-balanced at day end) into the Treasury Single Account (TSA), held at National Bank of Rwanda. TSA allow GoR to ascertain in real time the total cash position at end of business day. It is mandatory that donor funded project bank accounts are included into the TSA mechanism. For PSAC, there will be one Designated Account (DA) opened in USD at National Bank of Rwanda (NBR) as well as one Project operational Account (PA) opened in RWF to receive the resources from the DA (see Annex 14: Financial Management sector for a fund flow chart). There will be also 1 PA opened in RWF for receiving the contributions from GoR.

d. Summary of benefits and economic analysis

115. The beneficiaries are expected to experience increase in income as a direct result of the: (i) increased volume of targeted commodities exported from Rwanda; (ii) increased value of targeted commodities exported from Rwanda; (iii) increased access to advisory services, market and financial services which facilitated smallholders inclusion in sustainable export driven VCs; (iv) increased employment opportunities either for hired or family labour, for both on-farm and off-farm activities; (v) improved institutional and policy environment for export driven VCs selected under PSAC.

116. **Potential market and price effects.** PSAC investments are expected to increase the volume of products exported per year. Production under PSAC is expected to increase export volumes for all value chain crops that will be supported, with percentages ranging from 21 per cent to 112 per cent. The increased productivity is expected to translate into increased foreign exchange earnings from export.

117. **Financial analysis.** The production models developed in this analysis are based on the fact that PSAC will primarily support beneficiaries to produce for the export market. Production considered therefore is only that which relates to export-oriented project promoted value chains, as well as benefits from project investment in attendant facilities. It is assumed that each participating smallholder will allocate only up to 50 per cent of the household land holding to project promoted value chains, and the remaining 50 per cent will be allocated to other crops to ensure food production for the family. Returns from non-export crops has therefore not been included in this analysis. Given the average land holding of 0.4 hectares per household, it is therefore assumed that each household will allocate 0.2 hectares to export-oriented production.

118. **Economic analysis.** An economic analysis was carried out in order to assess the economic viability of the project investments, the economic rate of return and determine how sensitive the project is to foreseen risks (sensitivity). The project is expected to generate a positive ENPV of Rwf27.8 billion with an EIRR of 19 per cent. The project is therefore economically viable and should be undertaken.

ENPV of Project costs	ENPV Project benefits	ENPV	EIRR
14,612,624,872	32,527,650,920	27,770,839,250	19%

119. **Economic viability and sensitive analysis.** Sensitivity analysis was also carried out on the effects of changes in costs and expected benefits on expected viability of the project. The results were as shown below.

120. Based on the results above, PSAC costs not included in the farm model conversion models can increase by up to 110 per cent while the project still remains viable. PSAC benefits should not reduce by more than 57 per cent in order to ensure that the project is still economically viable.

	-20%		-10%		10%		20%		Switching	
	ENPV	EIRR								
Change in PSAC Costs	30,859,184,647	20%	29,315,011,949	19%	26,226,666,552	18%	24,682,493,853	17%	10,784,939,566	110%
Change in Benefits	19,128,326,003	17%	23,449,582,627	18%	32,092,095,874	19%	36,413,352,497	20%	3,139,676,496	-57%

e. Exit Strategy and Sustainability

121. **Exit Strategy and Sustainability** The project's exit strategy is embedded in the project's design and its strategic approach of:

- Working directly with the NAEB in charge of PSAC target VCs, as well as with agricultural structures at district and sector levels to guarantee the long-term sustainability of proximity services. NAEB's strategic partnership with other donor agencies (WB, USAID, WFP, KOICA etc.) will enhance coordination and help to develop synergies among all interventions benefiting PSAC participants during project implementation and after its completion.
- Identifying critical areas to be addressed in the target VCs at the project inception stage. In the market chain, PSAC will build capacity of all players involved in the target VCs strengthening POs, rural MSMEs and exporters so that they continuously access knowledge, resources and markets. It will promote gender equality and youth engagement in terms of their participation and representation as leaders in the VC through proper targeting mechanism and effective application of GALS+

in FFS.

- Improving the competitiveness of export-driven value chains while creating sustainable market opportunities for smallholders. PSAC will work on enhancing productivity, production at scale, quality and strong market linkages development. This will be achieved through empowered investments in Pos, apex organizations, etc. supported by enhanced access to infrastructure and equipment, tailor-made financial services and enabling policy environment. The project interventions will strengthen and stabilize market forces using appropriate mitigation measures and climate-smart technologies.
- Focusing on completing major project activities in the 4th and 5th year of implementation. It will leave a window for consolidation of activities and start a “gradual exit” process which can be completed by the end of the 6th year. This window shall ensure that there is sufficient technical and managerial capacity as well motivation of the project beneficiaries, government institutions and stakeholders to sustain PSAC investments after the project is over. In order to facilitate the process, PSAC will develop its exit plan during the mid-term review.

122. As a result, PSAC will leave behind empowered VC players, efficient and effective institutions (at local and national level), mainstreamed project interventions with government entities and markets as well as a more enabling policy environment for smallholder producers engaged in the respective VCs. The details of PSAC's exit and sustainability strategy considering five dimensions is detailed in Annex 10.

3. Risks

H. Project risks and mitigation measures

123. PSAC's overall inherent risk level is '**Moderate**'. A detailed integrated project risk management framework (IPRM) is provided in Annex 9. However, following four subfactors show substantial levels for which mitigation measures are planned in the project.

Table 3 PSAC IPRM with ‘Substantial’ risk areas

Technical design / soundness - ‘Substantial’	It is due to internal factors such as mortality of seedlings, poor access to finance, high cost of packaging etc. which will be mitigated through better monitoring of seedlings, training of producers, capacity building of FIs and producers, policy advocacy on packaging material. Simultaneously, external issues such as international price fluctuations, currency fluctuation, cost of fertilizer etc. will be mitigated through CACHET to minimize impact of price fluctuation and promotion of GAP, organic production for reducing use of fertilizers. Thus, the expected risk will reduce to ‘Moderate’ level.
institutional capacity and management(M&E) - ‘Substantial’	It is based on experience of implementation of PRICE where the focus on qualitative information gathering was limited and SPIU had a high load of managing multiple projects. PSAC has used these learnings by engaging NAEB to manage M&E and planning for qualitative information collection through annual surveys, organizing learning events etc. which may lead to reducing the risk level to ‘Moderate’.
Stakeholders - ‘Substantial’	It is due to some weak POs, limited experience of exporters (especially for horticulture) and possible poor response from PFIs for VC financing. PSAC has planned a key partnership with partner agency Cordaid who has experience in capacity building of producer organizations and strengthening capacities of PFIs. These interventions will reduce the risk to ‘Moderate’ level.

124. FM risk is assessed to be substantial at design. This is mainly due to the operational challenges posed by the organizational set up and for the Integrated Financial Management Information System (IFMIS) limitations that have not been fully overcome, yet. The risk profile is expected to change to ‘Moderate’, even in the short term, if the indicated mitigating measures will be timely complied with.

I. Environment and Social category

125. **Social Environment and Climate Assessment Procedures**[\[86\]](#) (SECAP). Applying IFAD's SECAP, the environment and social categorisation and the climate risk classification of the PSAC is **substantial**. This categorisation and classification are in cognisance of the activities of the PSAC that focus on productivity and the enabling environment for the tea, coffee and horticulture VCs. The activities to improve production may have some adverse effects on the environmental and natural resources such as soil erosion; increased demand for water resources at particular times; diffuse pollution from increased use of agro-chemicals; point source pollution from increased effluent discharges from processing plants and washing stations; and organic waste from processing of all the value chains. However, these effects are expected to be localised with minimal adverse impacts that can be managed with appropriate actions. Given the nature of the Environment and Social risks, various thematic studies are developed at design stage, notably Environment, Social and Climate Management Framework (ESCMF), Grievance Redress Mechanism, Integrated Pest Management Plan (IPMP), Labour Management Plan (LMP), Stakeholder Engagement

Plan (SEP), and Environment, Social and Climate Management Plan (ESCMP). Through a dedicated Environmental Specialist, PSAC will ensure that the developed SECAP risk management instruments are implemented and that mitigation measures are instituted. ESCMP will be further updated during project start-up to include screening and assessment, meaningful consultation leading to consent, confidentiality, restricted and continued access, and legally protected cultural heritage areas once the project sites(sectors) are confirmed. The mitigation measures will include installation of erosion control measures, institution of climate smart agriculture, Agroforestry, planting of shade trees, proper solid and effluent waste handling, among others. In addition to the risk management in the smallholder areas being targeted, any FIs will require adequate Environmental and Social Management Systems (ESMS) that also address any potential adverse impacts from activities that will be financed.

J. Climate Risk classification

126. The climate risk classification for PSAC is **moderate**. The main climate change risks facing the smallholders in the PSAC target areas include rising temperatures and rainfall variability with more intense rainfall in some areas, shorter rain seasons and potential droughts in some locations. The increases in temperature (1.7–2.1°C) in the rainy season months will increase crop water demand and evapotranspiration losses of water from agricultural soils; reduced rainfall is also predicted during these months. Given the potential adverse impacts of climate change on the PSAC VCs, a detailed climate risk analysis (CRA) will be undertaken together with the rest of the SECAP risk management instruments during the inception stage. The risk analysis will include specific recommendation for climate change adaptation options to be included in PSAC. The adaptation measures will be costed and included in the project budget.

4. Implementation

K. Organizational Framework

a. Project management and coordination

127. The PSAC implementation arrangements are meant to ensure optimal use of human resources and smooth coordination between MINAGRI's institutions^[87].
128. **NAEB.** The Lead Implementation Agency will be NAEB, under the responsibility of its Chief Executive Officer (CEO)^[88]. NAEB will host the following key positions, that will be recruited on a competitive basis: 1 Project Operation Manager; 3 VC Specialists (coffee, tea, horticulture); 1 Access to Finance (A2F) Specialist; 1 Monitoring and Evaluation (M&E) Specialist; 1 Gender and Social Inclusion Specialist; 1 Environmental Specialist; 1 Knowledge Management (KM) & Communication Specialist; 1 Administrative Assistant; 2 Accountants (reporting to Financial Manager of SPIU for IFAD-funded projects); 1 Procurement Officer (reporting to Sr. Procurement Officer of SPIU for IFAD-funded projects); 3 drivers (one for each value chain). In addition, one NAEB Focal Person (young graduates, men and women) will be posted in each target district to ensure smooth coordination at field level.
129. **SPIU for IFAD-funded projects.** Under the overall supervision of the SPIU Coordinator, the SPIU will retain the core functions of financial management, procurement and Management Information System (MIS), as it has a long-standing experience with IFAD.
130. **District Authorities.** In addition, the project acknowledges the key role of the district authorities and will allocate necessary resources to ensure smooth implementation, monitoring and coordination of PSAC interventions at field level^[89]. Bringing in the district and sector agriculture staff under the authority of MINALOC will be particularly important to ensure continuous and sustainable extension services that will further protect the project's investments.
131. **Project Steering Committee (PSC).** In line with the practice for IFAD-funded projects in Rwanda, a PSC will be established for PSAC. The Committee will be made up of representatives of MINAGRI and other relevant ministries, as well as representatives of the target District Councils, members representing the POs and local institutions from the public and private sectors participating in the Project. The Committee is due to meet at least twice yearly, once to review the draft Annual Work Plan and Budget (AWPB) and again at mid-year to review the implementation progress. It will be responsible for the technical oversight of the implementation of the AWPB.
132. Several partnerships are envisaged during implementation, as enunciated in the above Section F, with relevant government and international institutions. The project will be engaged into specific partnerships with Cordaid and Heifer International as co-financiers, but also as key implementing partners. A global MoU will be signed between MINAGRI and each partner, while a detailed annual AWPB reflecting activities to be implemented by them, and related cost (including own co-financing) will be developed every fiscal year. With regard to WFP, based on the past experience between the Kirehe Watershed Management Project (KWAMP, 2009-2016) and the Purchase for Progress Programme (P4P) that allowed farmers to sell large quantities of maize and beans, PSAC will establish a similar MoU with WFP in its 14 target districts.

b. Financial Management, Procurement and Governance

133. **Public Financial Management (PFM).** According to latest PEFA [91] assessment, conducted in 2017, most aspect of the PFM system are functioning at a satisfactory level. The PFM system is able to produce credible national budget (including external

donor support) with contained composition variances (PI-2) and transparent (PI-4) comprehensive (PI-5) documentation available to public. Guidance to budget preparation is good (PI-17). Cash forecasting, Treasury Single Account (TSA) consolidation and IFMIS integrated accounting secure reliable predictability of fund allocation to government entities (PI21) for budget execution. Financial integrity is secured through the IFMIS (PI-27), however accuracy and timeliness of reporting requires improvements (PI-28). Other areas of improvement are in capturing/recording of public assets and in the independence of Auditor General (PI-30).

Rwanda is a LIC country. According to the WB-IMF DSA of January 2022, Rwanda's risk of external and overall debt distress remains moderate with limited space to absorb shocks. Under the replenishment cycle IFAD 12, an IFAD Loan of US\$ 29.98 million will be made available to Rwanda for PSAC. Rwanda is eligible to borrow PBAS resources for 80 per cent on Super Highly Concessional terms and for 20 per cent on Highly Concessional terms. Super Highly concessional terms loans have a maturity period of fifty (50) years, including a grace period of ten (10) years starting from the date of approval by the Executive Board. Highly concessional terms loans have a maturity period of forty (40) years, including a grace period of ten (10) years starting from the date of approval by the Executive Board. The amortization of the Super Highly Concessional terms loan will be of 2.5 per cent from years 11 to 50. The amortization of the highly concessional terms loan will be as follows: (i) 2 per cent from years 11 to 20; and (ii) 4 per cent from years 21 to 40. The applicable service charge will be determined at the time of approval, based on the currency of the loan (US\$, EUR, SDR).

PSAC is expected to use same financial management (FM) arrangements adopted by current IFAD's funded portfolio of projects, which is fully aligned to FM country systems.

The budget planning process is generated by PSAC Operational Team with the contribution of the SPIU in its coordination and evaluation role. PSAC draft budget, as part of MINAGRI budget, is presented in the national envelope to Parliament on April. Therefore, it is crucial that final revisions are immediately agreed for submission to IFAD no later than mid-May (at least, 1 month and a half earlier than the end of the fiscal year). During the fiscal year, any further revisions of the overall budget envelope will happen on December and will require GoR approval. The new AWPB will be prepared with a minimum quarterly phasing (i) to sharply monitor any duplication of activities with the closing AWPB, and (ii) to prepare an adequate liquidity plan, by quarters, to support on time and in full the implementation of the project.

Considering current MINAGRI organizational structure, it is proposed that the borrower (MINOCOFIN) will authorise the lead project agency (NAEB) to open designated accounts (DA) and project operational bank accounts (PA) for PSAC which will be managed by the SPIU of IFAD's funded portfolio of projects, under the aegis of MINAGRI.

MINAGRI will nominate the persons entitled to operate PSAC bank accounts, as well as those entitled to withdraw resources from the IFAD financing through the submission of withdrawal applications (WA) in the IFAD Client Portal (ICP). MINECOFIN will grant all necessary credential to operate into the IFMIS for recording accounting entries and process payments.

There will be one DA opened in US\$ at National Bank of Rwanda (NBR) as well as one PA opened in RWF to receive the resources from the DA (see Annex 14 for a flow of fund). Transactions will be authorised by the SPIU-Head of Finance & Fiduciary Aspects, the SPIU-Coordinator and NAEB-CFO as ultimate approver. NAEB-CFO may delegate the authority to approve transactions to the SPIU-Coordinator within defined ceiling amounts.

134. **Reporting – Counterpart funds.** Counterpart-funding is mainly made of in-kind contributions (IKC) and tax exemptions. The lack of counterpart funding observed on other projects is more constitutive of a lack of valuation and inclusion in the financial reporting than a lack of contributions. Two recent events are triggering a new action plan at Rwanda portfolio level in order to ensure adequate inclusion of IKC in the financial reporting: the confirmed feasibility for capturing IKC data through the M&E module of the IFMIS (quantities and values) and the confirmation by the Auditor General of the required criteria for the recording of IKC in the face of Financial Statements. PSAC should benefit of the related practice implemented by other projects. A first set of guidance is included in the PIM and will be further improved following other project's lessons learned.

135. The **Internal Audit** office, under the aegis of MINAGRI, currently assigned to audit the portfolio of IFAD funded projects, will liaise with the SPIU to perform the internal audit to PSAC. The internal auditor, in its independent role, will report to the Project Steering Committee (PSC) of IFAD's funded portfolio. The PSC is chaired by PS MINAGRI, co-chaired by NAEB-Deputy CEO and RAB-Deputy Director General.

External Audit. PSAC will follow the example of the ongoing projects that are all being audited by the Office of the Auditor General as mandated under the government act/law. IFAD's review on the quality of the OAG reports for existing projects indicate highly satisfactory performance ratings, with positive comments given for the level of detail of the audits and use of acceptable standards (INTOSAI).

The SPIU financial management coordination provided to PSAC includes (i) contribution to budget planning, preparation and monitoring, (ii) budget execution and treasury management, (iii) financial reporting to Government and IFAD, (iv) IFMIS implementation and customization, (v) coordination of internal/external audit, (vi) compliance with IFAD's processes and procedures and (vii) securing FM operational continuity relating the opening and the closing of projects.

Considering PSAC organizational set up and the overall expansion of the IFAD funded portfolio in Rwanda, it is envisaged that two accountants funded by PSAC be hired at NAEB with a functional reporting line to the SPIU-Head of Finance and Fiduciary Aspects.

136. **Governance.** Rwanda inherent country risk is low. According to 2019 CPIA^[90] rating, Rwanda is a medium-to-high policy

performer (score 4.0) and ranks first (over the last 3 years) out of 40 sub-Saharan countries, with scores above cluster average (3.1) on all dimensions. Improvements recorded in: Policies and Institutions for Environmental Sustainability (score 4.5), in Business Regulatory Environment (score 4.5) and ranked second in Public Sector Management and Institutions. Lowest score is recorded in Transparency Accountability and Corruption in the Public Sector (score 3.5) although well above cluster average (2.7). In 2021, the TI Corruption Perception Index for Rwanda scored 53 (deteriorating vs PY 54) which places the country in 52nd position out of 180 countries (and 3rd out of African countries).

137. **Procurement.** A Procurement Risk Matrix (PRM), which included a risk assessment of both the country level and the project institutional dimensions of public procurement was undertaken. The PRM indicates a low inherent risk rating of 2.83, and, assuming that the recommended risk mitigating actions are undertaken by the Borrower/IFAD and that their expected benefits are fully realized, the overall net risk rating is also low (2.96).
138. Procurement Risk Management outcome demonstrates Rwanda's efforts in ensuring sound procurement management systems. At the country level some of the risks related to lack of public access to procurement information that were previously identified by 2016 Public Expenditures and Financial Accountability assessment have been addressed through the use of the e-procurement system. The e-procurement system has also improved document management systems. The procurement risk assessment ascertained the soundness of both the Rwandan public procurement framework and the implementing agency. Consequently, the following institutional arrangements will be in place:
139. As provided in the IFAD Procurement guidelines^[92] paragraph 42, procurement of goods, works and services for IFAD-financed projects shall be carried out according to the Borrower's/Recipient's procurement regulations to the extent that they are consistent with these Guidelines. The law governing Public Procurement in Rwandan is Law no. 62/2018 of 25/08/2018^[93] and the Ministerial Order no. 002/2010/TC of 19/05/2020, establishing regulations on public procurement^[94]. A Standard Manual for Public Procurement (Public Procurement User Guide) is in place for use by procurement entities. These documents will therefore guide the procurement activities under the PSAC project.
140. A procurement Plan will be prepared for the first eighteen (18) months of the project this will be followed by successive twelve (12) month plans synchronized with the AWPB during implementation. The Procurement Plan will be established using the IFAD Procurement Plan template. IFAD will provide a no objection to the procurement plan and once the NO objection is provided it shall serve as the basis for project implementation.
141. Coordination and central procurement capacities will be focused in the Procurement Unit of the existing SPIU, which is headed by a Senior Procurement Officer. A Procurement Officer will be recruited to support the procurement functions under the PSAC project and will be reporting to the Sr. Procurement Officer at the SPIU. For better coordination, the Procurement Officer will be stationed at NAEB offices in order to coordinate with the rest of the project team.
- ## L. Planning, M&E, Learning, KM and Communication
- ### a. Planning, M&E, Learning, Knowledge Management and Communication
142. **Planning.** Monitoring of PSAC activities and reporting of results will involve proper coordination between the Project M&E Specialist and technical team at NAEB and the various implementing partners at national and district level. The capacity of the Project M&E Specialist at NAEB will be further enhanced right from the onset of the project (FY1) through a dedicated IFAD training to alignment of the Project M&E system with IFAD requirements.
143. The Project M&E Specialist at NAEB will coordinate monitoring and evaluation processes and reporting. The Project M&E Specialist will contribute to the preparation of the project's consolidated AWPBs, based on the respective AWPBs from the districts and other implementing partners. The AWPBs will factor in key activities, timelines and expected outputs for effective results projections and planning of the monitoring visits.
144. **Monitoring.** The district level NAEB coordinators will work jointly with the District authorities to ensure activities are implemented as per work plan and specifications. The Project M&E Specialist will provide the necessary guidance and oversight role to ensure the data capture forms are duly filled and data points disaggregated as per LF requirements. Additionally, PSAC will collect qualitative information^[95] through case qualitative surveys, case studies, and Focus Grup Discussion, as required. The M&E forms will be filled by the SPs /contractors (including district level agronomists and other extension agents) directly interfacing with the beneficiaries at the district level. The M&E Specialist will ensure adequate monitoring systems are used to address potential overlap of beneficiaries with other similar development projects in the respective target areas. Similar to monitoring arrangements in the PRICE project, NAEB will assign dedicated technical staff to monitor activities to ensure they are implemented as per recommended specifications. The Project M&E Specialist will commission bi-annual Data Quality Assurance (DQAs)^[96] missions and coordinate the implementation of targeted studies, including: baseline, annual outcome surveys, Mid-Term and End Term surveys to assess progress on key outcome and impact level indicators. With the three surveys being fully compliant with the IFAD COI Guidelines.
145. **Knowledge management.** KM will be coordinated by KM Specialist at NAEB. KM will serve as a basis for scaling up of successes, provide the analytical basis to resolve challenges, and help to adapt activities to changing social and economic circumstances in the target areas and value chains. A KM action plan will be prepared to (i) identify knowledge gaps and prioritization of knowledge products to be developed; (ii) ease the scaling up of best practices in the different sectors and interventions or repackaging of innovative approaches developed elsewhere; (iii) disseminate knowhow based on available communication tools (newsletter, brochures, websites, radio, knowledge gained through FFS trainings etc.). NAEB team will equally benefit from other IFAD learning events within the country and region. KM will be used as a key tool in supporting policy

dialogue. MIS will also be part of KM. The learning from MIS around what works and what doesn't is crucial for KM and simultaneously the KM also helps to understand the veracity of MIS data as a broad indicator. PSAC will develop its KM and communication plan in the beginning of the project as depicted in PIM – Annex 8 Section III 2.2.

146. **Reporting.** District level project coordinators will produce monthly reports along a harmonized reporting system to ease data analysis. All data will be disaggregated by gender and by age. Among women data, further disaggregation will be made to capture separately the Women-Headed Households (WHHs). The filled data forms will be consolidated at the district level, and entries will be made on a monthly basis for consolidation into the NAEB M&E system. On a quarterly basis, data from the NAEB M&E system will be shared with the Head of the Management Information System (MIS) at SPIU to be uploaded in the central MIS system hosted at MINAGRI. The team will explore the use of mobile based data capture systems with GIS capabilities to allow geo-referencing of all interventions. Under the overall guidance of NAEB CEO and Chief Operation Officer (COO), the NAEB Project M&E Specialist, in close coordination with the Project Operations Manager, will lead the preparation of consolidated 6-monthly and annual progress reports for submission to GoR & IFAD.

b. Innovation and scaling up

147. The innovative features of PSAC, when compared to predecessor project PRICE, lie first on its integrated approach on a limited number of districts that will enhance synergies between the various VC interventions. A strong focus will be put on the methodologies used to include the women and youth along specific activities that can fill the VC gaps. The role of the districts will be central, as an extended arm of NAEB at field level.
148. In addition, the stronger emphasis put on access to financial services is expected to help the country move progressively out of the grant systems that is commonly used by IFAD and other development agencies, towards more sustainable VC financing mechanisms that will remain beyond project completion. Another key innovation in PSAC will be the use of MINAFFET trade missions in strategic locations to facilitate in-country market intelligence and trade procedures. The introduction of agroforestry belts around tea plantations will also be an innovative means to cope with erosion and climate change effects, and at the same time meet fuelwood needs and provide additional income opportunities. The HEGF piloted under PRICE project will be fine-tuned and scaled up to meet the needs of horticulture exporters, including youth start-ups. PSAC will also further operationalize the coffee and tea platforms initiated under PRICE, and it is expected to scale up the RFS as a mean to boost the tea farmers' access to key fertilizers inputs.

M. Project Target Group Engagement and Feedback, and Grievance Redress

a. Project Target Group Engagement and Feedback.

149. The main modalities for gathering information on smallholders' priorities and needs will be the district and community consultations. Meetings will be organised, through the Local Government Authorities in each target district and the local traditional leadership and notices about meetings will be posted in public places encouraging participation of youth, women, men, and PwD. Meetings will be organised at venues and times that allow women and PwD to participate.
150. At each meeting the project objectives and principles of participation will be explained in local languages and feedback obtained from the communities including their expectations from their participation in the project. Separate breakaway sessions will be organised for women and youth in order to allow them to participate freely. The consultations will be minuted and records kept both at community and project levels. Subsequently, the monitoring of project services delivery will be conducted through quarterly reports from the concerned district.
151. A minimum of two dialogues will be organised in each participating community to inform the stakeholders about the project, discuss the priority infrastructure and select specific investments based on an agreed criterion. Records of the dialogues will be kept at District and project level. The feedback and reports from the community meetings will be utilised by the District and project level teams to review the progress being made in PSAC-supported activities. The feedback will inform the bi-annual reviews and project implementation planning process at the District and central levels and enable the adaptive management and decision making by the teams.

b. Grievance redress.

152. PSAC grievance redress processes will build on the existing structures at District, and National level. Under Component A, any grievances will be registered and resolved through the APG committee. Any grievances that will arise from the implementation of the project will first be handled at community level through the existing community structures. If the grievance cannot be addressed it will be escalated to the District level where the DA and his/her structures will try to resolve the issue that is related to the project activities. Any grievances that cannot be resolved at this level will be reported to the Project National level, i.e., NEAB. Beyond the District Councils, grievances will be addressed through Provincial Councils.
153. The project teams, at the District and National levels, will provide information on the grievance redress mechanism available and messages regarding the zero tolerance for sexual exploitation and abuse (SEA) as well as the policy on preventing fraud and corruption. At the community level the consultation processes will provide information on the zero tolerance, prevention, and reporting of any incidence. The information on the policies will be made available through all PSAC contracts and on project documents such as leaflets and matching grants proposal templates.

N. Implementation plans

a. Supervision, Mid-term Review and Completion plans.

Implementation readiness and start up plans

154. Project implementation is planned to start in the second quarter of 2023. The draft Project Implementation Manual (PIM), first AWPB, and first 18-month Procurement Plan (PP) aim to ensure the PSAC implementation starts as scheduled, without unnecessary delays during the first project year. A national start-up workshop will be organized with all project stakeholders and implementing partners at all institutional levels to reinforce the implementation modalities of the project. An early implementation support mission will be mobilized within the first three months of the project effectiveness to cover any gaps in the PIM and project design.

a. Supervision, Mid-term Review and Completion plan

155. Supervision and implementation support will be organised jointly by IFAD and GoR. Supervision will be a continuous process including joint missions, as well as continuous desk review to ensure that implementation is on track. The composition of supervision and implementation support missions will largely be determined by the prevailing circumstances. Implementation support will be provided through the in-country IFAD office, the Regional Hub in Nairobi, and Technical Assistance (TA) to be mobilized especially on VC development, M&E and Procurement.

156. A Mid-Term Review (MTR) will be undertaken midway through project implementation; it will evaluate whether the project is on course to achieve its goal. The MTR will be informed by a COI-compliant Mid Term Outcome Survey and will be a key reflection moment to assess implementation performance and recommend adjustments, as may be required. The recommendations will take into consideration the likelihood of achieving the project's targets during the remaining implementation period and may modify these targets and budget allocation, if considered necessary.

157. At the end of implementation, IFAD will, jointly with the GoR, undertake the Project Completion Review (PCR), in order to report on the results achieved. As part of completion, a Beneficiary Impact Assessment will be undertaken and findings inform the PCR. The purposes of the PCR process are to promote accountability, reflect on performance and elicit lessons learned to inform future programme/project design and to define an appropriate post-project strategy. This will be supported by a COI-compliant completion survey.

Footnotes

[1] <https://www.imf.org/en/Countries/RWA#countrydata>

[2] <https://rdb.rw/investment-opportunities/agriculture/>

[3] Ibid.

[4] As per Agricultural household Survey 2020 report, the national average land size per household is 0.4 ha; and 77.2% of agricultural households operate on a farm size of less than 0.5 ha.

[5] Almost 60% of food insecure households are vulnerable and 30% are extremely vulnerable - Comprehensive Food Security and Vulnerability and Nutrition Analysis Survey CFSVA (2018).

[6] National Institute of Statistics, MINAGRI, World Food Programme (WFP), 2018

[7] National Institute of Statistics of Rwanda, 2020

[8] <https://www.thewoodfoundation.org.uk/mulindi-additional-information/>

[9] Agri Logic, 2018: https://www.cbi.eu/sites/default/files/cbi_vca_rwanda_coffee.pdf

[10] This includes cooperatives, smallholder farmers grouped along out-grower schemes, informal associations, community-based nurseries, Farmer Field School (FFS) groups, etc. Individual farmers may also be considered on a case-by-case basis according to their role in the target VCs and the services they can offer to the community.

[11] Current ratio is 1 household has average 4.5 members

[12] As per Rwanda's classification, *Ubudehe Category 2, Subsistence and vulnerable poor*, have limited access to resources and less than 0.5 ha of land, and depend on crop production, seasonal labour or external support – *Ubudehe Category 3, Market-oriented producers* are less vulnerable and go beyond subsistence farming. These farmers have on average 0.5 ha or more, are engaged in a more entrepreneurial logic.

[13] Aged 16-30

[14] Private sector companies engaged in macadamia value chain and experienced in macadamia seedlings production will be engaged to supply of macadamia seedlings for PSAC participants.

[15] PBGF is the model piloted under PRICE and further developed under the Kayonza Irrigation and Integrated Watershed management Project (KIIWP2).

[16] These medium-sized grant windows will include cooperative-led grants (PASP model) and joint-venture grants (PASP model). They will not be necessarily tied to a loan.

[17] The PRICE experience has shown that it is necessary to ensure very close monitoring of newly planted seedlings, esp. in horticulture. Timely irrigation in the first two years after plantation is particularly important to reduce mortality rates.

[18] HCoE shares the technical know-how about modern technologies related to irrigation, green houses and high yielding fruits and vegetable seedlings. It is established through collaboration between MINAGRI and the MASHAV, Israel's Agency for International Development cooperation

[19] Common services model: The common services include -leaves collection, scheduling of transportation, fertilizer distribution etc. A common service expert (CSE) will work through Ferwacotho to support co-operatives. Each co-operative will have a common service champion to facilitate the services and also share the records with co-operative, CSE and Ferwacotho.

[20] Calculated only based on cash contributions to the various grant windows - does not include in-kind contributions (e.g. for tea/coffee hangars)

[21] Government contribution would include foregone taxes, in-kind valuation of Government facilities and District contributions in the form of staff participation and office allocation

[22] See also PSAC organigram in Annex 8 (PIM)

[23] Assessment of the impact of Decentralization Policy Implementation (2001-2017), Report. Ministry of Local Government - GoR

[24]<https://www.imf.org/en/Countries/RWA#countrydata>

[25] <https://www.statistics.gov.rw/publication/trends-labour-market-performance-indicator-rwanda-august-2021>

[26] IMF Country Report No. 22/7: 2021 Article IV Consultation and fifth review under the policy coordination instrument—press release; and statement by the executive director for Rwanda

[27] The PCI is a non-financing tool, which enables Member countries of the IMF to signal commitment to reforms and catalyse financing from other sources.

[28] IMF Country Report No. 22/7: 2021 Article IV Consultation and fifth review under the policy coordination instrument—press release; and statement by the executive director for Rwanda

[29] <https://www.worldbank.org/en/country/rwanda/overview#1>

[30] <https://data.worldbank.org/indicator/SI.POV.GINI?locations=RW>

[31] Almost 60% of food insecure households are vulnerable and 30% are extremely vulnerable - Comprehensive Food Security and Vulnerability and Nutrition Analysis Survey CFSVA (2018).

[32] National Institute of Statistics, MINAGRI, World Food Programme (WFP), 2018

[33] National Institute of Statistics of Rwanda, 2020

[34] <https://rdb.rw/investment-opportunities/agriculture/>

[35] As per Agricultural household Survey 2020 report, the national average land size per household is 0.4 ha; and 77.2% of agricultural households operate on a farm size of less than 0.5 ha.

[36] Implications of the Conflict in Ukraine on Food Access and Availability in the East Africa Region - Update #3, June 2022, WFP report

[37] ACTION TRACK 1: Ensuring Access to Safe & Nutritious Foods for All ACTION TRACK 2: Shift to Sustainable Consumption Patterns ACTION TRACK 3: Boost Nature-Positive Production - Sustainable Food Production Systems ACTION TRACK 4: Advance Equitable Livelihood ACTION TRACK 5: Build Vulnerabilities Shocks & Stress. Source: https://summitdialogues.org/wp-content/uploads/2022/03/UN-Food-Systems-Summit-2021_NATIONAL-DIALOGUES-REPORT_04-Feb-2022.pdf

[38] Agricultural households survey, 2020

[39] Ibid.

[40] Women's Empowerment Agriculture Index Study (WEAI), 2020, Baseline report, DFID

[41] Gender and Youth Mainstreaming Strategy Final Report, MINAGRI 2019

[42] Republic of Rwanda, 2015, National Youth Policy; Towards a HAPPi Generation
https://www.nyc.gov.rw/fileadmin/templates/template_new/documents/National_Youth_Policy.pdf

[43] Ibid.

[44] Socio-economic characteristics of persons with disabilities

[45] Project level Women's Empowerment in Agriculture Index

[46] Gender Equality and Women's Empowerment

- [47] NAEB is precisely the Government authority that is in charge of developing and implementing policies and strategies for expanding exports of agricultural products meeting international market requirements - See <https://naeb.gov.rw/index.php?id=27>
- [48] Agri Logic, 2018: https://www.cbi.eu/sites/default/files/cbi_vca_rwanda_coffee.pdf
- [49] The Government of Rwanda estimates that about 70 million coffee seedlings are aged above 55 years
- [50] <https://www.thewoodfoundation.org.uk/mulindi-additional-information/>
- [51] In addition to tea, coffee and horticulture, PRICE was also involved in the sericulture sector. Besides, there was no restriction on the type of horticulture crops in PRICE, bringing the project to tackle about 20 different annual and perennial crops, whose dynamics were very different. In PSAC, this number will be reduced to key 6 key export VCs (macadamia, avocado, mango, French beans, chili and essential oils), to be complemented by 4 "traditional crops" that are necessary for crop rotation and intercropping and present a high potential on the domestic and regional market.
- [52] The average survival rate of fruit trees distributed under PRICE project stands at 52.6% (302,790 survived trees vs. 575,631 distributed trees). Source: "Horticulture fruits mapping on behalf of NAEB/PRICE project"; Centre d'Appui à l'Auto Promotion (CAP Ltd); December 2020
- [53] The Final PRICE Impact Assessment Survey showed that 20% respondents from coffee, tea and horticulture VCs feel that their committees are not strong enough to ensure quality of operations. Source; PRICE Project Completion Report; July 2021. Besides, the PDR mission could establish that both the coffee and the horticulture federations are still rather empty shells that cannot sustain by themselves nor fulfil their role as spokesmen of the cooperative movements in their respective sector. In tea, the federation "Ferwacothé" is somehow stronger, but it still needs support to enable it to deliver more appropriate services to its member cooperatives.
- [54] These include the cooperative-led and private-led grant models introduced in the Climate-resilient Post Harvest and Agribusiness Project (PASP) and the PRICE Performance-Based Guarantee Facility (PBGF)
- [55] In total 88 SACCOS were engaged with PRICE PBGF, representing 83% of the total 106 partner financial institutions (PFIs), the rest being equally shared between 9 commercial banks and 9 micro-finance institutions (MFIs). Source; PRICE Project Completion Report; July 2021.
- [56] https://ioe.ifad.org/en/w/corporate-level-evaluation-on-ifad-s-support-to-innovations-for-inclusive-and-sustainable-smallholder-agricultu-1?p_l_back_url=%2Fcorporate-level-evaluations
- [57] This includes cooperatives, smallholder farmers, grouped along out-grower schemes, informal associations, community-based nurseries, Farmer Field School (FFS) groups, etc. Individual farmers may also be considered on a case-by-case basis, according to their role in the target VCs and the services they can offer to the community.
- [58] Ubudehe is a wealth-ranking system which classifies Rwandans under four socio-economic wealth categories
- [59] For example, the PRICE completion mission rated targeting as satisfactory and highlighted the vital role of the Ubudehe system in ensuring engagement and participation of poor and vulnerable households
- [60] Current ratio is 1 household has average 4.5 members
- [61] As per Rwanda's classification, *Ubudehe Category 2, Subsistence and vulnerable poor*, have limited access to resources and less than 0.5 ha of land, and depend on crop production, seasonal labour or external support – *Ubudehe Category 3, Market-oriented producers* are less vulnerable and go beyond subsistence farming. These farmers have on average 0.5 ha or more, are engaged in a more entrepreneurial logic.
- [62] Additionally, PSAC will provide seedlings and inputs for plantation and first year maintenance to ensure proper establishment of plantation and reduce the risk of smallholders while developing their long-term asset base.
- [63] Nyamasheke, Rutsiro, Karongi, Nyabihu and Rusizi in Western Province; Huye, Nyaruguru, Nyamagabe, Ruhango and Nyanza in Southern Province; Rulindo and Musanze in Northern Province and Rwanamana and Bugesera in Eastern Province.
- [64] In the FFS approach for instance, PSAC will promote gender equality with two Lead Farmers in each group (1 woman, 1 man).
- [65] level of education, past work experiences, collaterals, members of producers groups/cooperatives, etc
- [66] The project will build on the just released GESI Assessment and Strategy that informed integration of GESI perspectives into the USAID-funded "Kungahara Wagura Amasoko" interventions and will help to ensure that women, youth, and persons with disabilities have equal opportunities and are empowered to participate in export of high-value agricultural products"
- https://pdf.usaid.gov/pdf_docs/PA00Z8HC.pdf
- [67] The 4,132 ha of coffee are composed of 3,050 ha for replacement of the old coffee trees and 1,082 ha shall be secured for rehabilitation. From 3,050 ha that shall be replaced, 200 ha shall be dedicated to women and youth, specifically those who have been apportioned a piece of family land by husbands and parents respectively or women headed households. Consent shall be sought from the farmers with interest in having some of their coffee bushes being replaced or rehabilitated.
- [68] The 2,410 ha pf tea composed of 1,790 for expansion and 620ha of infilling.
- [69] 500 ha for macadamia, 800 ha for avocado, 200 ha for mango and 200 ha for essential oils
- [70] Community based nursery raising involves a two-pronged approach – building skills of selected local youth in grafting technique and promoting women's groups for decentralized nursery raising. They will further receive project support for nursery raising as a business. The project support in the initial years will help youth and women groups to acquire the required expertise, which will allow them to produce seedlings for own use, selling locally as well as to other projects and private sector players, thus developing micro-enterprises of women's groups and grafting technicians as service providers. The representatives of seedling producers will be part of the district level VC platforms.
- [71] Development of agroforestry on about 2,000ha is an indicative figure to fulfil the requirement of wood fuel for tea factory. It involves plantation on bunds / borders of the farm plots, cooperative owned/received piece of land, which can help to generate additional income for co-operative, as well as some small plots developed by individual farmers.
- [72] Horticulture land issues will be dealt in following manner: a) GoR has been developing pockets of land through marsh land development and watershed development initiatives to increase the area under agriculture production in which titles are offered to the communities. PSAC design mission visited two plots ready to be offered to the community for plantation purpose. b) Smallholders living in a cluster will also undertake Horticulture plantation on part of their own plans. This will avoid scattered plantation and facilitate aggregation of produce, supply of inputs etc. The horticulture plantation on consolidated land will be carried out after a Free Prior and Informed Consent (FPIC) of producers. FPIC will be obtained from the representative institutions of local communities. The process

for FPIC involving local government structure is detailed in Annex 5 – SECAP review note

[73] If the RFS review does not confirm the value of PSAC further investment in the scheme, the funds will be reallocated to other investments in the tea value chain, e.g., on-farm road rehabilitation in strategic locations

[74] It is to be noted that medium-sized cold storage facilities at horticulture cooperative or exporter's level, initially contemplated at concept note stage, will not be funded under PSAC since they are to be covered by the upcoming WB CDAT project.

[75] E.g., greenhouses, shade nets, walk-in tunnels

[76] Using Heifer International's Value Based Holistic Community Development (VBHCD) model that helps strengthen relationships between community members, this component will be designed to enable farmers to capitalize on productivity gains expected to be realized through investments made under component A

[77] Heifer International launched recently the Heifer Impact Capital to provide affordable finance options to the farmers and cooperatives it works with. These impact investments provide working capital and financing to purchase or lease equipment, enabling farmers to scale their businesses and increase their profits.

[78] Initial investments have been made by PRICE and the EU and NAEB has specific Quality Division in charge of the lab to use and manage the equipment.

[79] Technoserve project has been training young people drawn from Agri technical schools, higher learning institutions, some staff from NAEB, and has developed a training manual already approved by NAEB and now being translated into Kinyarwanda. There are two levels of certification - Level 1 & 2. PSAC can leverage on this and work with TNS in CWS under the project.

[80] The design has identified potential PFIs for PSAC, which may include: (i) local SACCOs in project target areas, (ii) Microfinance Institutions Duterimbere, RIM, Umutanguha, Goshen, Copedu, and (iii) Equity Bank, KCB Bank, Bank of Kigali, Ecobank Rwanda, Urwego Bank and Unguka Microfinance Bank.

[81] A business membership organization for private-public dialogue

[82] Details presented in Annex 3.

[83] Calculated only based on cash contributions to the various grant windows - does not include in-kind contributions

[84] Government contribution would include foregone taxes, in-kind valuation of Government facilities and District contributions in the form of staff participation and office allocation

[85] Details presented in Annex 8. PIM

[86] See also full SECAP note in Annex 5

[87] See also PSAC organigram in Annex 8 (PIM)

[88] NAEB is mandated to develop and implement policies and strategies for expanding exports of agricultural products meeting international market requirements. NAEB has the appropriate structure to implement PSAC interventions through its Traditional Commodities Division (for tea and coffee), Emerging Commodities Division (for horticulture), Quality Assurance and Regulatory Division and Export Services Division. NAEB has also gained relevant expertise and capacity to lead the implementation of large projects and programmes, including the 9-year IFAD-funded PRICE project.

[89] One of the key lessons learned in PRICE is that agricultural extension services are difficult to mobilize when they are not placed under the mandate of the Ministry that is implementing IFAD projects. In Rwanda the district and sector agronomists are not employed by MINAGRI: all of them are put on the payroll of the district authorities, who depend on the MINALOC.

[90] Country Policy and Institutional Assessment (CPIA) - 2020 World Bank

[91] [Rwanda 2017 | Public Expenditure and Financial Accountability \(PEFA\)](#)

[92] Available here: <https://www.ifad.org/en/-/document/project-procurement-guidelines>

[93] Available here: <https://www.rppa.gov.rw/index.php>

[94] Available here: <https://www.rppa.gov.rw/index.php>

[95] The qualitative evidence will generate insights on the behaviour change and assess whether interventions are happening and delivering changes as envisioned in the project's theory of change.

[96] DQA plan will be developed at project start-up along with KM and communication plan.

Rwanda

Promoting Smallholder Agro-Export Competitiveness Project Project Design Report

Annex 1: Logframe

Mission Dates: 09-27 May 2022

Document Date: 14/12/2022

Project No. 2000003934

Report No. 6186-RW

East and Southern Africa Division
Programme Management Department

Promoting Smallholder Agro-Export Competitiveness Project

Logical Framework

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
Outreach Total Project Outreach	1 Persons receiving services promoted or supported by the project				Project Reports	Annually	NAEB M&E	
Males	0	21840	44222					
Females	0	14560	29482					
Young	0	10920	22111					
Not Young								
Non-Indigenous people								
Total number of persons receiving services	0	36400	73704					
Male	0	60	60					
Female	0	40	40					
Young	0	30	30					
1.b Estimated corresponding total number of households members					Project Reports	Annually	NAEB M&E	
Household members	0	126000	255128					
1.a Corresponding number of households reached								
Women-headed households	0	5600	11339		Project Reports	Annually	NAEB M&E	
Non-women-headed households	0	22400	45356					
Households	0	28000	56695					
Corresponding number of households reached					Project Reports	Annually	NAEB M&E	
Women-Headed Households - Percentage (%)	0	20	20					
Non Women-Headed Households	0	80	80					

Results Hierarchy	Indicators				Source	Means of Verification	Assumptions
	Name	Baseline	Mid-Term	End Target			
Project Goal To increase incomes of the rural poor, by supporting inclusive agri-exports' value chains'	Increased income for participating households				Project Reports	Baseline, Mid Term, Completion	Increased income will be used on household improvements and that stable political, macro-economic environment is maintained in the country. Continued government support to improve returns to farmers in export value chains. Food security and incomes increase through a combined effect of increased crop production and improved market access
	Women-Headed households that report an increase in income as a result of PSAC assistance	0	30	80			
	Non Women-Headed households that report an increase in income as a result of PSAC assistance	0	6720	36284			
	Women-Headed households that report an increase in income as a result of PSAC assistance	0	1680	9071			
	Non Women-Headed households that report an increase in income as a result of PSAC assistance	0	30	80			
	Total number of HH that report an increase in income as a result of PSAC assistance - Number	0	8400	45356			

Results Hierarchy	Indicators				Source	Means of Verification	Assumptions			
	Name	Baseline	Mid-Term	End Target						
Development Objective To support the inclusion of rural poor in targeted export-driven value chains, by increasing their climate-resilient productive capacity and market access	IE.2.1 Individuals demonstrating an improvement in empowerment				COI Household survey	NAEB M&E	Robust gender targeting strategy and action plan developed Capacity building interventions ensure strong governance and give voice to women and youth PFI will consider the proposed PSAC support relevant to their business model, and show interest in value chain financing to the concerned stakeholders of the project. Community-based approach is widely used to raise seedlings under PSAC project			
	Total persons	0	30	50						
	Total persons	0	37800	127563						
	Females	0	40	40						
	Females	0	15120	51025						
	Males	0	60	60						
	Males	0	22680	76538						
	HHs reporting increase in income by 30% above baseline as a result of PSAC assistance									
	Total number of HHs reporting increase in income by at least 30% above baseline - Number	0	5600	34017						
	Number WHHs reporting increase in income 30% above baseline - Number	0	1120	6803						
	% of total HH reporting increase in income 30% above baseline - percentage %	0	20	60	Project surveys, NAEB statistics	NAEB M&E, VC Specialists, Gender Specialist, Targeting and Social Inclusion Specialist, Access to Finance Specialist				
	Number of Non WHHs reporting increase in income 30% above baseline - Number	0	4480	27213						
	% WHHs reporting increase in income 30% above baseline - percentage %	0	20	20						
	% Non WHHs reporting increase in income 30% above baseline - percentage %	0	80	80						
	Increased value of agriculture-related financing accessed as a result of PSAC assistance									
	Increased value of coffee-related financing	0	50	120	Annually	NAEB M&E, VC Specialists, Gender Specialist, Targeting and Social Inclusion Specialist, Access to Finance Specialist				

Results Hierarchy	Indicators				Source	Means of Verification	Assumptions			
	Name	Baseline	Mid-Term	End Target						
	Increased value of tea-related financing	0	50	100						
	Increased value of horticulture-related financing	0	50	80						
	2.2.1 Persons with new jobs/employment opportunities				COI Household	Baseline, Mid Term, Completion	NAEB M&E			
	Males	0	1800	4275						
	Females	0	1200	2850						
	Young	0	1000	2138						
	Total number of persons with new jobs/employment opportunities	0	3000	7125						

Results Hierarchy	Indicators				Source	Means of Verification	Assumptions			
	Name	Baseline	Mid-Term	End Target						
Outcome Outcome 1. Smallholders' climate-smart production and productivity in selected export-driven value chains have increased	Increased value of targeted commodities exported from Rwanda				Project M&E system	Annually	Adoption of value addition and post harvest loss reduction technologies promoted by the project. Sustainable market linkages established between smallholder producers and exporters. No sharp drop in international market prices Farmers adopt recommended good agricultural practices and climate events. Stakeholders develop capacity to manage and show interest to invest in new climate resilient technologies. No extreme weather and climate events. Stakeholders develop capacity to manage and show interest to invest in new climate resilient technologies.			
	Increased tea exports value - Percentage (%)	0	40	80						
	Increased coffee exports value - Percentage (%)	0	50	100						
	Increased horticulture exports value - Percentage (%)	0	50	80						
	Increased volume of targeted commodities exported from Rwanda									
	Increased tea exports volume	0	50	100						
	Increased coffee exports volume	0	50	100						
	Increased horticulture exports volume	0	50	100						
	1.2.4 Households reporting an increase in production				COI Household survey	Baseline, Mid Term, Completion	NAEB M&E			
	Total number of household members	0	60000	123600						
	Households	0	50	60						
	Women-headed households	0	12000	24800						
	Households	0	13000	27000						
	3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices				Project surveys, NAEB statistics	Annually				
	Total number of household members	0	67500	135000						
	Households	0	50	80						
	Women-headed households	0	6000	12000						
	Households	0	15000	30000						

Results Hierarchy	Indicators				Source	Means of Verification	Assumptions
	Name	Baseline	Mid-Term	End Target			
Output Output 1.1 The development and adoption of innovative climate-resilient technologies and practices are supported for expansion, rehabilitation and rejuvenation of plantation areas	Rejuvenated coffee plantations				Project Surveys	Annually	NAEB M&E, VC Specialists, Gender Specialist, Targeting and Social Inclusion Specialist
	Rejuvenated coffee plantations in strategic area (target density 2500 trees/ha)	0	600	1082			
	Rehabilitated coffee plantations				Project Surveys	Annually	NAEB M&E, VC Specialists, Gender Specialist, Targeting and Social Inclusion Specialist
	Rehabilitated coffee plantations in strategic area (target density 2500 trees/ha)	0	1000	3050			
	Expansion of tea plantations				Project Surveys	Annually	NAEB M&E, VC Specialists, Gender Specialist, Targeting and Social Inclusion Specialist
	Newly planted tea in strategic areas (target density 14,000 bushes/ha)	0	1000	1790			
	Infilling in tea plantations				Project Surveys	Annually	NAEB M&E, VC Specialists, Gender Specialist, Targeting and Social Inclusion Specialist
	Tea infilling in strategic areas (target density 14,000 bushes/ha)	0	150	620			
	Expansion of macadamia plantations				Project Surveys	Annually	NAEB M&E, VC Specialists, Gender Specialist, Targeting and Social Inclusion Specialist
	Newly planted macadamia in strategic areas (target density 204 trees/ha)	0	200	500			
	Expansion of avocado/mango plantations				Project Surveys	Annually	NAEB M&E, VC Specialists, Gender Specialist, Targeting and Social Inclusion Specialist
	Newly planted avocado/mango in strategic areas (target density 300 trees/ha)	0	500	1000			
	Expansion of essential oils plantations				Project Surveys	Annually	NAEB M&E, VC Specialists, Gender Specialist, Targeting and Social Inclusion Specialist
	Newly planted essential oils in strategic areas (target density (28,000 bushes/ha)	0	100	200			
	1.1.4 Persons trained in production practices and/or technologies				Project M&E system	Annually	NAEB M&E, VC Specialists, Gender Specialist
	Total number of persons trained by the project	0	50000	120000			

Results Hierarchy	Indicators				Source	Means of Verification	Assumptions
	Name	Baseline	Mid-Term	End Target			
	Total number of attendances to training sessions	0	50000	120000			
	Men trained in crop	0	30000	72000			
	Women trained in crop	0	20000	48000			
	Young people trained in crop	0	15000	36000			
	Total persons trained in crop	0	50000	120000			
Output Output 1.2. Innovative climate-resilient technologies are developed and promoted	3.1.1 Groups supported to sustainably manage natural resources and climate-related risks				Project M&E system, NAEB statistics	Annually	NAEB M&E, VC Specialists, Gender Specialist
	Total size of groups	0	28347	56695			
	Groups supported	0	140	300			
	Males	0	17008	34017			
	Females	0	11339	22678			
	Young	0	8504	17008			
	Cooperatives/Private companies invest in climate-resilient technologies				Project M&E system, NAEB statistics	Annually	NAEB M&E, VC Specialists, Gender Specialist
	Coffee investments – Total Value (USD)	0	421	2001			
	Tea investments – Total Value (USD)	0	712	814			
	Horticulture investments – Total Value (USD)	0	800	2280			

Results Hierarchy	Indicators				Source	Means of Verification	Assumptions	
	Name	Baseline	Mid-Term	End Target				
Outcome Outcome 2. Stakeholders' access to advisory services, market and financial services has improved to facilitate their inclusion in sustainable export-driven value chains	1.2.5 Households reporting using rural financial services				COI Household survey	NAEB M&E	Exporters' interest and willingness to source their products from smallholder POs. Commitment of POs to supply exporters on regular basis. Financial products and services developed under PSAC respond to smallholder farmers and exporters needs	
	Total number of household members	0	12000	30000				
	Households	0	15	30				
	Women-headed households	0	4000	12000				
	Households	0	2667	6667				
	2.2.1 Persons with new jobs/employment opportunities				Project surveys, SP reports	Annually	NAEB M&E, Gender Specialist, Targeting and Social Inclusion Specialist	
	Males	0	1800	4275				
	Females	0	1200	2850				
	Young	0	1000	2138				
	Total number of persons with new jobs/employment opportunities	0	3000	7125				
	SF.2.1 Households satisfied with project-supported services				COI Household survey	NAEB M&E, Gender Specialist, Targeting and Social Inclusion Specialist		
	Household members	0	88200	178590				
	Women-headed households	0	3920	7937				
	Households (%)	0	70	70				
	Households (number)	0	19600	39686				
	SF.2.2 Households reporting they can influence decision-making of local authorities and project-supported service providers				COI Household survey	NAEB M&E, Gender Specialist, Targeting and Social Inclusion Specialist		
	Household members	0	63000	127564				
	Women-headed households	0	2800	5670				
	Households (%)	0	50	50				
	Households (number)	0	14000	28348				
	2.2.3 Rural producers' organizations engaged in formal partnerships/agreements or contracts with public or private entities				Project M&E system, SP reports	Annually	NAEB M&E, VC Specialists	
	Number of POs	0	140	300				

Results Hierarchy	Indicators				Source	Means of Verification	Assumptions	
	Name	Baseline	Mid-Term	End Target				
	Rural producers' organizations engaged in formal partnerships/agreements or contracts with public or private entities				Project M&E system, SP reports	Annualy	NAEB M&E, VC Specialists	
	POs' contracts in coffee - Number	0	50	120				
	POs' contracts in tea - Number	0	50	100				
	POs' contracts in horticulture - Number	0	40	80				
	2.2.6 Households reporting improved physical access to markets, processing and storage facilities							
	Households reporting improved physical access to markets	0	50	80		COI Household survey	NAEB M&E	
	Size of households	0	67500	135000				
	Women-headed households	0	6000	12000				
	Households reporting improved physical access to processing facilities	0	50	80				
	Size of households	0	67500	135000				
	Women-headed households	0	6000	12000				
	Households reporting improved physical access to storage facilities	0	50	80				
	Size of households	0	67500	135000				
	Women-headed households	0	6000	12000				
	Households reporting improved physical access to markets	0	15000	40000				
	Households reporting improved physical access to processing facilities	0	15000	40000				
	Households reporting improved physical access to storage facilities	0	15000	40000				

Results Hierarchy	Indicators				Source	Means of Verification	Assumptions			
	Name	Baseline	Mid-Term	End Target						
Output Output 2.1. Rural infrastructure facilities and equipment are constructed/provided	2.1.6 Market, processing or storage facilities constructed or rehabilitated				Project M&E system, contractors reports	Annualy	Strong producers organizations and their linkages with markets or private sector companies formed. Cost of accessing finance remains affordable for small producers and other value chain stakeholders No extremely negative price fluctuation in the market			
	Total number of facilities	0	70	202						
	Market, processing or storage facilities constructed or rehabilitated									
	Coffee facilities constructed/rehabilitated - Number	0	20	67						
	Tea facilities constructed/rehabilitated - Number	0	20	64						
	Horticulture facilities constructed/rehabilitated - Number	0	30	71						
Output Output 2.2. Producers organizations' and FIs' technical and business management capacities are strengthened	2.1.1 Rural enterprises accessing business development services				Project M&E system, SP reports	Annually	Producers and producers organizations show interest in developing their technical and business skills. A set of policies, procedures, tools and updated ESMS through BRD is available to the PFIs			
	Rural enterprises	0	170	350						
	Number of Rural enterprises accessing business development services									
	Rural enterprises in coffee - Number	0	80	170						
	Rural enterprises in tea - Number	0	50	100						
	Rural enterprises in horticulture - Number	0	40	80						
	Strengthened capacity of financial institutions to implement Environmental and Social Management System (ESMS)									
	Number of participating FIs use of an ESMS	0	1	4						
Output Output 2.3. Market linkages are established and strengthened	Market-driven certifications obtained/renewed and sustained among farmer organizations and exporters				Project M&E systems	Annually	PSAC beneficiaries willing to engage in certification process. Distinctive market advantage in acquiring specific certifications.			
	Market-driven certifications in tea - Number	0	1	1						
	Market-driven certifications in coffee – Number	0	3	10						

Results Hierarchy	Indicators				Source	Means of Verification	Assumptions
	Name	Baseline	Mid-Term	End Target			
	Market-driven certifications in horticulture – Number	0	3	10			
	Total market-driven certifications - Number	0	7	21			
Output Output 2.4 A range of diversified financial products is timely accessible to stakeholders of selected value chains	1.1.5 Persons in rural areas accessing financial services				Project M&E system, SP reports, PFI reports	Annualy	PFI will consider the proposed PSAC support relevant to their business model, and show interest in value chain financing to the concerned stakeholders of the project. Financial products and services developed under PSAC respond to smallholder farmers and exporters needs.
	Total number of accesses to financial services	0	18500	93000			
	Women in rural areas accessing financial services - savings	0	5500	20000			
	Young people in rural areas accessing financial services - savings	0	5000	15000			
	Men in rural areas accessing financial services - savings	0	3000	18000			
	Men in rural areas accessing financial services - credit	0	6000	35000			
	Women in rural areas accessing financial services - credit	0	4000	20000			
	Young people in rural areas accessing financial services - credit	0	3500	15000			
	Total persons accessing financial services - savings	0	8500	38000			
	Total persons accessing financial services - credit	0	10000	55000			
Outcome Outcome 3. Institutional and policy environment of selected export-driven VCs is improved	Policy 3 Existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification or amendment				Project reports, Policy briefs, guidelines, evidence-based research	Annually	Positive response from the Government in policy formulation.
	Number	0	1	3			
Output Output 3.1 Policy-relevant knowledge products completed	Number of knowledge products developed in terms of policy briefs, guidelines, evidence-based research - Number				Project reports, KM products	Annually	Positive response from the Government in policy formulation.

Results Hierarchy	Indicators				Source	Means of Verification	Assumptions
	Name	Baseline	Mid-Term	End Target			
	Number of knowledge products developed in terms of policy briefs, guidelines, evidence-based research - Number	0	2	4			
Output Output 3.2. Functioning multi-stakeholder platforms supported	Number of national and district platforms for targeted VCs supported - Number						Positive response from the Government in policy formulation.
	Number of national and district platforms for targeted VCs supported - Number	0	17	17			

Rwanda

Promoting Smallholder Agro-Export Competitiveness Project Project Design Report

Annex 2: Theory of change

Mission Dates: 09-27 May 2022

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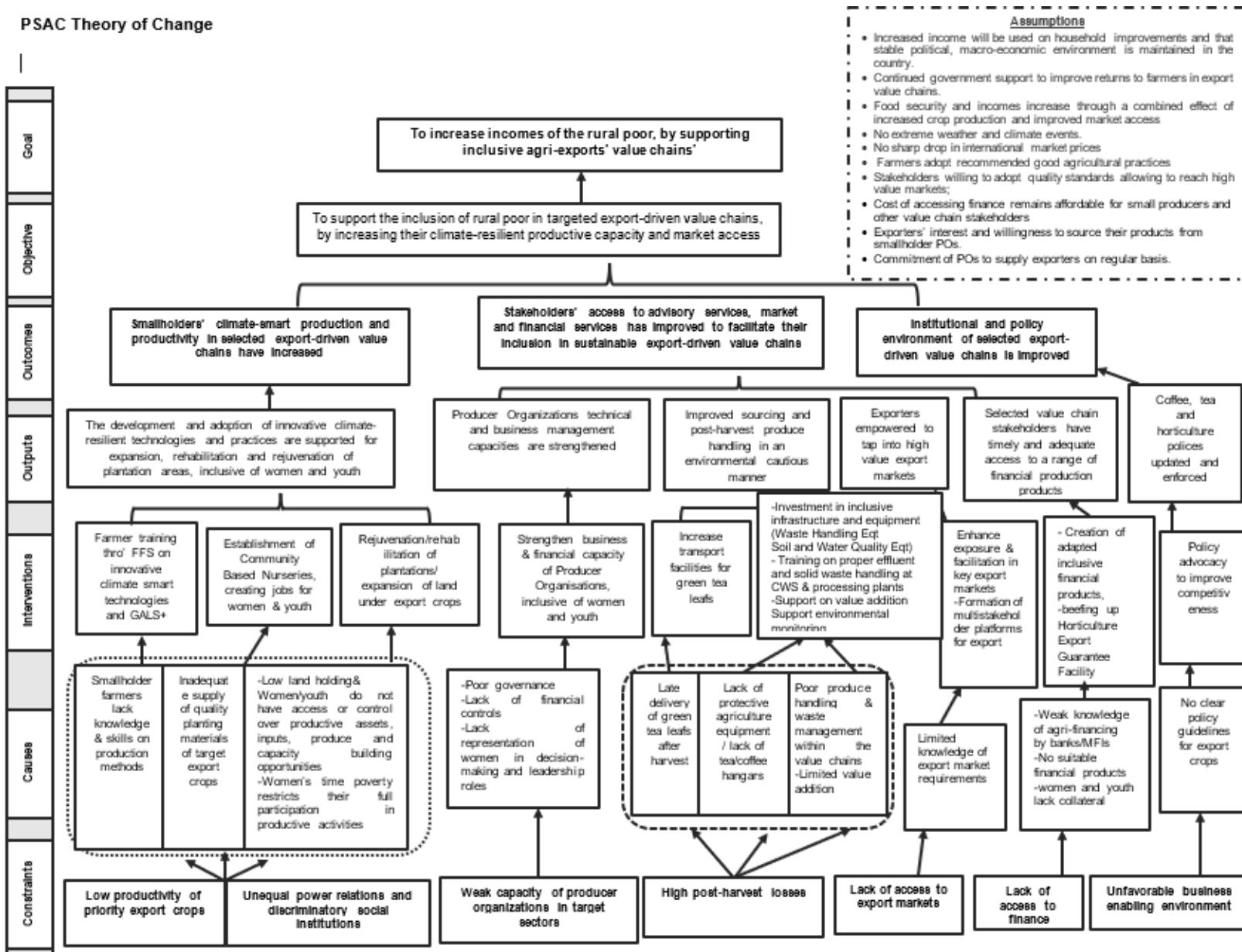
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East and Southern Africa Division
Programme Management Department

Annex 2: Theory of Change

PSAC Theory of Change



Rwanda

Promoting Smallholder Agro-Export Competitiveness Project Project Design Report

Annex 3: Project cost and financing: Detailed costs tables

Mission Dates: 09-27 May 2022

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Programme Management Department

Annex 3: Project cost and financing

A. Main assumptions for Cost Estimation

1. **Introduction.** The annex describes the assumptions underlying the derivation of the project costs, presents the summary and detailed cost tables and the financing plan.
2. **Project Period.** The project will be financed over a six-year period.
3. **Inflation.** In 2021, headline inflation decelerated to 0.8 per cent on average from 7.7 per cent recorded in 2020. The deceleration in headline inflation was reflected in all its main components. Food inflation dropped to -1.0 per cent from 12.1 per cent, core inflation slowed down to 2.1 per cent from 5.6 per cent, while energy inflation eased 1.8 per cent from 7.8 per cent. It is projected that inflation will gradually increase annually by 1 per cent at project start up to 6.7 per cent by project completion.
4. In particular, a drop was recorded in food inflation and it was mostly reflected in vegetables' inflation that eased to -10.6 per cent in 2021 from 21.5 per cent in 2020. Vegetables' prices in 2021 evolved below the 2020 price levels and even below the typical patterns of the historical prices (2015-2020). The decelerations observed in vegetables inflation in 2021 were mostly on the back of the good performance of agricultural production, coupled with the base effect.
5. **Exchange Rate.** The exchange rate was fixed at 1 US\$ = 1,030 RWF as per average market forex rate during 2021-2022. Project costs are presented in both RWF and US\$ currency.
6. **Physical and price contingencies.** Both types of contingencies have been taken into account and included in the costing of the project. The gradual annual inflation rate increases of 1 per cent at project start projected to increase to 6.7 per cent by project completion, has been used to set physical and price contingencies for all activity costs at 1 per cent.
7. **Taxes and Duties.** Duties and taxes were provided for. Government will contribute US\$ 5.4 to cover all duties and taxes amounting to 8.6 per cent of the total project funding.
8. **Expenditure Accounts.** The Project expenditure accounts will be the following:

- I. Goods, Services and Inputs
- II. Training, Workshops and Meetings
- III. Grants and Subsidies
- IV. Civil Works
- V. Policy Statement & Strategy
- VI. Technical Assistance & Consultancies
- VII. Salaries and Allowances
- VIII. Operating costs

B. Total cost and Financing

9. The total combined PSAC investment and incremental recurrent costs, including physical and price contingencies, are estimated at US\$ 62.89 million (FRW 64.7 billion). In this total cost, IFAD is expected to contribute resources amounting to US\$ 29.98 million (47.7%), The Government of Rwanda – US\$ 5.4 million (or 8.6%), Private sector – US\$ 4.3 million (or 6.8%), beneficiary contribution – US\$ 1.3 million (or 2.2%), Heifer – US\$ 1.2 million (or 1.9%), Coraid – US\$ 0.7 million (or 1.1%), and The Government of Spain (potential financing gap) – US\$ 19.9 million (or 31.7%). The detailed cost tables and additional summary tables are presented below. The investment per component is as follows:

- **Component A - Investment to enhance climate smart production and productivity of selected export - driven value chain** accounts for US\$ 38.35 million, representing approx. 61 per cent of total project costs. This component represents the core investments of the project that is mainly geared towards investing in export crops.
- **Component B - Enabling business environment along selected export - driven value chains** accounts for US\$ 17.94 million representing approx. 28.5 per cent of total project costs.
- **Component C - Project management and Policy support** for US\$ 6.6 million, 10.5 per cent of total project costs, of which US\$ 2.23 million is related to investment costs in policy support and US\$ 4.37 is related to re-current costs.

Table 1: Project cost by component (RWF / US\$)

	Rwanda Promoting Smallholder Agro-export Competitiveness Components Project Cost Summary								
	(Local)			(US\$)			% Foreign Exchange	% Total Base Costs	
	Local	Foreign	Total	Local	Foreign	Total			
1. Investment to enhance climate smart production and productivity of selected export - driven value chain	38 183 793 005.0	5 201 500.0	38 188 994 505.0	37 071 643.7	5 050.0	37 076 693.7	-	61	
2. Enabling business environment along selected export - driven value chains	17 782 764 397.0	-	17 782 764 397.0	17 264 819.8	-	17 264 819.8	-	28	
3. Project management and Policy support	6 583 851 000.9	-	6 583 851 000.9	6 392 088.4	-	6 392 088.4	-	11	
Total BASELINE COSTS	62 550 408 402.9	5 201 500.0	62 555 609 902.9	60 728 551.8	5 050.0	60 733 601.8	-	100	
Physical Contingencies	598 264 368.7	52 015.0	598 316 383.7	580 839.2	50.5	580 889.7	-	1	
Price Contingencies	1 626 911 397.1	79 065.4	1 626 990 462.5	1 579 525.6	76.8	1 579 602.4	-	3	
Total PROJECT COSTS	64 775 584 168.8	5 332 580.4	64 780 916 749.2	62 888 916.7	5 177.3	62 894 093.9	-	104	

Table 2: Project expenditure accounts by components (US\$)

PSAC detailed cost table_post_In.xlsx

Rwanda Promoting Smallholder Agro-export Competitiveness Expenditure Accounts by Components - Totals Including Contingencies (US\$)				
	Investment to enhance climate smart production and productivity of selected export - driven value chain	Enabling business environment along selected export - driven value chains	Project management and Policy support	Total
I. Investment Costs				
A. Goods, Services and inputs	29 387 266.8	12 974 049.8	278 179.7	42 639 496.3
B. Training, workshops and meetings	188 393.3	4 970 760.8	44 957.4	5 204 111.5
C. Salaries and Allowances	-	-	-	-
D. Grants and subsidies	8 092 201.1	-	-	8 092 201.1
E. Civil works	679 463.7	-	-	679 463.7
F. Policy statement and strategy	-	-	1 305 261.0	1 305 261.0
G. Technical Assistance and Consultancies	-	-	598 651.4	598 651.4
H. Operating Costs	-	-	-	-
Total Investment Costs	38 347 324.8	17 944 810.6	2 227 049.5	58 519 185.0
II. Recurrent Costs				
A. Salaries and wages	-	-	2 725 194.7	2 725 194.7
B. Operating Costs	-	-	1 640 714.2	1 640 714.2
Total Recurrent Costs	-	-	4 374 908.9	4 374 908.9
Total PROJECT COSTS	38 347 324.8	17 944 810.6	6 601 958.5	62 894 093.9
Taxes	5 143 533.4	44 511.6	142 879.9	5 330 924.9
Foreign Exchange	5 177.3	-	-	5 177.3

Table 3: Financing Plan by Components (US\$)

Rwanda PSAC - Project Components by Year, Totals Including Contingencies (US\$)							
	Totals Including Contingencies						
	2023	2024	2025	2026	2027	2028	Total
A. Investments to enhance climate smart production and productivity of selected export-driven value chains	3 614 527.0	11 406 400.7	12 325 116.7	7 921 204.5	2 697 298.2	382 777.8	38 347 324.8
B. Enabling business environment along selected export-driven value chains	2 435 963.6	3 419 053.0	3 790 199.1	3 400 867.2	2 748 810.6	2 149 917.2	17 944 810.6
C. Policy support and coordination	1 426 526.5	1 294 276.7	1 211 930.7	925 499.5	871 917.4	871 807.8	6 601 958.5
Total Project Costs	7 477 017.1	16 119 730.4	17 327 246.5	12 247 571.2	6 318 026.1	3 404 502.7	62 894 093.9

Table 4: Financing Plan by Expenditure Accounts (US\$)

	Rwanda Promoting Smallholder Agro-export Competitiveness Disbursement Accounts by Financiers (US\$)																	
	IFAD		Beneficiaries		Private Sector		Heifer		Coraid		Government of Spain		The Government		Total			
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Goods, Services and Inputs	20 139 496.9	47.2	1 375 796.7	3.2	-	-	348 323.5	0.8	528 683.6	1.2	15 152 154.1	35.5	5 095 041.6	11.9	42 639 496.3	67.8		
Training, Workshops and Meetings	2 822 997.5	54.2	-	-	-	-	593 485.9	11.4	166 453.0	3.2	1 532 887.2	29.5	88 287.9	1.7	5 204 111.5	8.3		
Grants and Subsidies	2 413 814.8	29.8	-	-	4 302 509.5	53.2	260 703.5	3.2	-	-	1 110 096.9	13.7	5 076.3	0.1	8 092 201.1	12.9		
Civil Works	381 858.6	56.2	-	-	-	-	-	-	-	-	175 301.6	25.8	122 303.5	18.0	679 463.7	1.1		
Policy Statement & Strategy	894 103.8	68.5	-	-	-	-	-	-	-	-	411 157.2	31.5	0.0	-	1 305 261.0	2.1		
Technical Assistance & Consultancies	336 442.1	56.2	-	-	-	-	-	-	-	-	154 452.1	25.8	107 757.2	18.0	598 651.4	1.0		
Salaries and Allowances	1 866 758.4	68.5	-	-	-	-	-	-	-	-	858 436.3	31.5	-0.0	-	2 725 194.7	4.3		
Operating costs	1 130 054.2	68.5	-	-	-	-	-	-	-	-	519 660.0	31.5	-0.0	-	1 649 714.2	2.6		
Total PROJECT COSTS	29 985 526.3	47.7	1 375 796.7	2.2	4 302 509.5	6.8	1 202 513.0	1.9	695 136.6	1.1	19 914 145.4	31.7	5 418 466.5	8.6	62 894 093.9	100.0		

Appendix B: Detailed Cost Tables

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Table 1.1. Support smallholder farmers production and productivity (US\$)

	Totals Including Contingencies (US\$)							Total
	2023	2024	2025	2026	2027	2028		
I. Investment Costs								
A. Coffee Replacement and rehabilitation								
Women and Youth led Nurseries for production of Seedlings /a	127 504.9	222 841.3	257 827.7	70 069.1	-	-	-	678 242.9
Formation, capacity building of youth groups /b	117 745.8	-	-	-	-	-	-	117 745.8
Uprooting Old coffee trees and establishment of new coffee plantations /c	1 691 721.9	2 842 281.7	2 870 704.5	1 228 705.6	-	-	-	8 633 413.6
Maintenance of Replaced Coffee Plantations /d	-	1 284 124.7	2 154 037.4	2 175 577.8	931 180.7	-	-	6 544 920.5
Rehabilitation & maintenance (1st year) /e	110 031.4	111 131.7	111 828.9	112 947.2	-	-	-	445 939.2
Rehabilitation & maintenance (2nd year) /f	-	69 457.3	70 151.9	70 592.0	71 297.9	-	-	281 499.1
Tools for use in coffee replacement, expansion and rehabilitation	62 912.8	-	-	-	-	-	-	62 912.8
Support with seedlings /g	-	46 134.0	46 595.4	31 374.2	31 688.0	-	-	155 791.5
Sensitization, campaign and selection of early adopters for replacement, rehabilitation and Expansion program /h	70 647.5	-	-	-	-	-	-	70 647.5
Support services for coffee replacement /i	211 942.4	214 061.9	216 202.5	218 384.5	220 548.2	222 753.6	1 303 873.1	
Subtotal	2 392 506.7	4 790 032.6	5 727 348.2	3 907 630.2	1 254 714.7	222 753.6	18 294 986.0	
B. Tea Expansion/Infilling								
Tea plantations -Expansion	-	1 116 450.1	1 687 650.7	681 810.9	-	-	-	3 485 911.7
Tea plantation-Infilling	-	-	1 022 675.0	-	-	-	-	1 022 675.0
Fertilizer Revolving Scheme	-	2 050 401.0	-	-	-	-	-	2 050 401.0
Agroforestry	-	23 343.1	-	-	-	-	-	23 343.1
Subtotal	-	3 190 194.2	2 710 325.7	681 810.9	-	-	-	6 582 330.8
C. Horticulture plantation Establishment and productivity improvement								
	2023	2024	2025	2026	2027	2028		Total
Mango - Plantation /j	9 135.5	18 453.6	27 957.2	18 824.5	-	-	-	74 370.8
Avocado - Plantation	36 541.8	73 814.4	111 828.9	75 298.1	-	-	-	297 483.2
Macadamia - Plantation	41 414.0	125 484.5	168 985.8	85 337.9	-	-	-	421 222.3
Essential oil /k	28 421.4	71 764.0	72 481.7	117 130.4	-	-	-	289 797.5
Mango - other inputs along with plantation /l	22 838.6	46 134.0	69 893.0	47 061.3	-	-	-	185 927.0
Avocado - other inputs along with plantation /m	91 354.5	184 536.1	279 572.2	188 245.3	-	-	-	743 708.0
Macadamia - other inputs along with plantation /n	45 677.3	138 402.1	186 381.5	94 122.6	-	-	-	464 583.4
Mango - 15% gap filling in Year 2 of each new plantation	-	1 384.0	2 795.7	4 235.5	2 851.9	-	-	11 287.2
Avocado -15% gap filling in Year 2 of each new plantation	-	5 536.1	11 182.9	16 942.1	11 407.7	-	-	45 068.7
Macadamia -15% gap filling in Year 2 of each new plantation	-	6 274.2	19 433.4	25 601.4	12 928.7	-	-	64 237.6
Mango - Plantation - Maintenance (manure and other inputs)	-	23 067.0	46 595.4	70 592.0	47 531.9	-	-	187 786.3
Avocado - Plantation - Maintenance (manure and other inputs)	-	92 268.0	186 381.5	282 367.9	190 127.7	-	-	751 145.1
Macadamia - Plantation - Maintenance (manure and other inputs)	-	46 134.0	139 786.1	188 245.3	95 063.9	-	-	469 229.2
Trial on essential oils (varietal selection)	23 346.2	-	-	-	-	-	-	23 346.2
International Technical Assistance for the production of macadamia seedlings	-	20 504.0	-	-	-	-	-	20 504.0
Subtotal	298 729.2	853 756.2	1 323 275.2	1 214 004.2	359 911.8	-	-	4 049 676.5
Total	2 691 236.0	8 833 983.0	9 760 949.0	5 803 445.3	1 614 626.4	222 753.6	28 926 993.3	

\a Seedlings for Replacement of 3050Ha @2500trees/Ha + 15% for infilling for replacement and 10% infilling for rehabilitation of 1082ha

\b groups to engage in Replacement, Rehabilitation and Expansion program (2 groups per sector)

\c through engagement of youth groups

\d Each lot planted every year shall be maintained

\e of 1082 Ha of coffee trees over 8 years old through engagement of youth groups (removal of stems and suckers selection)

\f Of 1082 Ha of coffee trees over 8 years old through engagement of youth groups (removal of stems and suckers selection)

\g To encourage intercropping coffee with Banana/fruit shade trees to improve food and nutrition security, timber production (in target 4132 Ha)

\h Through Local Government in all 58 Sectors (2 Meetings per sector)

\i To deliver proximity technical assistance for the 86 sectors (Annual@150USD per Month)

\j including seedling, manure and other inputs

\k Plantation and all the inputs

\l Manure and fertilizer

\m Manure and fertilizer

\n Manure and fertilizer

Table 1.2. Improvement of rural Infrastructure activities (US\$)

	Totals Including Contingencies (US\$)						Total
	2023	2024	2025	2026	2027	2028	
I. Investment Costs							
A. Direct support (100% project supported)							
Support for soil and water testing kits (Palitest Kits)	22 331.1	-	-	-	-	-	22 331.1
Construction of 2 pilot hangars - for Coffee	-	20 504.0	-	-	-	-	20 504.0
Eco-friendly coffee drying units /a	-	39 982.8	-	-	-	-	39 982.8
Build Hangars - for Tea	-	103 928.7	104 968.0	-	-	-	208 896.6
Investment in avocado grading line at NAEB packhouse	-	410 080.2	-	-	-	-	410 080.2
Electronic weighing scales	-	3 947.0	-	-	-	-	3 947.0
Green leaf server /b	-	89 706.1	-	-	-	-	89 706.1
Pick Up truck for Ferwacothé/cooperative common services	38 064.4	-	-	-	-	-	38 064.4
Green leaves transportation Trucks	-	494 618.2	-	-	-	-	494 618.2
Subtotal	60 395.5	1 162 767.0	104 968.0	-	-	-	1 328 130.5
B. Investment Grants							
1. CAT 1 - small-scale investment grants							
small scale protective agri equipment for individual women and youth (<30 years)	-	102 520.1	103 545.3	52 290.4	-	-	258 355.7
small scale protective agri equipment for individual men (>30 years)	-	102 520.1	103 545.3	52 290.4	-	-	258 355.7
small scale EIT for individual women and youth (<30 years)	-	-	-	-	-	-	-
small scale EIT for individual men (>30 years)	-	-	-	-	-	-	-
Eco-friendly coffee drying structures for CWS led by women and youth (<30 years)	-	51 260.0	72 481.7	-	-	-	123 741.7
Eco friendly coffee drying structures for CWS led by men (>30 years)	-	51 260.0	72 481.7	-	-	-	123 741.7
Provide capital investments to youth /c	60 903.0	92 268.0	124 254.3	125 496.8	126 751.8	96 014.5	625 688.5
Subtotal	60 903.0	399 828.2	476 308.2	230 077.5	126 751.8	96 014.5	1 389 883.2
2. CAT 2 - medium-scale investment grants for cooperatives							
Compliance related support (Horticulture) /d	-	-	62 127.2	125 496.8	-	-	187 624.0
Compliance related support (Coffee) /e	-	123 024.1	124 254.3	125 496.8	-	-	372 775.2
Protective agriculture at cooperative level /f	-	61 512.0	124 254.3	-	-	-	185 766.3
Proper effluent and solid waste handling facilities at cooperative level /g	-	61 512.0	310 635.8	250 993.7	-	-	623 141.5
Additional investment to HEGF hosted by BRD	507 628.0	-	-	-	-	-	507 628.0
Provide investments support to cooperatives /h	40 602.0	61 512.0	82 836.2	83 664.6	84 501.2	64 009.7	417 125.7
Subtotal	548 230.0	307 560.2	704 107.7	585 651.9	84 501.2	64 009.7	2 294 060.7
3. CAT 3 - medium-scale investment grants for exporters							
Basic facilities, tools and equipment to acquire certification at exporter level	-	123 024.1	186 381.5	125 496.8	-	-	434 902.4
Protective agriculture at exporter level /i	-	184 536.1	186 381.5	62 748.4	-	-	433 666.0
Proper effluent and solid waste handling facilities at exporter level /j	-	61 512.0	310 635.8	250 993.7	-	-	623 141.5
BDF Grant management fee (6.5%)	-	76 690.0	77 658.9	78 435.5	79 219.9	-	312 204.4
PFIs Co-financing to PSAC VC interventions	253 762.5	256 300.1	517 726.3	784 355.3	792 198.8	-	2 604 343.0
Subtotal	253 762.5	702 262.3	1 278 783.8	1 302 029.8	871 418.7	-	4 408 257.1
Subtotal	862 895.5	1 409 650.7	2 459 199.7	2 117 759.2	1 082 671.7	160 024.2	8 092 201.1
Total	923 291.0	2 572 417.7	2 564 167.7	2 117 759.2	1 082 671.7	160 024.2	9 420 331.5

/a (3 units, including 1 parabolic drying structure) including demonstration cost

/b software based database of farmers' green leaves collection and revenue

/c For youth engaged in value addition, marketing and horticulture product aggregation services to acquire processing equipment, packaging materials, compliance and certification for the domestic market.

/d Basic facilities, tools and equipment to acquire certification at cooperative level

/e Basic facilities, tools and equipment to acquire certification at cooperative level

/f (greenhouse, walk-in tunnel, shade net...)

/g CWS, loading stations and processing plants for the various value chains

/h aimed at increased mechanization at farm level and infrastructure development for processing, transport logistics and warehousing in order to reduce post-harvest losses.

/i greenhouse, walk-in tunnel, shade net...

/j CWS, loading stations and processing plants for the various value chains

Table 1.3. Capacity building of producer organisations (US\$)

	Totals Including Contingencies (US\$)						Total
	2023	2024	2025	2026	2027	2028	
I. Investment Costs							
A. Organizational Capacity development for Cooperatives and functional groups (coffee)							
Capacity building in climate smart agricultural practices in coffee /a	10 150.5	20 504.0	31 063.6	31 374.2	10 562.7	-	103 654.9
Farmer Field School (FFS) approach /b	69 023.4	278 854.5	633 696.9	995 608.3	1 167 172.9	1 178 844.7	4 323 200.8
Capacity building of Proximity coaches	1 624.1	3 280.6	4 970.2	5 019.9	-	-	14 894.8
Training and exposure visit /c	5 075.3	15 378.0	41 418.1	31 374.2	-	-	93 245.6
Training in nursery raising and management /d	812.0	1 640.3	828.4	-	-	-	3 280.7
Subtotal	86 685.3	319 657.5	711 977.1	1 063 376.6	1 177 735.6	1 178 844.7	4 538 276.6
B. Organizational Capacity development for Cooperatives, Ferwacotho and functional groups (Tea)							
Support Focal Persons(FP) for infilling activities-FP	4 750.4	4 797.9	4 845.9	-	-	-	14 394.3
Appoint & train Field Production Assistants -FPA	42 753.9	43 181.4	43 613.3	44 049.4	44 489.9	44 934.8	263 022.7
Train & deploy Common Services Champions -CSC	49 865.3	50 364.0	50 867.6	51 376.3	51 890.1	52 409.0	306 772.4
Train Common Services Champions Committee /e	2 771.1	2 798.8	2 826.8	2 855.1	2 883.6	2 912.4	17 047.8
Appoint/Elect, induct & deploy the Fertilizer Management Committee (FMC) for RFS	13 356.0	13 489.6	13 624.5	13 760.7	13 898.3	14 037.3	82 166.5
Contract a common Services Delivery Expert/Service Provider based at Ferwacotho	50 456.1	-	-	-	-	-	50 456.1
Subtotal	163 952.9	114 631.8	115 778.1	112 041.5	113 161.9	114 293.5	733 859.6
C. Organizational Capacity development for Cooperatives and functional groups (Horticulture)							
Capacity building of Proximity coaches /f	1 624.1	820.2	828.4	836.6	845.0	-	4 954.3
Training and exposure visit /g	5 075.3	10 252.0	10 354.5	-	-	-	25 681.8
Capacity Building in strategies for Social inclusion /h	5 075.3	10 252.0	10 354.5	-	-	-	25 681.8
Capacity building of in a)certification processes and compliance, b) climate smart agricultural practices /i	-	5 126.0	10 354.5	10 458.1	-	-	25 938.6
Farmer Field School (FFS) approach, strengthened by proximity coaching /j	43 139.6	130 713.1	198 030.3	200 010.6	202 010.7	204 030.8	977 935.1
Organization of Private sector led innovative training (for Farmers)	36 541.8	92 268.0	111 828.9	37 649.1	-	-	278 287.8
Organization of Private sector led innovative training /k	6 090.3	12 302.4	6 212.7	12 549.7	-	-	37 155.1
Training in nursery raising and management	812.0	1 230.2	414.2	-	-	-	2 456.5
Training to grafting technicians	812.0	820.2	-	-	-	-	1 632.2
Engagement with the Horticulture Centre of Excellence /l	-	25 630.0	25 886.3	26 145.2	26 406.6	-	104 068.1
Subtotal	99 170.4	289 414.1	374 284.3	287 649.2	229 262.3	204 030.8	1 483 791.2
D. Enhanced GALS through FFS							
Contracting service provider for enhanced GALS	40 602.0	82 016.0	82 836.2	41 832.3	-	-	247 286.5
Training of the FFS coaches	22 838.6	23 067.0	11 648.8	-	-	-	57 554.5
Training of the FFS lead farmers	152 257.5	307 560.2	310 635.8	177 578.0	-	-	948 031.4
Upscaling GALS into FFS groups	52 782.6	106 620.9	121 147.9	47 448.3	-	-	327 999.7
Subtotal	268 480.7	519 264.1	526 268.7	266 858.6	-	-	1 580 872.1
E. Capacity building of producer organisations through CORDAID on Cross-cutting issues							
1. Cooperative strengthening							
Identification, capacity gap assessment, development of capacity development plan	-	34 391.5	18 856.4	-	-	-	53 247.8
Developing capacity development plan	31 974.1	17 530.9	-	-	-	-	49 505.0
Internal management trainings	6 851.6	13 840.2	9 319.1	9 412.3	4 753.2	-	44 176.3
Operations and internal control manual /m	5 938.0	6 920.1	6 989.3	4 706.1	-	-	24 553.6
Formation of new cooperatives in horticulture value chains /n	9 135.5	34 600.5	23 297.7	7 059.2	-	-	74 092.8
Subtotal	53 899.2	107 283.2	58 462.4	21 177.6	4 753.2	-	245 575.6
2. Financial management							
Financial administration /o	11 419.3	13 840.2	9 319.1	4 706.1	-	-	39 284.7
Financial planning /p	11 419.3	9 226.8	11 648.8	4 706.1	-	-	37 001.1
Financial reporting and monitoring /q	6 851.6	13 840.2	9 319.1	7 059.2	4 753.2	-	41 823.3
Subtotal	29 690.2	36 907.2	30 287.0	16 471.5	4 753.2	-	118 109.1
3. Innovative trainings and interventions							
a. Sustainable Business Development Service (BDS) provision							
Developing business development services provision business model	-	9 226.8	4 659.5	-	-	-	13 886.3
Identifying, selecting youth for to become fee based business development service provider	-	13 840.2	9 319.1	4 706.1	-	-	27 865.4
Identify potential services for BDS providers within value chains	-	9 226.8	6 989.3	-	-	-	16 216.1
Coaching and mentoring BDS providers /r	2 283.9	11 533.5	11 648.8	7 059.2	2 376.6	-	34 902.0
Facilitating BDS provision, create linkage with value chain actors /s	-	13 840.2	11 648.8	7 059.2	2 376.6	-	34 924.8
Develop sustainable training/service delivering model for BDS providers	-	9 226.8	9 319.1	4 706.1	2 376.6	-	25 626.8
Subtotal	2 283.9	66 894.3	53 584.7	23 530.7	7 129.8	-	153 423.3
b. Farming as a Business							
Developing farming as business module/curricular (FaaB)	13 703.2	-	-	-	-	-	13 703.2
Incorporate FaaB into FFS approach /t	13 703.2	83 041.2	83 871.7	84 710.4	-	-	265 326.4
Training and coaching of farmers on FFS curricular through FFS groups	31 974.1	55 360.8	55 914.4	56 473.6	19 012.8	-	218 735.7
Subtotal	59 380.4	138 402.1	139 786.1	141 183.9	19 012.8	-	497 765.3
c. Mobilising youth for equipment maintenance							
Developing curricula & practical education /u	13 703.2	9 226.8	-	-	-	-	22 930.0
Training trainers for youth as services providers on equipment maintenance	-	14 352.8	6 212.7	4 183.2	-	-	24 748.8
Developing fee-based services model/paid for services for equipment maintenance	-	13 840.2	-	9 412.3	-	-	23 252.5
Market sensitization farmers on the use of equipment / mechanization	13 703.2	9 226.8	6 989.3	4 706.1	-	-	34 625.4
Advocate and implement adapted curriculum in vocational schools	-	18 453.6	18 638.1	14 118.4	7 129.8	-	58 339.9
Subtotal	27 406.4	65 100.2	31 840.2	32 420.0	7 129.8	-	163 896.6
Subtotal	89 070.6	270 396.6	225 210.9	197 134.6	33 272.4	-	815 085.2
4. Gender & youth in value chains and financial inclusion							
Identify service categories oriented on youth and women	15 987.0	20 760.3	18 638.1	-	-	-	55 385.5
Promoting women and youth participation in VCs /v	18 270.9	18 453.6	16 308.4	11 765.3	7 129.8	-	71 928.0
Women / youth inclusion in leadership roles /w	20 554.8	20 760.3	16 308.4	11 765.3	7 129.8	-	76 518.6
Promoting access to finance for women / youth /x	10 150.5	10 252.0	8 283.6	8 366.5	6 337.6	-	43 390.2
Subtotal	64 963.2	70 226.2	59 538.5	31 897.1	20 597.2	-	247 222.2
5. Access to markets							
Develop access to market model	22 838.6	25 373.7	20 967.9	-	-	-	69 180.3
Linking farmer organizations to market (Supply contract)	20 554.8	23 067.0	18 638.1	18 824.5	14 259.6	-	95 344.0
Support/strengthen/train producer organization on quality improvement /y	10 150.5	16 403.2	14 496.3	6 274.8	6 337.6	-	53 662.5
Subtotal	53 543.9	64 843.9	54 102.4	25 099.4	20 597.2	-	218 186.8
Subtotal	291 167.1	549 657.3	427 601.2	291 780.2	83 973.1	-	1 644 178.8
Total	909 456.3	1 792 624.7	2 155 889.5	2 021 706.0	1 604 132.9	1 497 169.0	9 980 978.5

\a For 50 co-operatives (1 training per co-operative)

\b Strengthened by proximity coaching, targeting 1300 FFS @30farmers

\c Managing FFS: roles and responsibility, method of engagement and problem solving - Training and exposure visit (For 2600 Lead Farmers - 2 per FFS and 120 FFS coaches, 90 batches, 3 days

\d 4 women per cooperative for 50 co-operatives i.e. 200 women(in eight batches - 1 day

\e Through local benchmarking

\f PSAC approach, targeting, interventions and role of FFS (For FFS Coaches)

\g Managing FFS: roles and responsibility, method of engagement and problem solving - Training and exposure visit (For Lead Farmers and FFS coaches - 700 persons, 25 batches, 3 days

- \h Capacity Building in strategies for Social inclusion - Targeting for PSAC, Gender and Youth in Horticulture value chain (Lead Farmers and FFS Coaches) - 700 persons, 25 batches, 3 days
- \i (lead farmers and FFS coaches) - 700 persons, 25 batches, 3 days,
- \j targeting 225 FFS @30farmers
- \k (for lead farmers and FFS coaches) Regular training in Yr. 1 &2 with refresher training in 3 &4
- \l for training of lead farmers and operators (Protective agriculture)
- \m Production, storage, post-harvest handling, logistics, quality management
- \n Cooperatives principles, law, policies, relations with external stakeholders
- \o accounting system, accounting policies, cash handling,
- \p budgeting, external finance, finance strategy, membership contribution, savings
- \q financial reporting, costs & sales price, cash flow, income, expenditure, liquidity, transaction recording/record and bookkeeping, access and use of financial information
- \r To ensure they provide value for money & demand driven BDS
- \s To develop paid for services
- \t Includes training and coaching FFS coaches on Farming as business module
- \u Trajectories around equipment maintenance
- \v Farming as a business / business creation /link to challenge fund
- \w Govt, FO, Pvt sector, ...
- \x Through Financial Inclusion
- \y Aflatoxin control, proper post-harvest handling

Table 1.4. Backward and forward market linkages (US\$)

	Totals Including Contingencies (US\$)						
	2023	2024	2025	2026	2027	2028	Total
I. Investment Costs							
A. Backward and Forward linkages for Coffee development							
Catalyse the private owned CWS to embrace Newly Created Coffee Zones /a	22 331.1	-	-	-	-	-	22 331.1
Support for completion of coffee appellation activities /b	20 301.0	-	-	-	-	-	20 301.0
Support for development of promotional materials /c	50 752.5	-	-	-	-	-	50 752.5
Prorata support for implementation of E-Market Platform /d	20 301.0	-	-	-	-	-	20 301.0
Regional and International Coffee Cupping events and Competitions	365 418.0	-	-	-	-	-	365 418.0
Subtotal	479 103.6	-	-	-	-	-	479 103.6
B. Backward and Forward market linkages for Horticulture development							
Capacity building of exporters in the international business, quality control and client req.	-	6 151.2	6 212.7	-	-	-	12 363.9
Participation in international horticultural promotional events	30 451.5	30 756.0	31 063.6	31 374.2	31 688.0	32 004.8	187 338.1
Cost of market agents/facilitators based in a key diplomatic missions	-	92 268.0	93 190.7	94 122.6	95 063.9	96 014.5	470 659.8
Technical Assistance for increased uptake of HEGF	-	15 378.0	15 531.8	15 687.1	15 844.0	-	62 440.9
Subtotal	30 451.5	144 553.3	145 998.8	141 183.9	142 595.8	128 019.3	732 802.6
C. Support to Quality control and Market driven certifications							
1. Support to producers / Cooperatives / exporters for Market driven certifications	10 150.5	15 378.0	15 531.8	10 458.1	-	-	51 518.4
Support for cost of market driven certifications (for Horticulture)	20 301.0	30 756.0	31 063.6	20 916.1	-	-	103 036.7
Support for cost of market driven certifications (for Coffee)	-	10 252.0	10 354.5	-	-	-	20 606.5
Subtotal	30 451.5	56 386.0	56 949.9	31 374.2	-	-	175 161.6
2. Creation of pool of internal inspectors / Accredited auditors /Quality specialist and Accreditation of laboratory							
Training to selected youth on quality certification and internal audit /f	-	41 008.0	-	-	-	-	41 008.0
Support for internship of selected 20 youth , for 2 months	-	76 890.0	-	-	-	-	76 890.0
Support for examination fees for graduation as accredited auditors /g	-	-	41 418.1	-	-	-	41 418.1
Raining of coffee tasters and quality analysts/Q-graders /h	48 722.4	-	-	-	-	-	48 722.4
Support to Agro-export quality specialized facility and services accreditation /i	-	102 520.1	103 545.3	104 580.7	-	-	310 646.0
Subtotal	48 722.4	220 418.1	144 963.4	104 580.7	-	-	518 884.6
Subtotal	79 173.9	276 804.1	201 913.2	135 954.9	-	-	693 846.2
D. Extension services for tomato, carrots, garlic and onions (partnership with HEIFER International)							
1. Sustainable increase in quality production for domestic market							
Identify and provide support to resource poor households to access quality inputs	33 975.8	51 473.3	69 317.3	70 010.5	70 710.6	53 563.3	349 050.8
Training to smallholder farmers to engage in improved sustainable farming practices /j	29 121.8	44 120.5	49 512.2	50 007.4	50 507.4	45 912.0	269 181.3
Raise awareness and increase adoption of relevant technologies /k	19 414.9	29 413.0	39 610.2	40 006.3	40 406.4	30 607.3	199 458.0
Subtotal	82 512.4	125 006.8	158 439.8	160 242.4	161 624.4	130 082.6	817 690.1
2. Building capacity of co-operatives and increasing investment in value chain development							
Organize into horticulture cooperatives and provide training /l	33 975.8	51 473.3	69 317.3	70 010.5	70 710.6	53 563.3	349 050.8
strengthen farmer's social capital through Heifer's "VBHCD"	92 220.3	122 556.8	148 537.7	150 023.1	151 523.3	61 215.6	726 076.7
Subtotal	126 196.1	174 029.8	217 655.1	220 033.6	222 234.0	114 778.9	1 075 127.5
3. Improving competitiveness of smallholders /m							
Train smallholder farmers on post-harvest handling, preservation and value addition /n	24 268.8	44 120.5	49 512.2	50 007.4	50 507.4	25 506.8	243 923.2
Establishment of Youth Agribusiness Hubs /o	48 165.1	72 970.7	89 333.7	90 227.0	91 129.3	75 933.6	467 759.4
Subtotal	72 434.0	117 091.2	138 845.9	140 234.4	141 636.7	101 440.4	711 682.5
4. Project Management and Co-ordination (HEIFER)							
Subtotal	113 178.1	171 464.8	230 905.9	233 215.0	235 547.1	178 426.9	1 162 737.8
E. Range of diversified financial products - CORDAID							
1. Financial literacy and savings for resilience							
Introduction to financial education services and products	12 180.6	10 252.0	8 283.6	6 274.8	-	-	36 991.1
Awareness on Climate change and agri-insurance	10 150.5	12 302.4	10 354.5	8 366.5	4 225.1	-	45 398.9
Savings mobilization (VSLA) and linking to MFIs	22 838.6	23 067.0	20 967.9	18 824.5	19 012.8	-	104 710.8
Subtotal	45 169.7	45 621.4	39 606.1	33 465.8	23 237.8	-	187 100.9
2. Leasing product development (asset loans)							
Developing the asset finance model	22 838.6	18 453.6	6 989.3	-	-	-	48 281.5
Assist MFIs in developing the asset finance product	20 554.8	23 067.0	18 638.1	14 118.4	4 753.2	-	81 131.5
Develop the official documents /p	18 270.9	16 146.9	18 638.1	9 412.3	5 703.8	-	68 172.0
Introduction of equipment to Farmer Organizations	13 703.2	9 226.8	9 319.1	4 706.1	2 376.6	-	39 331.8
Linkage workshop and roundtable discussion /q	12 180.6	12 302.4	12 425.4	6 274.8	6 337.6	-	49 520.9
Connecting FOs to MFIs for equipment financing	13 703.2	9 226.8	9 319.1	4 706.1	2 376.6	-	39 331.8
Subtotal	101 251.2	88 423.5	75 329.2	39 217.8	21 547.8	-	325 769.5
3. Access to agricultural finance MFIs (agri-assessment tool coffee, tea, hort)							
introduction of the digital credit assessment tool /r	13 703.2	16 146.9	13 978.6	-	-	-	43 828.7
Institutionalization of agri-assessment tool	12 332.9	13 840.2	11 648.8	-	-	-	37 821.9
Training MFIs loan officers on the use of Simbuka+agri-credit assessment tool	-	12 302.4	12 425.4	10 458.1	-	-	35 185.9
Capacity building needs assessment through ratings and microscore	13 703.2	16 146.9	16 308.4	-	-	-	46 158.5
Implementation of capacity building (Risk management, product development)	18 270.9	20 760.3	18 638.1	14 118.4	11 883.0	-	81 341.0
Agri-product developments, digital payments	15 987.0	16 146.9	13 978.6	14 118.4	11 883.0	-	72 113.9
Capital mobilisation; grow savings and broker international refinancing for agri loans	9 135.5	11 533.5	9 319.1	9 412.3	7 129.8	-	46 530.1
Subtotal	83 132.6	106 877.2	93 967.3	48 107.1	30 895.8	-	362 979.9
4. Access to agricultural finance (Umurenge) SACCOs /s							
Align with national Umurenge SACCO restructuring plan /t	18 270.9	20 760.3	16 308.4	11 765.3	11 883.0	-	78 987.9
Intake assessment of (Umurenge) SACCO partners and repeat annual	15 987.0	16 146.9	13 978.6	14 118.4	-	-	60 230.9
TA plan with (Umurenge) SACCOs	15 987.0	16 146.9	13 978.6	9 412.3	4 753.2	-	60 270.8
Replicate Ingabo CBS implementation to other SACCOs	15 987.0	18 453.6	16 308.4	14 118.4	14 259.6	-	79 127.0
Subtotal	66 232.0	71 507.7	60 574.0	49 414.4	30 895.8	-	276 623.9
F. Climate resilience financial services - CORDAID							
1. Capacity strengthening of FIs on climate resilient finance							
Training of FI staff on climate resilience	10 150.5	10 252.0	6 212.7	4 183.2	4 225.1	-	35 023.5
Development of climate policies / frameworks	18 270.9	18 453.6	13 978.6	-	-	-	50 703.1
Assessment of opportunities / risk for FIs in relation to climate smart agriculture	22 838.6	9 226.8	18 638.1	-	-	-	50 703.6
Linking FIs and impact investors for refinancing of CSA services / products	13 703.2	13 840.2	11 648.8	9 412.3	9 506.4	-	58 110.9
Subtotal	64 963.2	51 772.6	50 478.3	13 595.5	13 731.4	-	194 541.1
2. Integration of climate indicators in credit assessment							
Selection of climate risks, indicators and data sources	13 703.2	18 453.6	9 319.1	-	-	-	41 475.9
Include indicators in credit assessment	9 135.5	20 760.3	9 319.1	9 412.3	-	-	48 627.1
Establish monitoring system to verify indicators	13 703.2	20 760.3	18 638.1	-	-	-	53 101.6
Digitalisation of climate sensitive credit assessment	9 135.5	13 840.2	9 319.1	4 706.1	-	-	37 000.9
Subtotal	45 677.3	73 814.4	46 595.4	14 118.4	-	-	180 205.4
3. Adaptation / development of financial products for climate-smart agriculture (CSA)							
Screening products and services on climate risks / opportunities	26 949.6	-	-	-	-	-	26 949.6
Design products and services climate-smart agriculture	-	32 293.8	-	-	-	-	32 293.8
Approval of products and services CSA	-	18 453.6	13 978.6	-	-	-	32 432.2
Pilot testing and monitoring products CSA	-	13 840.2	13 978.6	-	-	-	27 818.8
Evaluation of financial CSA products and services	-	-	23 297.7	23 530.7	-	-	46 828.3
Upscaling of financial CSA products and services	-	-	-	28 236.8	28 519.2	-	56 755.9
Subtotal	26 949.6	64 587.6	51 254.9	51 767.4	28 519.2	-	223 078.7
4. ICT4D for value chain development and financial services							
Piloting & scaling ICT for processors /u	22 838.6	23 067.0	23 297.7	23 530.7	23 766.0	-	116 499.9
Connecting FOs to ICT solutions /v	20 088.0	27 680.4	32 616.8	23 530.7	18 537.5	-	122 463.3
Connecting farmers data to Simbuka+ & MFIs	22 838.6	25 373.7	18 638.1	18 824.5	16 636.2	-	102 311.2
Subtotal	65 775.2	76 121.1	74 552.6	65 885.8	58 939.6	-	341 274.4
G. Program Embedded Reflection & Learning (M&E)							
Deep-dive case studies	9 135.5	-	9 319.1	-	9 506.4	-	27 960.9
Knowledge exchange /w	3 197.4	3 229.4	2 795.7	2 353.1	2 376.6	-	13 952.2
Monitoring activities /x	15 987.0	18 453.6	18 638.1	14 118.4	9 506.4	-	76 703.6
Maintaining MIS (management information system)	4 567.7	4 613.4	4 659.5	4 706.1	-	-	18 546.8
Quantified regular output monitoring	2 283.9	3 229.4	3 261.7	2 353.1	2 376.6	-	13 504.6
MFI annual microscore and one rating	9 135.5	9 226.8	9 319.1	9 412.3	9 506.4	-	46 600.0
Subtotal	44 306.9	38 752.6	47 993.2	32 942.9	33 272.4	-	197 286.0
Total	1 526 507.3	1 626 428.3	1 634 309.6	1 379 161.2	1 144 677.7	652 748.2	7 963 832.2

- \a By entering into MOUs with the farmers in the zones they operate in (Women and Youth Led)
- \b Patenting, Branding and designing of packaging materials (Lumpsum)
- \c Preparation of appellate coffee samples for promotion in diplomatic mission trade attach'ees, and International trade fairs (Lumpsum)
- \d For all commodities
- \e identification of niche, identification of certification requirements, coaching exporters
- \f for 30 youth, 4 weeks
- \g for 10 persons
- \h 1 from each of progressive cooperatives (Capacity Building for local coffee quality , barrister, coffee grading quality specialists
- \i Includes international recognition (Technical Assistance and upgrading the observed gaps for compliance as per scoped accreditation)
- \j Mobilize and provide specialized training to smallholder farmers to engage in improved sustainable farming practices (irrigation, green houses and integrated farming)
- \k Post-harvest handling, All-year round production techniques, climate risk management
- \l capacity building on good governance, business plans development, input supply, marketing and access to finance.
- \m Through product diversification and increased access to markets
- \n For horticulture products and create market linkage services.
- \o Facilitate the establishment of Youth Agribusiness Hubs at identified central locations to improve farmer's access to inputs and relevant Business Development Services.
- \p like MoU, Service level agreement for the parties agreements, etc.
- \q between equipment supplier and FOs
- \r Agri- financing through the introduction of the digital credit assessment tool (Simbuka+)
- \s in partnership with AMIR - CORDAID
- \t product offering, client orientation, loan assessment and automation (Ingabo CBS)
- \u creating Create comprehensive farmer profiles, (access to credit status of individual farmers, field data, supply contracts, GPS location)
- \v digital market inf, weather inf, digital market platform, supply mgt solutions, product traceability, mobile payments, etc
- \w learning visits, development knowledge products such as factsheets, blogs, and documentary video, participation in webinar, conference
- \x field visit, quality data audits, quick assessments, human interest stories

Table 2. Project management and Policy support (US\$)

	Totals Including Contingencies (US\$)						
	2023	2024	2025	2026	2027	2028	Total
I. Investment Costs							
A. Enabling Policy Environment							
1. Enabling policy environment - Coffee							
Support for Public-Private Sector Roundtables /a	10 150.5	10 252.0	10 354.5	10 458.1	10 562.7	10 668.3	62 446.0
2. Enabling policy environment - Tea							
Tea value addition policy & strategy	-	179 410.1	181 204.2	-	-	-	360 614.3
Cooperatives Common Services Policy & Strategy	31 669.6	-	-	-	-	-	31 669.6
Subtotal	31 669.6	179 410.1	181 204.2	-	-	-	392 283.8
3. Enabling policy environment - Horticulture							
Development of policy briefs for advocacy /b	5 075.3	5 126.0	5 177.3	5 229.0	-	-	20 607.6
Support to Rwanda Horticulture Working group /c	10 150.5	10 252.0	10 354.5	10 458.1	10 562.7	10 668.3	62 446.0
Subtotal	15 225.8	15 378.0	15 531.8	15 687.1	10 562.7	10 668.3	83 053.6
4. Enabling youth to learn PSAC Value chains							
Internship for exposure of youth to PSAC Value chains	-	11 072.2	11 182.9	11 294.7	11 407.7	-	44 957.4
Subtotal	57 045.8	216 112.3	218 273.4	37 439.9	32 533.0	21 336.6	582 740.9
B. Specific support to VC platforms							
1. Specific support to VC platforms - Coffee							
Capacity building for CEPAR in Public/private dialogue approach in advocacy	5 075.3	5 126.0	2 588.6	2 614.5	-	-	15 404.4
2. Specific support to VC platforms - Tea							
Review and completion of E-commerce platform	101 505.0	102 520.1	-	-	-	-	204 025.1
Review and completion of National tea register	-	102 520.1	-	-	-	-	102 520.1
Review and completion of Tea census	101 505.0	-	-	-	-	-	101 505.0
Support to National tea brand program	30 451.5	61 512.0	62 127.2	62 748.4	63 375.9	32 004.8	312 219.8
Subtotal	233 461.5	266 552.1	62 127.2	62 748.4	63 375.9	32 004.8	720 269.9
3. Specific support to VC platforms - Horticulture							
Cost of establishment of District level platform	9 947.5	-	-	-	-	-	9 947.5
Cost of platform facilitator and contact person	-	-	-	-	-	-	-
Biannual meetings of district level VC platforms	17 052.8	17 223.4	17 395.6	17 569.6	17 745.3	17 922.7	104 909.3
Subtotal	27 000.3	17 223.4	17 395.6	17 569.6	17 745.3	17 922.7	114 856.6
Subtotal	265 537.1	288 901.5	82 111.4	82 932.5	81 121.2	49 927.5	850 531.2
C. Monitoring and Evaluation							
Official Launching of Project and awareness campaign	20 000.0	-	-	-	-	-	20 000.0
Baseline survey	49 274.3	-	-	-	-	-	49 274.3
Annual outcome surveys + Specific qualitative /d	-	68 727.8	69 415.1	70 109.3	-	-	205 252.3
Impact Assessment survey	-	-	98 808.4	-	-	-	98 808.4
Project completion review	-	-	-	-	-	51 787.8	51 787.8
Set-up of electronic participatory M&E system and MIS	49 274.3	-	-	-	-	-	49 274.3
Knowledge management activities	19 709.7	19 906.8	20 105.9	20 306.9	20 510.0	20 715.1	121 254.4
Subtotal	138 258.3	88 634.7	188 329.4	90 416.2	20 510.0	72 502.9	598 651.4
D. Vehicles and motorcycles							
Vehicles pick-up 4x4 for VCs (3)	133 040.5	-	-	-	-	-	133 040.5
motorbikes for NAEB focal persons (14)	62 085.6	-	-	-	-	-	62 085.6
Subtotal	195 126.1	-	-	-	-	-	195 126.1
Total Investment Costs	655 967.3	593 648.4	488 714.1	210 788.6	134 164.1	143 767.0	2 227 049.5
II. Recurrent Costs							
A. Staff salaries							
Operations Manager	24 682.0	24 928.8	25 178.1	25 429.9	25 684.2	25 941.1	151 844.2
M&E Specialist	19 044.5	19 235.0	19 427.3	19 621.6	19 817.8	20 016.0	117 162.2
Gender & Social Inclusion Specialist	19 044.5	19 235.0	19 427.3	19 621.6	19 817.8	20 016.0	117 162.2
KM Specialist	19 044.5	19 235.0	19 427.3	19 621.6	19 817.8	20 016.0	117 162.2
Environment and Natural Resources Specialist	19 044.5	19 235.0	19 427.3	19 621.6	19 817.8	20 016.0	117 162.2
Coffee Specialist	19 044.5	19 235.0	19 427.3	19 621.6	19 817.8	20 016.0	117 162.2
Tea Specialist	19 044.5	19 235.0	19 427.3	19 621.6	19 817.8	20 016.0	117 162.2
Horticulture Specialist	19 044.5	19 235.0	19 427.3	19 621.6	19 817.8	20 016.0	117 162.2
Access to Finance Specialist	19 044.5	19 235.0	19 427.3	19 621.6	19 817.8	20 016.0	117 162.2
Procurement Officer	17 563.1	17 738.7	17 916.1	18 095.3	18 276.2	18 459.0	108 048.5
Accountant (2)	35 126.2	35 477.5	35 832.3	36 190.6	36 552.5	36 918.0	216 097.0
Administrative Assistant	6 636.5	6 702.8	6 769.9	6 837.6	6 905.9	6 975.0	40 827.6
Drivers (3)	9 905.1	10 004.2	10 104.2	10 205.2	10 307.3	10 410.4	60 936.3
Focal persons at district (14)	196 706.8	198 673.9	200 660.6	202 667.2	204 693.9	206 740.8	1 210 143.2
Subtotal	442 976.0	447 405.7	451 879.8	456 398.6	460 962.6	465 572.2	2 725 194.7
B. Operational costs							
1. Districts							
Transport & com Director of Agriculture	6 622.5	6 688.7	6 755.6	6 823.1	6 891.4	6 960.3	40 741.5
Transport & com Cash Crop Officer	4 635.7	4 682.1	4 726.9	4 776.2	4 824.0	4 872.2	28 519.0
Transport & com District Agronomist	4 635.7	4 682.1	4 726.9	4 776.2	4 824.0	4 872.2	28 519.0
Transport & com Forest & Nat. Res.	4 635.7	4 682.1	4 726.9	4 776.2	4 824.0	4 872.2	28 519.0
Transport & com Coop Officer	4 635.7	4 682.1	4 726.9	4 776.2	4 824.0	4 872.2	28 519.0
Transport & com SEDO	4 635.7	4 682.1	4 726.9	4 776.2	4 824.0	4 872.2	28 519.0
Transport & com Sector Agronomist	24 834.2	25 082.6	25 333.4	25 586.7	25 842.6	26 101.0	152 780.6
Transport & com Village leaders	49 668.5	50 165.2	50 666.8	51 173.5	51 685.2	52 202.1	305 561.2
District meetings	41 390.4	27 869.5	42 222.3	28 429.7	43 071.0	29 001.1	211 984.1
Promotion materials (District)	13 796.8	13 934.8	14 074.1	14 214.9	14 357.0	14 500.6	84 678.1
Districts annual competition	9 854.9	9 953.4	10 052.9	10 153.5	10 255.0	10 357.6	60 627.2
Subtotal	169 345.8	157 104.5	172 749.7	160 262.3	176 221.9	163 483.6	999 167.8
2. NAEB & SPIU							
Office materials (NAEB HQ)	27 100.8	-	-	-	-	-	27 100.8
Office materials (NAEB Focal persons)	34 492.0	-	-	-	-	-	34 492.0
Office running costs	17 738.7	17 916.1	18 095.3	18 276.2	18 459.0	18 643.6	109 129.0
Steering/technical committee meetings	4 434.7	2 986.0	4 523.8	3 046.0	4 614.8	3 107.3	22 712.6
Communication fees	10 052.0	10 152.5	10 254.0	10 356.5	10 460.1	10 564.7	61 839.8
Promotion materials	1 971.0	1 990.7	2 010.6	2 030.7	2 051.0	2 071.5	12 125.4
Tender committee sitting allowance	4 304.6	4 347.6	4 391.1	4 435.0	4 479.4	4 524.2	26 482.0
Advertisement, publication, awareness campaign, mobilization through media including radio, TV	1 971.0	1 990.7	2 010.6	2 030.7	2 051.0	1 035.8	11 089.7
Miscellaneous office expenditures	985.5	995.3	1 005.3	1 015.3	1 025.5	1 035.8	6 062.7
operational costs for vehicles	20 695.2	20 902.1	21 111.2	21 322.3	21 535.5	21 750.9	127 317.1
operational costs for motorbikes	34 492.0	34 836.9	35 185.3	35 537.1	35 892.5	36 251.4	212 195.2
Subtotal	158 237.4	96 118.0	98 587.1	98 050.0	100 568.7	98 985.0	650 546.4
Subtotal	327 583.2	253 222.5	271 336.8	258 312.3	276 790.7	262 466.6	1 649 714.2
Total Recurrent Costs	770 559.2	700 628.2	723 216.6	714 710.9	737 753.2	728 040.8	4 374 908.9
Total	1 426 526.5	1 294 276.7	1 211 930.7	925 499.5	871 917.4	871 807.8	6 601 958.5

\a To engage in coffee value chain policy research and development

\b on a) intercropping in coffee (banana, essential oil plants), b) packaging material and c) increasing airfreight capacity and maintaining affordable rates d) supply contact business models

\c for organization of annual multistakeholder meeting on addressing policy issues in horticulture Value chain and developing action plan

\d Quantitative surveys to support implementation (annual mortality rate of fruit plants, co-operative ratings etc.)

Rwanda

Promoting Smallholder Agro-Export Competitiveness Project Project Design Report

Annex 4: Economic and Financial Analysis

Mission Dates: 09-27 May 2022

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East and Southern Africa Division
Programme Management Department

Annex 4: Economic and Financial Analysis

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ECONOMIC AND FINANCIAL ANALYSIS

INTRODUCTION

1. Promoting Smallholder agro-export Competitiveness (PSAC) is being designed to focus on improving the competitiveness of targeted Value Chains through: (i) promoting gender sensitive and climate smart productivity enhancing technologies; (ii) reduction of post-harvest losses; (iii) inclusive infrastructural development; (iv) use of climate-resilient agricultural practices; (v) backward and forward market linkages; (vi) enhanced quality control/assurance to ascertain compliance with export market requirements; and (vii) equitable access to financial services by leveraging the proposed value chain approach.

2. The agriculture sector in Rwanda accounts for one-third of the GDP and employs over 67 per cent of the Rwandan population. The sector continues to be predominantly subsistence and low-income agriculture. The average land holding is 0.4 hectares, which negatively affects productivity and competitiveness. The majority of farmers are dependent on rain-fed agriculture, which limits productivity in times when rains are not adequate. Agriculture is also affected by climate change (CC), soil degradation and other vulnerabilities.

3. Strong opportunities exist in the coffee, tea and horticulture sectors that enjoy favourable agro-climatic conditions and an investment-friendly environment that led to classify them as priority export VCs. This Economic and Financial Analysis (EFA) has been carried out to establish the viability of costs against expected benefits from investment in PSAC targeted value chains. The targeted value chains are coffee, tea and horticultural products. Benefits expected to accrue to project beneficiaries will arise from increased productivity due to better crop management practices, access to better infrastructure, participation in production for the export market which may fetch higher prices compared to local markets, increased value addition to local products, better quality of production, increased demand for both family and hired labour, participation in climate smart practices in production, among others. Exports are also expected to generate foreign currency inflow into the economy of Rwanda.

PROJECT AREA AND BENEFICIARIES

1) Project Area

4. The project will target a total of fourteen (14) districts distributed across Rwanda, with a particular emphasis on the Western and Southern regions, that are also including some of the most vulnerable rural population. The final selection of the districts and their respective sectors has been based on the following criteria: (i) high poverty rates and high rates of food insecurity; (ii) comparative advantage for the development of targeted export-driven value chains, such as the existence of a traditional production basin or regulated zone, the proximity of a strong market, and favorable agro-climatic conditions; and (iii) alignment and development of strategic partnerships with other development partners in Rwanda to avoid the duplication of investments and to seek complementarity among the proposed interventions.

2) Beneficiaries

5. Two main categories of beneficiaries will be targeted through complementary interventions meant to support their participation in commercial and inclusive VCs: (i) rural smallholder farmers, grouped as much as possible along Producer Organizations (POs)¹, with a strong focus on women and youth; (ii) off-takers processors/exporters, who can be cooperatives, individuals or rural SMEs. PSAC will mostly focus on existing actors with proven track record in inclusive VC development; yet new producers/off-takers will also be given an opportunity to benefit from project support, especially in the more nascent horticulture sector. The targeting mechanisms will be based on the Ubudehe system, as is currently done for all IFAD-funded projects in Rwanda.

6. PSAC will target beneficiaries with various value chain crops. The classification of beneficiaries is as shown in the table below:

Table 1: Expected PSAC beneficiaries

	Hectares	Households	Individuals
Coffee rehabilitation	3,050	27,730	124,785
Coffee rehabilitation	1,082	9,840	44,280
Tea expansion	1,790		
Tea infilling	620	11,625	52,313
Macadamia	500	1,000	4,500
French beans	-	500	2,250
Essential oils	200	1,000	4,500
Avocado	800	1,600	7,200
Mango	200	400	1,800
Chilli cultivation	-	1,000	4,500
Greenhouse crops		2,000	9,000
Total	8,242	56,695	255,128

7. Production will be supported on a total of 8,242 hectares used to produce project supported value chains. Given the average land holding by households at 0.4 hectares, it is assumed that each beneficiary household will allocate 50 per cent of its available land to project promoted value chain crops. The 8,242 hectares to be supported by PSAC will therefore be contributed by 56,695 households with each allocating an average of 0.2 hectares to project supported value chain crops. With the average household size at 4.5 individuals, PSAC interventions are expected to affect 255,128 individuals.

¹ This includes cooperatives, smallholder farmers grouped along out-grower schemes, informal associations, community-based nurseries, FFS groups, etc. Individual farmers may also be considered on a case-by-case basis according to their role in the target VCs and the services they can offer to the community.

Table 2: Cost per beneficiary

PSAC Cost (USD)	62,894,094
Individual beneficiaries	255,128
Cost per beneficiary (USD)	247

8. Given that allocation to PSAC currently stands at US\$ 62.89 million and that there are 255,128 beneficiaries, the unit cost per beneficiary is expected to be US\$ 247.

ASSUMPTIONS

- Average size of land available to each family is assumed to be 0.4 hectares per household.
- Participating smallholder farmers will allocate 50 per cent of the available land holding to production of crops for export supported by the project.
- Interest rates on commercial loans taken from banks is assumed to be 17 per cent for smallholder farmers to finance farming activities.
- Future earnings have been discounted at a rate of 12 per cent, being the prevailing market rate used in the financial analysis.
- Future returns from project supported value chains are expected to continue accruing to beneficiaries for a period of 20 years.
- The exchange rate from RWF to US\$ is expected to be US\$ 1 equals RWF 1030.
- Prices in RWF have been used in this analysis, and converted to US\$ whenever required at an exchange rate of US\$ 1 = RWF 1030.

BENEFITS

Capacity building of producer organizations

9. PSAC will closely involve community producer organizations. Community nurseries will be targeted to supply seedlings required for coffee, tea, macadamia, avocado and mango value chains. The project demand which is expected to be fulfilled by community nurseries is as indicated in the table below.

Table 3: Quantity of seedlings required from community nurseries by year

Item	Units	Number of seedlings required per period					Total
		PY1	PY2	PY3	PY4	PY5	
Coffee seedlings	Seedlings	1,305,000	2,607,500	2,607,500	1,105,000	-	7,625,000
Tea Seedlings	Seedlings	5,600,000	14,280,000	7,000,000	6,860,000	-	33,740,000
Shade/Woodlot seedlings	Seedlings	171,000	431,750	652,000	762,500	762,500	2,779,750
Macadamia seedlings	Seedlings	30,600	40,800	20,400	-	-	91,800
Avocado seedlings	Seedlings	80,000	120,000	80,000	-	-	280,000
Mango seedlings	Seedlings	20,000	30,000	20,000	-	-	70,000
Total seedlings		7,206,600	17,510,050	10,379,900	8,727,500	762,500	44,586,550

10. A total of 44,586,550 seedlings will be required. The largest number of seedlings to be supplied will be tea seedlings, due to the high density of 14,000 seedlings required per hectare supported. Coffee seedlings will be required at a rate of 2,500 seedlings per hectare, leading to a total demand of 7,625,000 seedlings. Avocado, Mango and Macadamia seedlings will be required in less quantities due to the comparatively smaller hectares to be supported under the project.

Enhanced access to financial services

11. The quality and outreach of rural financial services provided by financial service providers will be improved. At the same time, the capacity of intended beneficiaries to access financial services will also be improved. Partner financial institutions will be expected to increase their business profitability given the increased market and credit lines availed through the project. The financial literacy module for FFS will also improve the ability of project beneficiaries to consume financial services in a sustainable manner even the project period. Transaction costs, increased efficiency and sustainable access to financial services will also arise due to the financial digitization interventions of PSAC. A credit line will also be accessed by financial service providers for on lending to participants in the targeted project value chains.

12. Investment in project supported value chains will require external financing to absorb the cash requirements per hectare during the initial years of production. Details of financing requirements per crop will be as indicated in the table below.

Table 4: External financing required per year

Value chain	Hectares	Subsidy required (Rwf)								Total
		Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	
Coffee replacement	3050	2,789,987,500	3,806,018,750	2,086,581,250	523,456,250	-	-	-	-	9,206,043,750
Coffee rehabilitation	1082	868,034,500	1,034,392,000	507,593,250	63,973,250	-	-	-	-	2,473,993,000
Tea expansion	1790	3,510,190,000	1,331,760,000	1,331,760,000	-	-	-	-	-	6,173,710,000
Tea infilling	620	884,318,400	-	-	-	-	-	-	-	884,318,400
Macadamia	500	634,400,000	68,150,000	68,150,000	68,150,000	68,150,000	68,150,000	68,150,000	68,150,000	1,111,450,000
French beans	50	-	-	-	-	-	-	-	-	-
Essential oils	200	13,400,000	-	-	-	-	-	-	-	13,400,000
Avocado	800	3,301,753,600	1,330,713,600	1,330,713,600	1,330,713,600	610,713,600	-	-	-	7,904,608,000
Mango	200	585,438,400	92,678,400	92,678,400	92,678,400	92,678,400	-	-	-	956,152,000
Total financing required		12,587,522,400	7,663,712,750	5,417,476,500	2,078,971,500	771,542,000	68,150,000	68,150,000	68,150,000	28,723,675,150
Interest charges	17%	2,139,878,808	1,302,831,168	920,971,005	353,425,155	131,162,140	11,585,500	11,585,500	11,585,500	4,883,024,776
Total external financing		14,727,401,208	8,966,543,918	6,338,447,505	2,432,396,655	902,704,140	79,735,500	79,735,500	79,735,500	33,606,699,926

13. The project interventions will require to provide a total of Rwf 28.7 billion to finance the short term cash requirements of smallholders that engage in the production of value chain crops promoted by the project. The largest financing requirement will be in the first year, and keep reducing as returns from harvested crops continue increasing. Rural financial service providers are expected to provide these finances, and in the process, earn interest of Rwf 4.8 billion as a result of business opportunities presented by PSAC investments.

POTENTIAL MARKET AND PRICE EFFECTS

14. PASC investments are expected to increase the volume of products exported per year due to additional production. Additional production expected are as shown in the table below.

Table 5: Expected increase in volumes for export

Crop	Production per year			
	Without project (Kgs)	With project (Kgs)		Increase
		Added by project	Total expected	%
Coffee	19,723,300	22,045,750	41,769,050	112%
Tea	32,634,900	15,180,480	47,815,380	47%
Macadamia	405,000	1,175,000	1,580,000	290%
French beans	918,990	400,000	1,318,990	44%
Essential oils	726,500	405,000	1,131,500	56%
Avocado	823,500	176,400	999,900	21%

Source: NAEB for production figures without project

15. Production under PSAC is expected to increase export volumes for all value chain crops that will be supported, with percentages ranging from 21% to 112%. The increased productivity is expected to translate into increased foreign exchange earnings from exports, as well as improve on Rwanda's balance of payments.

FINANCIAL ANALYSIS

16. A financial analysis was carried out in order to determine how financially viable project interventions are from the perspective of the private stakeholders involved in the project. The financial analysis considered the market aspects of PSAC interventions. The analysis also helped to indicate areas in which PSAC may provide incentives in order to enhance participation and on boarding of potential beneficiaries. Expected cash flows from various crops were determined per hectare, and expected returns to each farming household were also determined. The financial analysis considered returns expected from investment in coffee, tea and horticulture (mango, avocado, French beans, essential oils and macadamia), as well as benefits expected from project investment in tea hangars, coffee solid waste management systems, tea transportation tracks, among others. All costs and benefits in the financial analysis were valued at market prices.

17. As an opportunity cost of capital for investments in Rwanda, the yield of treasury bonds by the National Bank of Rwanda was studied. Bond yields were compiled for all bonds auctioned over the past ten years (2012 to 2021). The results were as shown in the table below.

Table 6: Deduction of an appropriate financial discount rate

Bond Tenor	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
2										
3			11	12	12		11	11	11	11
5			12	12	12	12	12	11	11	11
7			12			13		12	11	11
10				13			13		12	12
15					14		13		13	13
20								13	13	13
Average Coupon rate = 12%										

18. Based on rates listed on the table above, the average coupon rate was 12 per cent. As such, a discount rate of 12 per cent is used for financial analysis.

19. The production models developed in this analysis are based on the fact that PSAC will primarily support beneficiaries to produce for the export market. Production considered therefore is only that which relates to export-oriented project promoted value chains, as well as benefits from project investment in attendant facilities. It is assumed that each participating smallholder will allocate only up to 50 per cent of the household land holding to project promoted value chains, and the remaining 50 per cent will be allocated to other crops to ensure food production for the family. Returns from non-export crops has therefore not been included in this analysis. Given the average land holding of 0.4 hectares per household, it is therefore assumed that each household will allocate 0.2 hectares to export-oriented production.

Table 7: Financial returns for some crops per household after project implementation

Value chain	Hectares	Financial returns per year /ha with project	No. of beneficiary Households	Expected Financial returns per hh/year with project
Coffee replacement	3,050	1,056,500	15,250	211,300
Coffee rehabilitation	1,082	1,056,500	5,410	211,300
Tea expansion	1,790	2,887,800	8,950	577,560
Tea infilling	620	2,940,780	3,100	588,156
Macadamia	500	3,426,200	2,500	685,240
French beans	50	738,500	250	147,700
Essential oils	200	1,015,000	1,000	203,000
Avocado	800	8,047,608	4,000	1,609,522
Mango	200	6,697,608	1,000	1,339,522
Total	8,292		41,460	

20. Based on financial returns computed in this analysis, all value chain crops supported by the projected are expected to generate adequate income that will move participating smallholders further above the national poverty line of RWF 159,375 per year.

Farm models

Coffee Conversion Farm

21. PSAC is expected to support rehabilitation of existing farms as well as replace old coffee trees whose productivity has declined. This process will require gradual implementation, with all activities being implemented within four years of the project life. Onboarding of hectares per year will be as shown in the table below.

Table 8: Onboarding of beneficiaries for coffee replacement intervention

	Y1	Y2	Y3	Y4	Y5	Y6
Beneficiary households						
Onboarded in the year		4,746	9,483	9,483	4,019	-
Cummulative		4,746	14,229	23,711	27,730	27,730
Hectares						
Onboarded in the year		522	1,043	1,043	442	
Cummulative		522	1,565	2,608	3,050	3,050

22. Farms that take on coffee replacement will be expected to replace existing old coffee plants at a rate of 25 per cent per year. This will help absorb shock that will arise from missed income that should have accrued from old trees that have been uprooted. Earnings are expected to drop during the first four years, but then pick up and stabilize during the 6th year of implementation when replaced coffee plants have regained their productivity. This is illustrated in the coffee replacement conversion farm model.

23. Rehabilitation involves rejuvenating already existing plants to increase productivity. At farm level, beneficiaries who are supported for rehabilitation will be provided with technical assistance on best practices that can increase productivity of their coffee plants, such as pruning, fertilizer application, and inclusion of shade trees, among others. Onboarding of hectares per year will be as shown in the table below.

Table 9: Onboarding of beneficiaries for coffee rehabilitation intervention

Graduation pathway	Y1	Y2	Y3	Y4	Y5	Y6
Beneficiary households						
Onboarded in the year	2,465	2,465	2,455	2,455	-	-
Cummulative	2,465	4,929	7,385	9,840	9,840	9,840
Hectares						
Onboarded in the year	271	271	270	270		0
Cummulative	271	542	812	1,082	1,082	1,082

24. The 1,082 targeted hectares are expected to be onboarded over a period of four years of project implementation. Farms that take on coffee rehabilitation will be expected to rehabilitate 25 per cent of their coffee plants each year, in order to cushion farm earnings during crop rehabilitation. Rehabilitation is expected to utilize around 190 man hours per year, but increase crop productivity by 20 per cent when complete. Earnings from investment in coffee rehabilitation are expected to turn positive in the 6th year of project implementation.

25. Parabolic drying structures are expected to be used to dry coffee so as to improve the quality of output which will fetch higher prices in the international market. A total of 27 parabolic structures will be set up, with each serving coffee output from the equivalent of 2 hectares. Considering post-harvest losses avoided as well as a premium price for properly

dried coffee, the present value of investment in parabolic drying structures was found to be positive over a 20 year period.

26. PSAC will also support the establishment of solid waste handling facilities at various coffee processing centers. Husks generated at these solid waste handling facilities will be sold which will lead to better environmental management as well as additional income to beneficiary off-takers.

27. Extension services will be provided through a network of farmer field schools. Under this arrangement, beneficiaries will have the opportunity to acquire hands on skills from fellow farmers who will share experiences and pass on skills.

Tea Conversion Farm

28. PSAC is expected to a total of 1,790 hectares of tea. Under this arrangement, a total of 14,000 tea seedlings will be planted per hectare. Onboarding of beneficiaries is expected to be as shown in the table below.

Table 10: Onboarding of beneficiaries on tea expansion intervention

	Y1	Y2	Y3	Y4
Beneficiary households				
Onboarded in the year		2,590	4,317	1,727
Cummulative		2,590	6,907	8,634
Hectares				
Onboarded in the year		400	400	500
Cummulative		400	800	1,300

29. Revenues from tea expansion are expected to start flowing in the 6th year of project implementation and stabilize in the 7th year onwards. Present value of net returns over a 20 year period for investment in tea expansion was found to be positive.

30. With regard to tea infilling, a total of 620 hectares will be supported under the project. Beneficiaries will be on boarded over a period of four years of project implementation, as shown in the table below.

Table 11: Beneficiaries onboarding for tea infilling

	Y1	Y2	Y3	Y4
Beneficiary households				
Onboarded in the year		0	2,991	0
Cummulative		0	2,991	2,991
Hectares				
Onboarded in the year	0	-	620	-
Cummulative		0	620	620

31. Revenues from infilling are expected to be realized starting from the 6th year of project implementation. Tea infilling is expected to be at a rate of 14,000 seedlings per hectare.

Present value of net returns over a 20 year period for investment in tea infilling was found to be positive.

32. PSAC will also support the establishment of 50 hectares of French beans. On boarding of beneficiaries will be as shown below.

Table 12: Onboarding for French beans

	Y1	Y2	Y3	Y4	Y5	Y6
Beneficiary households						
Onboarded in the year	300	450	750	750	750	0
Cummulative	300	750	1,500	2,250	3,000	3,000
Hectares						
Onboarded in the year		10	10	15	15	
Cummulative		10	20	35	50	50

Community Nurseries

33. Community nurseries are expected to supply seedlings to project beneficiaries. The opportunity to supply seedlings will increase capacity within the country, as well as increase incomes of beneficiaries involved in production of seedlings in the community managed nurseries. The financial revenues expected from community nurseries are as shown in the table below.

Table 13: Revenues expected to be earned by community managed nurseries from seedlings

Item	Unit	Price/unit	Amount (RwF) for seedlings required per period					Total
			PY1	PY2	PY3	PY4	PY5	
Coffee seedlings	Seedlings	150	195,750,000	391,125,000	391,125,000	165,750,000	-	1,143,750,000
Tea Seedlings	Seedlings	63	352,800,000	899,640,000	441,000,000	432,180,000	-	2,125,620,000
Shade/Woodlot seedlings	Seedlings	150	25,650,000	64,762,500	97,800,000	114,375,000	114,375,000	416,962,500
Macadamia seedlings	Seedlings	5,000	153,000,000	204,000,000	102,000,000	-	-	459,000,000
Avocado seedlings	Seedlings	730	58,360,000	87,540,000	58,360,000	-	-	204,260,000
Mango seedlings	Seedlings	730	14,590,000	21,885,000	14,590,000	-	-	51,065,000
Total cost of seedlings			800,150,000	1,668,952,500	1,104,875,000	712,305,000	114,375,000	4,400,657,500

34. A total of RwF 4.4 billion is expected to be earned by community managed nurseries for supply of seedlings to project beneficiaries. This will enhance effectiveness, ownership and value for money within PSAC.

Horticulture and essential oils

35. PSAC is expected to support the establishment of 200 hectares of macadamia for the export market. This intervention is expected to generate 600,000 kilograms of nut-in-shell macadamia by the 10th year of the project. The project will provide technical support to community nurseries to increase the survival of macadamia seeds in the nurseries. On boarding of beneficiaries for macadamia production is as shown in the table below.

Table 14: On boarding of beneficiaries for macadamia production

	Y1	Y2	Y3	Y4	Y5	Y6
Beneficiary households						
Onboarded in the year		250	250	250	250	0
Cummulative		250	500	750	1,000	1,000
Hectares						
Onboarded in the year		50	50	50	50	
Cummulative		50	100	150	200	200

36. Returns from investment in macadamia are expected to start flowing in in year 10 of the project, expected to stabilize in year 13. The present value of net benefits over a 20 year period were found to be negative. However, given the long term nature of macadamia tree harvests, returns will be expected from this investment even in the longer term.

37. Project beneficiaries are expected to establish avocado plantations on 800 hectares of land and mangoes on 200 hectares. Present value of investment in both crops was found to be positive over a 20 year period.

38. French beans and essential oils production will be carried out on 50 hectares. On boarding of beneficiaries will be as shown in the table below.

Table 15: on boarding of beneficiaries for essential oils

	Y1	Y2	Y3	Y4	Y5	Y6
Beneficiary households						
Onboarded in the year		50	50	75	75	0
Cummulative		50	100	175	250	250
Hectares						
Onboarded in the year		10	10	15	15	
Cummulative		10	20	35	50	50

39. Returns from investment in essential oils are expected to stabilize after the fourth year, with a positive net present value over a 20 year period.

Crop models

40. Crop models were developed to present the technical and physical description of each value chain, as well as to present the cost implications of participating in the identified value chain. All costs and revenues were valued at constant market prices in Rwanda Francs.

41. An analysis was carried out to determine the situation without project interventions (business as usual) for each value chain in which PSAC investments will be made, at current market prices. The analysis involved a projection of expected earnings from value chains over the next 20 years, without adjustment for inflation. It was assumed that, where the proposed crops are already grown, the same current practices would continue for the next twenty years but returns would keep on reducing due to external factors such as soil fertility loss. Where the proposed crop was not already in production, it was assumed that the land would instead be allocated to an alternative crop (maize in this case) as a means to earn revenue for the household.

42. For value chain crops, earnings considered were those expected from one hectare of production. For facilities such as drying structures, earnings considered were those from one unit of the facility. The without project scenario for infrastructure was considered to be the alternative ways in which households are enjoying the services. For example, the alternative to purchase of tea transportation trucks was considered to be routine hiring of trucks.

43. The results of profitability per unit of project promoted value chain were as shown in the table below.

Table 16: Profitability per unit of project promoted value chains (RwF)

	Without project	With project	Change
Coffee replacement	80,230	13,673,125	13,592,895
Coffee rehabilitation	(19,740)	205,607	225,347
Tea expansion	(53,738)	39,445,700	39,499,438
Tea infilling	453,563	48,176,480	47,722,917
Macadamia	(53,738)	594,618	648,356
French beans	(71,833)	11,646,000	11,717,833
Essential oils	(71,833)	17,900,000	17,971,833
Avocado	(1,128,493)	103,609,360	104,737,853
Mango	(1,508,493)	83,974,360	85,482,853
Coffee drying structures	17,187,500	23,375,000	6,187,500
Solid waste handling	(8,750,000)	4,500,000	13,250,000
Tea hangars	63,678,000	86,356,000	22,678,000
Tea trucks	96,480,000	171,480,000	75,000,000
Avocado line	39,525,000	62,700,000	23,175,000
Greenhouses	(1,128,493)	68,180,000	69,308,493
Totals	204,617,932	735,816,250	531,198,318

44. The analysis indicated that without PSAC intervention, many of the activities in which potential beneficiaries are currently engaged in, would produce negative returns over a 20 year period. However, with project intervention, all activities would produce positive returns per unit.

45. Investment in project promoted value chains are expected to increase labor required. This labor will be provided by the family, and where family labor is not adequate, hired labor will be used by the smallholder beneficiaries. An analysis of how investment in project promoted value chains would affect family labor over a 20 year period. The results were as presented in the table below.

Table 17: Returns to family labour (RwF)

	Without project	With project	Change
Coffee replacement	5,375	11,019	5,644
Coffee rehabilitation	3,619	12,593	8,974
Tea expansion	595	4,376	3,780
Tea infilling	3,321	4,638	1,316
Macadamia	595	59,795	59,199
French beans	595	857	262
Essential oils	595	1,088	493
Avocado	595	58,033	57,438
Mango	595	15,332	14,737
Greenhouse crops	595	23,664	23,069
Total	15,887	191,395	175,507

46. Based on the results, the project is expected to contribute positive increase in returns to family labor per hectare of value chain crop grown.

47. Given that not all intended beneficiaries would adopt project promoted value chains at the same time, a phasing approach was developed to reflect the adoption rate of project interventions over time. This is shown in the table below.

Table 18: Adoption rates for various value chain crops

Crop and Type of plantation	Ha	Adoption per year						Total
		PY 1	PY 2	PY 3	PY 4	PY 5	PY 6	
Coffee replacement	Ha	0%	17%	34%	34%	14%	0%	100%
Coffee rehabilitation	Ha	25%	25%	25%	25%	0%	0%	100%
Tea plantations -Expansion	Ha	0%	30%	50%	20%	0%	0%	100%
Tea plantation-Infilling	Ha	0%	0%	100%	0%	0%	0%	100%
Mango - Plantation (including see	Ha	13%	25%	38%	25%	0%	0%	100%
Avocado - Plantation	Ha	13%	25%	38%	25%	0%	0%	100%
Macadamia - Plantation	Ha	10%	30%	40%	20%	0%	0%	100%
Essential oil - (Plantation and all th	Ha	10%	25%	25%	40%	0%	0%	100%
Average		9%	22%	44%	24%	2%	0%	100%

48. The first year is expected to have low adoption rates because project promoted interventions are expected to be new to intended beneficiaries. However, most beneficiaries are expected to have adopted project interventions by the third year, and all intended beneficiaries would be on board before the 6th year of project implementation.

49. It was recognized that substantial investments would need to be made by beneficiaries in order to realize the benefits expected from project interventions. These costs, made upfront, were compared to expected future earnings. Profitability indicators were derived, considering the costs and benefit streams, as well as net benefits derived by investing in various interventions.

Table 19: Profitability indicators for various project interventions

	NPV (RwF)	BCR
Coffee replacement	2,211,946	1.46
Coffee rehabilitation	2,760,110	2.15
Tea expansion	8,055,396	1.83
Tea infilling	13,513,954	4.17
Macadamia	4,853,598	2.03
French beans	2,914,590	1.10
Essential oils	5,594,423	1.32
Avocado	21,644,250	2.40
Mango	15,991,189	1.85
Coffee drying structures	8,195,616	1.36
Tea hangars	24,980,174	1.05
Tea trucks	40,670,686	-
Avocado line	15,625,931	1.04
Greenhouses	19,563,120	1.34
Average	13,326,785	1.65

50. Based on the above analysis, investments in all PSAC interventions are expected to generate positive net present values. The benefits are also expected to exceed costs.

ECONOMIC ANALYSIS

51. An economic analysis was carried out in order to the economic viability of the project investments from the perspective of government and the wider society, the economic rate of return and determine how sensitive the project is to foreseen risks (sensitivity). The economic analysis considered how PSAC interventions will affect social well-being. A social discount rate was computed to reflect the social perspectives of how future benefits and costs of PSAC interventions are valued against present ones.

Aggregated financial costs and benefits

52. Financial PSAC costs were compared to the incremental net present value of benefits expected from project value chains promoted. PSAC costs included in this computation excluded all costs already covered in the various farm conversion models already developed under various crops. The results were as shown in the table below:

Table 20: Financial profitability of PSAC investment

NPV of Project costs	NPV Project benefits	FNPV	FIRR
18,023,303,864	34,128,172,215	16,104,868,352	16%

53. The net present value of PSAC costs not already included in farm conversion models was found to be RwF 18.0 billion. However, the net present value of project benefits was

found to be Rwf 34.1 billion. The Financial Net Present Value of benefits from PSAC intervention was therefore found to be Rwf 16.1 billion with a FIRR of 16 per cent. The project is therefore considered financially viable.

Determination of economic prices

54. Market prices used in the financial analysis were converted into shadow prices using conversion factors that reflect social opportunity costs of each good and services without taxes and subsidies. The numeraire is the domestic market prices expressed in Rwanda Francs in which project resources have been valued in this analysis.

55. The aggregated net incremental benefits generated by all project supported value chains were used in this economic analysis. All project investments that can be directly related to a specific value chain were considered before arriving at the aggregated net incremental benefits.

56. The analysis considered a twenty year time period in which project investments are expected to continue generating revenue streams for project beneficiaries. Prevailing market prices of June 2022 were used in computation. Project costs were extracted from Costabs already developed.

57. Productivity models used in the financial analysis were adjusted for distortions in the market (such as subsidies and taxes) and opportunity costs foregone by investing in project supported value chains.

58. Economic parity prices were used to value project inputs and outputs using conversion factors.

Determination of the economic discount rate

59. A social discount rate was used as the economic discount rate in this analysis. The social discount rate was determined by considering an average of the data over the past 10 years for interest rates given on deposits within the Rwanda economy, interest rates given by National Bank of Rwanda on 364 day treasury bills over the past 10 years, as well as the real interest rates. This combination of variables is as shown in the table below:

Table 21: Social Discount Rate

Variable	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Deposits interest rates	9	10	8	8	8	8	8	8	8	8
1 year Treasury bills interest	12	10	6	6	9	9	7	7	8	8
Real interest rates	11	14	12	17	12	8	18	14	9	13
Average interest rate = 10%										

60. Based on results of the above analysis, The Economic Discount Rate used is 10 per cent, being the weighted average.

Economic programme costs

61. Economic programme costs were arrived at in costab software by removing taxes, duties and subsidies from the financial costs. The results were are shown in the table below.

Table 22 Programme economic costs

Rwanda Promoting Smallholder Agro-export Competitiveness Components by Financiers Economic Costs (US\$)													
	IFAD		Private Sector/Beneficiaries		Heifer		Coraid		Government of Spain		The Government		Total
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount %
1. Investment to enhance climate smart production and productivity of selected enterprises	11,284,455.8	39.1	3,768,330.0	13.1	209,575.0	0.7	-	-	9,478,508.0	32.8	4,129,170.1	14.3	28,870,038.9 58.7
2. Enabling business environment along selected export - driven value chains	8,623,854.3	59.0	-	-	757,611.7	5.2	574,413.6	3.9	4,624,623.2	31.6	36,214.6	0.2	14,616,717.5 29.7
3. Project management and Policy support	3,814,414.6	66.5	-	-	-	-	-	-	1,753,759.6	30.6	165,391.4	2.9	5,733,565.6 11.6
Total PROJECT COSTS	23,722,724.8	48.2	3,768,330.0	7.7	967,186.7	2.0	574,413.6	1.2	15,856,890.8	32.2	4,330,776.0	8.8	49,220,322.0 100.0

Economic viability and sensitivity analysis

62. Project economic benefits were compared to the economic value of PSAC investment in the various value chains. Costs already included in conversion models were excluded in order to avoid double counting. The results were shown below.

Table 23 PSAC Economic viability

ENPV of Project costs	ENPV Project benefits	ENPV	EIRR
14,612,624,872	32,527,650,920	27,770,839,250	19%

63. Based on results on the table above, the project is expected to generate a positive ENPV of Rwf27.8 billion with an EIRR of 19 per cent. The project is therefore economically viable and should be undertaken.

64. Sensitivity analysis was also carried out on the effects of changes in costs and expected benefits on expected viability of the project. The results were as shown below.

Table 24 PSAC Sensitivity to changes in costs and benefits

	-20%		-10%		10%		20%		Switching	
	ENPV	EIRR								
Change in PSAC Costs	30,859,184,647	20%	29,315,011,949	19%	26,226,666,552	18%	24,682,493,853	17%	10,784,939,566	110%
Change in Benefits	19,128,326,003	17%	23,449,582,627	18%	32,092,095,874	19%	36,413,352,497	20%	3,139,676,496	-57%

65. Based on the results above, PSAC costs not included in the farm model conversion models can increase by up to 110 per cent while the project still remains viable. PSAC benefits should not reduce by more than 57 per cent in order to ensure that the project is still economically viable.

CONCLUDING REMARKS

66. PSAC has potential to positively contribute to export volumes by increasing the volume and value of value chain crops exported. The Rwf 64 billion (US\$ 62.89 million) investment in order to achieve the desired financial and economic benefits will be fully recovered through export earnings.

APPENDICES

Appendix 1: Financial Net benefits and costs

Appendix 2: Economic Net benefits and costs

Appendix 3: Coffee replacement per hectare

Coffee replacement, 2500 coffee trees per ha				
	Units	Quantity	Unit Price (Frw)	Total Cost (Frw)
Replacement progression (%)				
Labor cost (Quantity in Men/Day):				
<i>Hired labour</i>				
Labour for Uprooting old trees	Man days	25	2,500	62,500
Planting Shading trees	Man days	5	2,500	12,500
Pesticide application	Man days	10	2,500	25,000
Weeding	Man days	40	2,500	100,000
Mulching	Man days	40	2,500	100,000
Storage	Man days	5	2,500	12,500
<i>Family labour</i>				
Labour for replanting	Man days	10	2,500	25,000
Fertilizer Application	Man days	5	2,500	12,500
Prunning	Man days	20	2,500	50,000
harvesting	Man days	20	2,500	50,000
Drying	Man days	10	2,500	25,000
Sorting	Man days	5	2,500	12,500
Others	Man days	10	2,500	25,000
Total Labor				668,000
Inputs cost:				
Manure (1kg/plant/year)	Kgs	2,500	3	75,000
Fertilizer NPK (.4kg/plant/year)	Kgs	2,500	800	800,000
Shading trees seedlings	Tree	250	150	37,500
Purchase of new coffee seedlings	Seedling	2,500	150	375,000
Insecticides (per hectare)	Liter	1	13,000	13,000
Fungicide	Liter	1	13,000	13,000
Post harvest losses (40% - 20%)	Percentage			
Production transportation	Lumpsum	3	30,000	90,000
Total input costs				1,403,500
Total Production Costs				2,071,500
Benefits				
Productivity percentage				100%
Yield (kg/tree)		2.5		
Production (kg/ha)		2500		6,250
Price (per kg)	RwF		410	
Total Revenues from coffee sales				2,562,500
Net income				491,000

Appendix 4: Coffee replacement farm conversion

Coffee replacement, 2500 coffee trees per ha					With Project					
	Units	Quantity	Unit Price (Frw)	Total Cost (Frw)	Y1	Y2	Y3	Y4	Y5	Y6-20
Replacement progression (%)					25%	25%	25%	25%		
Labor cost (Quantity in Men/Day):										
<i>Hired labour</i>										
Labour for Uprooting old trees	Man days	25	2,500	62,500	15,625	15,625	15,625	15,625		
Planting Shading trees	Man days	5	2,500	12,500	3,125	3,125	3,125	3,125		
Pesticide application	Man days	10	2,500	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Weeding	Man days	40	2,500	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Mulching	Man days	40	2,500	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Storage	Man days	5	2,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500
<i>Family labour</i>										
Labour for replanting	Man days	10	2,500	25,000	6,250	6,250	6,250	6,250		
Fertilizer Application	Man days	5	2,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500
Pruning	Man days	20	2,500	50,000	50,000	50,000	50,000	50,000	50,000	50,000
harvesting	Man days	20	2,500	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Drying	Man days	10	2,500	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Sorting	Man days	5	2,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500
Others	Man days	10	2,500	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Total Labor				668,000	437,500	437,500	437,500	437,500	412,500	412,500
Inputs cost:										
Manure (1kg/plant/year)	Kgs	2,500	3	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Fertilizer NPK (.4kg/plant/year)	Kgs	2,500	800	800,000	800,000	800,000	800,000	800,000	800,000	800,000
Shading trees seedlings	Tree	250	150	37,500	9,375	9,375	9,375	9,375	-	-
Purchase of new coffee seedlings	Seedling	2,500	150	375,000	93,750	93,750	93,750	93,750	-	-
Insecticides (per hectare)	Liter	1	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
Fungicide	Liter	1	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
Post harvest losses (40% - 20%)	Percentage				461,250	153,750	230,625	358,750	486,875	615,000
Production transportation	Lumpsum	3	30,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Total input costs				1,403,500	1,555,375	1,247,875	1,324,750	1,452,875	1,477,875	1,606,000
Total Production Costs				2,071,500	1,992,875	1,685,375	1,762,250	1,890,375	1,890,375	2,018,500
Benefits										
Productivity percentage				100%	45%	20%	45%	70%	95%	120%
Yield (kg/tree)		2.5			1.125	0.5	1.125	1.75	2.375	3
Production (kg/ha)		2500		6,250	2,813	1,250	2,813	4,375	5,938	7,500
Price (per kg)	RwF		410							
Total Revenues from coffee sales				2,562,500	1,153,125	512,500	1,153,125	1,793,750	2,434,375	3,075,000
Net income				491,000	(839,750)	(1,172,875)	(609,125)	(96,625)	544,000	1,056,500

Appendix 5: Coffee rehabilitation per hectare

Coffee rehabilitation, 2500 coffee trees per ha				
	Units	Quantity	Unit Price (Frw)	Total Cost (Frw)
Rehabilitation progression (%)				
Labor cost (Quantity in Men/Day):				
<i>Hired Labour</i>				
Labour for stumping old trees	Man days	10	2,500	25,000
Planting Shading trees	Man days	5	2,500	12,500
Fertilizer Application	Man days	5	2,500	12,500
Pesticide application	Man days	10	2,500	25,000
Weeding	Man days	40	2,500	100,000
Mulching	Man days	40	2,500	100,000
<i>Family labour</i>				
Prunning	Man days	20	2,500	50,000
harvesting	Man days	20	2,500	50,000
Drying	Man days	10	2,500	25,000
Sorting	Man days	5	2,500	12,500
Storage	Man days	5	2,500	12,500
Others	Man days	10	2,500	25,000
Total Labor				668,000
Inputs cost:				
Manure (10kg/plant/year)	Kgs	2,500	3	75,000
Fertilizer NPK (.4kg/plant/year)	Kgs	2,500	800	800,000
Shading trees seedlings	Tree	250	150	37,500
Insecticides (per hectare)	Liter	1	13,000	13,000
Fungicide	Liter	1	13,000	13,000
Post harvest losses (40% - 20%)	Percentage			512,500
Production transportation	Lumpsum	3	30,000	90,000
Total input costs				1,541,000
Total Production Costs				2,209,000
Benefits				
Productivity percentage				100%
Yield (kg/tree)		2.5		
Production (kg/ha)		2500		6,250
Price (per kg)	RwF		410	
Total Revenues from coffee sales				2,562,500
Net benefit				353,500

Appendix 6: Coffee rehabilitation conversion farm

Coffee rehabilitation, 2500 coffee trees per ha						With Project					
	Units	Quantity	Unit Price (Frw)	Total Cost (Frw)	Without Project	Y1	Y2	Y3	Y4	Y5	Y6-20
Rehabilitation progression (%)						25%	25%	25%	25%		
Labor cost (Quantity in Men/Day):											
<i>Hired Labour</i>											
Labour for stumping old trees	Man days	10	2,500	25,000		6,250	6,250	6,250	6,250		
Planting Shading trees	Man days	5	2,500	12,500		3,125	3,125	3,125	3,125		
Fertilizer Application	Man days	5	2,500	12,500		12,500	12,500	12,500	12,500	12,500	12,500
Pesticide application	Man days	10	2,500	25,000		25,000	25,000	25,000	25,000	25,000	25,000
Weeding	Man days	40	2,500	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Mulching	Man days	40	2,500	100,000		100,000	100,000	100,000	100,000	100,000	100,000
<i>Family labour</i>											
Pruning	Man days	20	2,500	50,000		50,000	50,000	50,000	50,000	50,000	50,000
harvesting	Man days	20	2,500	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Drying	Man days	10	2,500	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Sorting	Man days	5	2,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500
Storage	Man days	5	2,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500
Others	Man days	10	2,500	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Total Labor				668,000	668,000	421,875	421,875	421,875	421,875	421,875	412,500
Inputs cost:											
Manure (10kg/plant/year)	Kgs	2,500	3	75,000		75,000	75,000	75,000	75,000	75,000	75,000
Fertilizer NPK (.4kg/plant/year)	Kgs	2,500	800	800,000		800,000	800,000	800,000	800,000	800,000	800,000
Shading trees seedlings	Tree	250	150	37,500		9,375	9,375	9,375	9,375	-	-
Insecticides (per hectare)	Liter	1	13,000	13,000		13,000	13,000	13,000	13,000	13,000	13,000
Fungicide	Liter	1	13,000	13,000		13,000	13,000	13,000	13,000	13,000	13,000
Post harvest losses (40% - 20%)	Percentage			512,500	717,500	461,250	230,625	256,250	358,750	486,875	615,000
Production transportation	Lumpsum	3	30,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Total input costs				1,541,000	445,000	1,461,625	1,231,000	1,256,625	1,359,125	1,477,875	1,606,000
Total Production Costs				2,209,000	1,113,000	1,883,500	1,652,875	1,678,500	1,781,000	1,890,375	2,018,500
Benefits											
Productivity percentage				100%	70%	45%	30%	50%	70%	95%	120%
Yield (kg/tree)		2.5			1.75	1.125	0.75	1.25	1.75	2.375	3
Production (kg/ha)		2500		6,250	4,375	2,813	1,875	3,125	4,375	5,938	7,500
Price (per kg)	RwF		410								
Total Revenues from coffee sales				2,562,500	1,793,750	1,153,125	768,750	1,281,250	1,793,750	2,434,375	3,075,000
Net benefit				353,500	680,750	(730,375)	(884,125)	(397,250)	12,750	544,000	1,056,500

Appendix 7: Costs and returns from parabolic drying structures

Item	Unit	Quantity	Unit Cost	Total cost	Y1	Y2	Y3	Y4	Y5	Y6	Y7-20
Cost of acquisition	RwF	1	1,500,000	1,500,000	1,500,000					1,500,000	
Labour for drying per hectare	Man days	10	2,500	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
replacement	Year	5	20%	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Total Cost				1,825,000	1,825,000	325,000	325,000	325,000	325,000	1,825,000	325,000
	Unit	Quantity	Units	Total							
Price per kg of post-harvest loss avoided	RwF	1		410							
Kgs produced per hectare	Kilograms	2.5	2,500	6,250							
Kgs per tree saved by proper drying	Kilograms	2.5	10%	0.25							
Hectares per drying structure	Hectares			2							
Total post-harvest loss avoided per drying	RwF			1,281,250	1,281,250	1,281,250	1,281,250	1,281,250	1,281,250	1,281,250	1,281,250
Returns from premium price/Kg	RwF	10%	410	41							
Returns from premium price/hectare	RwF			512,500	512,500	512,500	512,500	512,500	512,500	512,500	512,500
Total returns from parabolic dryers	RwF			1,793,750							
Net inflows from parabolic dryers				(31,250)	(31,250)	1,468,750	1,468,750	1,468,750	1,468,750	(31,250)	1,468,750

Appendix 8: Costs and returns from solid waste handling facility

Item	Unit	Quantity	Unit Cost	Total cost	Y1	Y2-20
Cost of construction	RwF	1	5,000,000	5,000,000	5,000,000	
Labour for maintenance	Man days	100	2,500	250,000	250,000	250,000
Training	Man days	10	2,500	25,000	25,000	25,000
replacement	Year	10	10%	500,000	500,000	500,000
Total Cost				5,775,000	5,775,000	775,000
	Unit	Quantity	Units	Total		
Solid waste generated per hectare	Kilograms	6,250	40%	2,500		
Price per kg of solid waste	RwF	1	50			
Hectares per CWS	Hectare			10		
Total income from sale of waste	RwF			1,250,000	1,250,000	1,250,000
Net inflows from sale of husks				(4,525,000)	(4,525,000)	475,000

Appendix 9: Costs and returns from tea collection trucks

Item	Unit	Quantity	Unit Cost	Total cost	Y1	Y2	Y3	Y4	Y5	Y6	Y7-20
Cost of acquisition	RwF	1	45,000,000	45,000,000	45,000,000						
Operating costs for truck replacement	Man days	300	15,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Total Cost				54,000,000	54,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
Item	Unit	Quantity	Units	Total							
Loss avoided by transporting in time/hecta	Percentage	10%	16,800	1,680							
Price per kg of post-harvest loss avoided	RwF	1	295	495,600							
Hectares per truck per year	Hectares			40							
Total post-harvest loss avoided per truck	RwF			19,824,000	19,824,000	19,824,000	19,824,000	19,824,000	19,824,000	19,824,000	19,824,000
Net inflows from tea trucks				(34,176,000)	(34,176,000)	10,824,000	10,824,000	10,824,000	10,824,000	10,824,000	10,824,000

Appendix 10: Costs and returns from tea hangars

Item	Unit	Quantity	Unit Cost	Total cost	Y1	Y2	Y3	Y4	Y5	Y6	Y7-20
Cost of acquisition	RwF	1	14,000,000	14,000,000	14,000,000						
Labour for tea handling	Man days	10	2,500	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
replacement	Year	10	10%	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Total Cost				15,425,000	15,425,000	1,425,000	1,425,000	1,425,000	1,425,000	1,425,000	1,425,000
Item	Unit	Quantity	Units	Total							
Loss avoided by proper tea handling/tree	Percentage	10%	1.20	0.12							
Price per kg of post-harvest loss avoided	RwF	1	295	35.4							
Kgs produced per hectare	Kilograms	1.2	14,000	16,800							
Hectares per hangar	Hectares			10							
Total post-harvest loss avoided per hangar	RwF			5,947,200	5,947,200	5,947,200	5,947,200	5,947,200	5,947,200	5,947,200	5,947,200
Premium on properly dried tea	Percentage	10%	1.2	0.12							
Returns from premium price/Kg	RwF	10%	295	29.50							
Returns from premium price/hectare	RwF			495,600	495,600	495,600	495,600	495,600	495,600	495,600	495,600
Total returns from tea hangars	RwF			6,442,800	6,442,800	6,442,800	6,442,800	6,442,800	6,442,800	6,442,800	6,442,800
Net inflows from tea hangars				(8,982,200)	(8,982,200)	5,017,800	5,017,800	5,017,800	5,017,800	5,017,800	5,017,800

Appendix 11: Costs and returns from avocado grading line

Item	Unit	Quantity	Unit Cost	Total cost	Y1	Y2	Y3	Y4	Y5	Y6	Y7-20
Cost of acquisition	Rwf	1	15,000,000	15,000,000	15,000,000						
Labour for handling per year	Man days	60	6,500	390,000	390,000	390,000	390,000	390,000	390,000	390,000	390,000
replacement	Year	10	10%	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Total Cost				16,890,000	16,890,000	1,890,000	1,890,000	1,890,000	1,890,000	1,890,000	1,890,000
	Unit	Quantity	Units	Total							
Loss avoided by proper grading/hectare	Percentage	10%	3,500	350							
Price per kg of post-harvest loss avoided	Rwf	1	3,000	1,050,000							
Hectares per drying structure	Hectares			5							
Total post-harvest loss avoided per line	Rwf			5,250,000	5,250,000	5,250,000	5,250,000	5,250,000	5,250,000	5,250,000	5,250,000
Premium on properly graded avocado	Percentage	10%	3,500	350							
Returns from premium price/Kg	Rwf	10%	3,000	300							
Returns from premium price/hectare	Rwf			525,000	525,000	525,000	525,000	525,000	525,000	525,000	525,000
Total returns from avocado grading line	Rwf			5,775,000	5,775,000	5,775,000	5,775,000	5,775,000	5,775,000	5,775,000	5,775,000
Net inflows from tea hangars				(11,115,000)	(11,115,000)	3,885,000	3,885,000	3,885,000	3,885,000	3,885,000	3,885,000

Appendix 12: Costs and returns on tea expansion per hectare

	Unit	Quantity	Unit cost (Frw)	Total Cost (Frw)
Labor cost				
<i>Hired labour</i>				
Land clearing	Man day	30	2,500	75,000
Manure transportation	Man day	4	2,500	10,000
Land preparation	Man day	30	2,500	75,000
Planting	Man day	7	2,500	17,500
Weeding	Man day	35	2,500	87,500
<i>Family labour</i>				
Fertilizer application	Man day	8	2,500	20,000
Pest control	Man day	12	2,500	30,000
Prunning	Man day	40	2,500	100,000
Plucking	Man day	360	2,500	900,000
Total labour costs				1,315,000
Inputs		Kg		
Seedlings		14,000	63	882,000
Manure		14,000	20	280,000
Lime		200	100	20,000
Fertilizer (NPK 26:5:5)	bags	12	20,000	240,000
Pesticides		4	1,500	6,000
Post harvest losses (40% - 20%)		6,720		1,982,400
Small tools		10	300	3,000
Total Input Costs				3,413,400
Total Production Costs				4,728,400
Production (Kg/ha) (50%,75%,100%)	Kilograms	1.20	14,000	16,800
Farmgate Price (Frw/kg)				295
Total Benefits				4,956,000
Net Benefits				227,600

Appendix 13: Tea expansion farm conversion model

	Unit	Quantity	Unit cost (Frw)	Total Cost (Frw)	Y1	Y2	Y3	Y4	Y5	Y6	Y7-20
Labor cost											
<i>Hired labour</i>											
Land clearing	Man day	30	2,500	75,000	75,000						
Manure transportation	Man day	4	2,500	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Land preparation	Man day	30	2,500	75,000	75,000						
Planting	Man day	7	2,500	17,500	17,500						
Weeding	Man day	35	2,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500
<i>Family labour</i>											
Fertilizer application	Man day	8	2,500	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Pest control	Man day	12	2,500	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Prunning	Man day	40	2,500	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Plucking	Man day	360	2,500	900,000				540,000	540,000	540,000	630,000
Total labour costs				1,315,000	415,000	247,500	247,500	787,500	787,500	787,500	877,500
Inputs		Kg									
Seedlings		14,000	63	882,000	882,000						
Manure		14,000	20	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000
Lime		200	100	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Fertilizer (NPK 26:5:5)	bags	12	20,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000
Pesticides		4	1,500	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Post harvest losses (40% - 20%)		6,720		1,982,400	0	0	0	371,700	495,600	371,700	371,700
Small tools		10	300	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Total Input Costs				3,413,400	1,431,000	549,000	549,000	920,700	1,044,600	920,700	920,700
Total Production Costs				4,728,400	1,846,000	796,500	796,500	1,708,200	1,832,100	1,708,200	1,798,200
Production (Kg/ha) (50%,75%,100%)	Kilograms	1.20	14,000	16,800	0	0	0	4200	8400	12600	16800
Farmgate Price (Frw/kg)				295							
Total Benefits				4,956,000	-	-	-	1,239,000	2,478,000	3,717,000	4,956,000
Net Benefits				227,600	(1,846,000)	(796,500)	(796,500)	(469,200)	645,900	2,008,800	3,157,800

Appendix 14: Cost and returns of tea infilling per hectare

	Unit	Quantity	U.C (Frw)	Total Cost (Frw)
Labor cost				
<i>Hire labour</i>				
Manure transportation	Man day	4	2,500	10,000
Land preparation	Man day	30	2,500	75,000
Planting	Man day	7	2,500	17,500
Weeding	Man day	35	2,500	87,500
Fertilizer application	Man day	8	2,500	20,000
<i>Family labour</i>				
Pest control	Man day	12	2,500	30,000
Prunning	Man day	40	2,500	100,000
Plucking	Man day	360	2,500	900,000
Total labour costs				1,240,000
Inputs		Kg		
Seedlings		14,000	63	882,000
Manure		200	20	4,000
Lime		200	100	20,000
Fertilizer (NPK 26:5:5)	bags	12	20,000	240,000
Pesticides		4	1,500	6,000
Post harvest losses (40% - 20%)		6,720		1,982,400
Small tools		10	300	3,000
Total Input Costs				3,137,400
Total Production Costs				4,377,400
Production (Kg/ha) (5%,25%,50%,75%,100%)	Kilograms	1.20	14,000	16,800
Farmgate Price (Frw/kg)				295
Total Benefits				4,956,000
Net Benefits				578,600
Cost benefit Ratio (CBR)				1.13

Appendix 15: Tea infilling conversion farm

	Unit	Quantity	U.C (Frw)	Total Cost (Frw)	Y1	Y2	Y3	Y4	Y5 - 20
Labor cost									
<i>Hire labour</i>									
Manure transportation	Man day	4	2,500	10,000	10,000	10,000	10,000	10,000	10,000
Land preparation	Man day	30	2,500	75,000	75,000				
Planting	Man day	7	2,500	17,500	17,500				
Weeding	Man day	35	2,500	87,500	87,500	87,500	87,500	87,500	87,500
Fertilizer application	Man day	8	2,500	20,000	20,000	20,000	20,000	20,000	20,000
<i>Family labour</i>									
Pest control	Man day	12	2,500	30,000	30,000	30,000	30,000	30,000	30,000
Prunning	Man day	40	2,500	100,000	100,000	100,000	100,000	100,000	100,000
Plucking	Man day	360	2,500	900,000	45,000	225,000	450,000	675,000	900,000
Total labour costs				1,240,000	385,000	472,500	697,500	922,500	1,147,500
Inputs		Kg							
Seedlings		14,000	63	882,000	882,000				
Manure		200	20	4,000	4,000	4,000	4,000	4,000	4,000
Lime		200	100	20,000	20,000	20,000	20,000	20,000	20,000
Fertilizer (NPK 26:5:5)	bags	12	20,000	240,000	240,000	240,000	240,000	240,000	240,000
Pesticides		4	1,500	6,000	6,000	6,000	6,000	6,000	6,000
Post harvest losses (40% - 20%)		6,720		1,982,400	99,120	371,700	495,600	743,400	991,200
Small tools		10	300	3,000	3,000	3,000	3,000	3,000	3,000
Total Input Costs				3,137,400	1,254,120	644,700	768,600	1,016,400	1,264,200
Total Production Costs				4,377,400	1,639,120	1,117,200	1,466,100	1,938,900	2,411,700
Production (Kg/ha) (5%,25%,50%,75%,100%)	Kilograms	1.20	14,000	16,800	840	4,200	8,400	12,600	16,800
Farmgate Price (Frw/kg)				295					
Total Benefits				4,956,000	247,800	1,239,000	2,478,000	3,717,000	4,956,000
Net Benefits				578,600	(1,391,320)	121,800	1,011,900	1,778,100	2,544,300
Cost benefit Ratio (CBR)				1.13	0.15	1.11	1.69	1.92	2.05

Appendix 16: Costs and returns of macadamia per hectare

Items/ha	Units	Quantity	Unit Price (Frw)	Total Cost (Frw)
Labor costs				
<i>Hired labour</i>				
Land preparation	Man days	25	2,500	62,500
Digging holes	Man days	10	2,500	25,000
Planting	Man days	10	2,500	25,000
Harvesting costs		40	2,500	100,000
<i>Family labour</i>				
Wedding and slashing	Man days	25	2,500	62,500
Punning	Man days	20	2,500	50,000
Pest application	Man days	10	2,500	25,000
Total labour costs				350,000
Inputs				
Macadamia seedlings		204	5,000	1,020,000
Transportation		6	2,500	15,000
Compost		2040	30	61,200
Urea		102	800	81,600
Insecticides		1	13000	13,000
Post harvest losses (40%-20%)				900,000
Farm tools		10	300	3,000
Total other input costs				2,093,800
Total Expenses/ha				2,443,800
Production per hectare	Kgs		3000	
Price per Kg of Nut-in-shell	Rw F	1	1500	
Revenues/sales				4,500,000
Net returns/ha				2,056,200

Appendix 17: Macadamia conversion farm

Items/ha	Units	Quantity	Unit Price (Frw)	Total Cost (Frw)	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11	Y12	Y13-20		
Labor costs																			
Hired labour																			
Land preparation	Man days	25	2,500	62,500	62,500														
Digging holes	Man days	10	2,500	25,000	25,000														
Planting	Man days	10	2,500	25,000	25,000														
Harvesting costs		40	2,500	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000		
Family labour																			
Wedding and slashing	Man days	25	2,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500		
Punning	Man days	20	2,500	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000		
Pest application	Man days	10	2,500	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000		
Total labour costs				350,000	350,000	237,500													
Inputs																			
Macadamia seedlings		204	5,000	1,020,000	1,020,000														
Transportation		6	2,500	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000		
Compost		2040	30	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200		
Urea		102	800	81,600	81,600	81,600	81,600	81,600	81,600	81,600	81,600	81,600	81,600	81,600	81,600	81,600	81,600		
Insecticides		1	13000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000		
Post harvest losses (40%-20%)				900,000															
Farm tools		10	300	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000		
Total other input costs				2,093,800	1,193,800	173,800	473,800	623,800	773,800	923,800	1,073,800								
Total Expenses/ha				2,443,800	1,193,800	173,800	473,800	623,800	773,800	923,800	1,073,800								
Production per hectare	Kgs		3000												1,000	1,500	2,000	2,500	3,000
Price per Kg of Nut-in-shell	Rwf	1	1500																
Revenues/sales				4,500,000	-	-	-	-	-	-	-	-	-	1,500,000	2,250,000	3,000,000	3,750,000	4,500,000	
Net returns/ha				2,056,200	(1,193,800)	(173,800)	1,026,200	1,626,200	2,226,200	2,826,200	3,426,200								

Appendix 18: Costs and returns on French beans per hectare

	Quantity	Frw/kg/unit	Total Frw
FERTILIZERS (Kg/lt)			
DAP	100	390	39,000
UREA / CAN	50	390	19,500
NPK	50	540	27,000
Di-Grow F	16	7,500	120,000
Total Fertilizers			205,500
CHEMICALS (Kg/Lt)			
Ridomil	4	17,000	68,000
Cypermethrin	4	4,000	16,000
compost	1	150,000	150,000
Rodazim	4	15,000	60,000
Umeme	4	10,000	40,000
Mancozeb	10	2,600	26,000
TOTAL Chemicals and fertilizers			360,000
post harvest losses (40%-10%)			
Household consumption (5%)			
SEEDS (Bags)			
French beans	2	190,000	380,000
Total Seeds		2	380,000
TOTAL INPUTS			945,500
LABOUR (Man days)			
<i>Hired labour</i>			
Spraying	60	2,500	150,000
Irrigation	100	2,500	250,000
Land Preparation	160	2,500	400,000
Grading shed	1	100,000	100,000
<i>Family labour</i>			
Weeding	60	2,500	150,000
2nd Weeding	60	2,500	150,000
Harvesting	500	2,500	1,250,000
Sorting/grading	100	2,500	250,000
TOTAL Labor Cost (Rwf)			2,700,000
TOTAL PRODUCTION COST			4,211,000
Production (Kg/ha)			8,000
Selling Price (Rwf/kg)			700
Income per ha			5,600,000
Net Profit /ha			1,389,000

Appendix 19: French beans farm conversion

	Quantity	Frw/kg/unit	Total Frw	Y1	Y2	Y3	Y4	Y5	Y6 - 20
FERTILIZERS (Kg/Lt)									
DAP	100	390	39,000	39,000	39,000	39,000	39,000	39,000	39,000
UREA / CAN	50	390	19,500	19,500	19,500	19,500	19,500	19,500	19,500
NPK	50	540	27,000	27,000	27,000	27,000	27,000	27,000	27,000
Di-Grow F	16	7,500	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Total Fertilizers			205,500						
CHEMICALS (Kg/Lt)									
Ridomil	4	17,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000
Cypermethrin	4	4,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
compost	1	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Rodazim	4	15,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Umeme	4	10,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Mancozeb	10	2,600	26,000	26,000	26,000	26,000	26,000	26,000	26,000
TOTAL Chemicals and fertilizers			360,000	565,500	565,500	565,500	565,500	565,500	565,500
post harvest losses (40%-10%)				2,016,000	1,512,000	1,008,000	504,000	504,000	504,000
Household consumption (5%)				252,000	252,000	252,000	252,000	252,000	252,000
SEEDS (Bags)									
French beans	2	190,000	380,000	380,000	380,000	380,000	380,000	380,000	380,000
Total Seeds			380,000						
TOTAL INPUTS			945,500	3,213,500	2,709,500	2,205,500	1,701,500	1,701,500	1,701,500
LABOUR (Man days)									
<i>Hired labour</i>									
Spraying	60	2,500	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Irrigation	100	2,500	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Land Preparation	160	2,500	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Grading shed	1	100,000	100,000	100,000					
<i>Family labour</i>									
Weeding	60	2,500	150,000	150,000	150,000	150,000	150,000	150,000	150,000
2nd Weeding	60	2,500	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Harvesting	500	2,500	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Sorting/grading	100	2,500	250,000	250,000	250,000	250,000	250,000	250,000	250,000
TOTAL Labor Cost (Rwf)			2,700,000	2,700,000	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000
TOTAL PRODUCTION COST			4,211,000	5,913,500	5,309,500	4,805,500	4,301,500	4,301,500	4,301,500
Production (Kg/ha)			8,000	7,200	7,200	7,200	7,200	7,200	7,200
Selling Price (Rwf/kg)			700						
Income per ha			5,600,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000	5,040,000
Net Profit /ha			1,389,000	(873,500)	(269,500)	234,500	738,500	738,500	738,500

Appendix 20: Costs and returns on essential oils production per hectare

Land & Inputs	Qty (Kg/ha)	UNIT COST (Frw)	Total Cost (Frw)
Urea	50	410	20,500
NPK	50	550	27,500
DAP	100	470	47,000
Compost	20,000	28	560,000
Foliar fertilizers	2	13,000	26,000
Total fertilizers costs			681,000
Seeds	0.50	48,000	24,000
Post harvest losses			240,000
Total other input costs			945,000
Labour Cost	Man-days	Rate (Frw)	Cost (Frw)
<i>Hired labour</i>			
Land preparation	120	1,000	120,000
Removing weeds /2nd tillage	20	1,000	20,000
Holes preparation	5	1,000	5,000
Compost application	30	1,000	30,000
DAP Application	3	1,000	3,000
Planting	20	1,000	20,000
1st Weeding, molding, urea application	20	1,000	20,000
<i>Family labour</i>			
2nd weeding, NPK, thinning and mulching	20	1,000	20,000
Total Watering	200	1,000	200,000
1st Spraying	4	1,000	4,000
2nd spraying	4	1,000	4,000
3rd Spraying	4	1,000	4,000
4th spraying	4	1,000	4,000
Total harvesting	250	1,000	250,000
Total labor cost			704,000
Total expenses			1,385,000
Production (Kg/ha)	3,000		
Farmgate Price (Frw/kg)	800		
Total Revenues	5,000		2,400,000
Net Income/ha			1,015,000

Appendix 21: Essential oils conversion farm

Land & Inputs	Qty (Kg/ha)	Unit cost (Frw)	Total Cost (Frw)	Y1	Y2	Y3	Y4 - 20
Urea	50	410	20,500	20,500	20,500	20,500	20,500
NPK	50	550	27,500	27,500	27,500	27,500	27,500
DAP	100	470	47,000	47,000	47,000	47,000	47,000
Compost	20,000	28	560,000	560,000	560,000	560,000	560,000
Foliar fertilizers	2	13,000	26,000	26,000	26,000	26,000	26,000
Total fertilizers costs			681,000	681,000	681,000	681,000	681,000
Seeds	0.50	48,000	24,000	24,000	24,000	24,000	24,000
Post harvest losses			240,000	480,000	504,000	384,000	240,000
Total other input costs			945,000	1,185,000	1,209,000	1,089,000	945,000
Labour Cost	Man-days	Rate (Frw)	Cost (Frw)				
<i>Hired labour</i>							
Land preparation	120	1,000	120,000	120,000	120,000	120,000	120,000
Removing weeds /2nd tillage	20	1,000	20,000	20,000	20,000	20,000	20,000
Holes preparation	5	1,000	5,000	5,000	5,000	5,000	5,000
Compost application	30	1,000	30,000	30,000	30,000	30,000	30,000
DAP Application	3	1,000	3,000	3,000	3,000	3,000	3,000
Planting	20	1,000	20,000	20,000	20,000	20,000	20,000
1st Weeding, molding, urea application	20	1,000	20,000	20,000	20,000	20,000	20,000
<i>Family labour</i>							
2nd weeding, NPK, thinning and mulching	20	1,000	20,000	20,000	20,000	20,000	20,000
Total Watering	200	1,000	200,000	200,000	200,000	200,000	200,000
1st Spraying	4	1,000	4,000	4,000	4,000	4,000	4,000
2nd spraying	4	1,000	4,000	4,000	4,000	4,000	4,000
3rd Spraying	4	1,000	4,000	4,000	4,000	4,000	4,000
4th spraying	4	1,000	4,000	4,000	4,000	4,000	4,000
Total harvesting	250	1,000	250,000	250,000	250,000	250,000	250,000
Total labor cost			704,000	704,000	704,000	704,000	704,000
Total expenses			1,385,000	1,385,000	1,385,000	1,385,000	1,385,000
Production (Kg/ha)	3,000			1500	2100	2400	3,000
Farmgate Price (Frw/kg)	800						
Total Revenues	5,000		2,400,000	1,200,000	1,680,000	1,920,000	2,400,000
Net Income/ha			1,015,000	(185,000)	295,000	535,000	1,015,000

Appendix 22: Costs and returns on mango production per hectare

Items/ha	Rwf	
Labor costs		
<i>Hired labour</i>		
Land preparation	750,000	
Digging holes	306,000	
Planting	30,000	
Weeding	30,000	
Punning	30,000	
<i>Family labour</i>		
Harvesting	30,000	
Pest application	9,000	
Extension services	900,000	
Labor costs	2,055,000	
Mango seedlings	291,800	400
Compost	306,000	
Urea	2,142	
Insecticides	17,250	
Inputs	617,192	
Farm tools	18,000	
Harvesting	150,000	
Transportation to market	210,000	
Other input costs	378,000	
Post harvest losses		
Total other input costs	995,192	
Total Expenses	3,050,192	
Productivity per hectare	21,000	
Price per Kg (farm gate)	400	
Revenues/sales	8,400,000	
Net profit/ha	5,349,808	

Appendix 23: Mango conversion farm

Items/ha	Rwf	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10-20
Labor costs											
<i>Hired labour</i>											
Land preparation	750,000		750,000								
Digging holes	306,000		306,000								
Planting	30,000		30,000								
Weeding	30,000		30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Punning	30,000		30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
<i>Family labour</i>											
Harvesting	30,000		30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Pest application	9,000		9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Extension services	900,000		900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000
Labor costs	2,055,000		2,085,000	999,000	999,000	999,000	999,000	999,000	999,000	999,000	999,000
Mango seedlings	291,800	400	291,800								
Compost	306,000		306,000	306,000	306,000	306,000	306,000	306,000	306,000	306,000	306,000
Urea	2,142		2,142	2,142	2,142	2,142	2,142	2,142	2,142	2,142	2,142
Insecticides	17,250		17,250	17,250	17,250	17,250	17,250	17,250	17,250	17,250	17,250
Inputs	617,192		617,192	325,392	325,392	325,392	325,392	325,392	325,392	325,392	325,392
Farm tools	18,000		18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
Harvesting	150,000							150,000	150,000	150,000	150,000
Transportation to market	210,000							210,000	210,000	210,000	210,000
Other input costs	378,000		18,000	18,000	18,000	18,000	18,000	378,000	378,000	378,000	378,000
Post harvest losses								2,016,000	1,764,000	1,344,000	1,512,000
Total other input costs	995,192		635,192	343,392	343,392	343,392	343,392	2,719,392	2,467,392	2,047,392	2,215,392
Total Expenses	3,050,192		2,720,192	1,342,392	1,342,392	1,342,392	1,342,392	1,702,392	1,702,392	1,702,392	1,702,392
Productivity per hectare	21,000							12,600	14,700	16,800	18,900
Price per Kg (farm gate)	400										21,000
Revenues/sales	8,400,000		-	-	-	-	-	5,040,000	5,880,000	6,720,000	7,560,000
Net profit/ha	5,349,808		(2,720,192)	(1,342,392)	(1,342,392)	(1,342,392)	(1,342,392)	3,337,608	4,177,608	5,017,608	5,857,608
											6,697,608

Appendix 24: Costs and returns on avocado production per hectare

Items/ha		Rwf	
Labour			
<i>Hired labour</i>			
Extension services		900,000	
Land preparation		750,000	
Digging holes		306,000	
Planting		30,000	
Weeding		30,000	
<i>Family labour</i>			
Punning		30,000	
Pest application		9,000	
Labor costs		1,155,000	
Inputs			
Avocado seedlings		291,800	400
Compost		306,000	
Urea		2,142	
Insecticides		17,250	
Total fertilizer and chemicals		617,192	
Other costs			
Farm tools		18,000	
Harvesting		150,000	
Transportation to market		210,000	
Total other costs		378,000	
Post harvest losses		4,200,000	
Total other input costs			
Total Expenses/ha		2,150,192	
Productivity per hectare (Kgs)	Kgs	3,500	
Price per Kg (Rw F)	Rw F	3,000	
Revenues/sales		10,500,000	
Net returns/ha		8,349,808	

Appendix 25: Costs and returns on a unit of greenhouse

	Quantity	Frw/kg/unit	Total Frw
Structural costs			
Materials and construction costs	1	10,000,000	10,000,000
replacement			1,000,000
Routine irrigation costs	12	20,000	240,000
Structure repairs & maintenance	12	10,000	120,000
Sub total			11,360,000
FERTILIZERS (Kg/It)			
DAP	100	390	39,000
UREA / CAN	100	390	39,000
NPK	500	540	270,000
Sub total			348,000
CHEMICALS (Kg/Lt)			
Ridomil	4	17,000	68,000
Cypermethrin	4	4,000	16,000
compost	1	150,000	150,000
Rodazim	4	15,000	60,000
Umeme	4	10,000	40,000
Mancozeb	10	2,600	26,000
Sub total			360,000
Sub total chemicals & fertilizers			
post harvest losses			
SEEDS (Sachets)			
Tomato seeds	2	100,000	200,000
Sub total			200,000
TOTAL INPUTS			12,268,000
LABOUR (Man days)			
<i>Hired labour</i>			
Spraying	52	2,500	130,000
Irrigation	180	2,500	450,000
Garden Preparation	10	2,500	25,000
Routine Weeding	52	2,500	130,000
<i>Family labour</i>			
Routine Harvesting	52	2,500	130,000
Sorting/grading	100	2,500	250,000
TOTAL Labor Cost (Rwf)			1,115,000
TOTAL PRODUCTION COST			14,091,000
Production (Kg/plant)	10	500	5,000
Selling Price (Rwf/kg)			1,200
Income per greenhouse			6,000,000
Net Profit /greenhouse			-8,091,000

Appendix 26: Avocado farm conversion model

Items/ha	Rwf		Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10-20	
Labour													
<i>Hired labour</i>													
Extension services	900,000		900,000	900,000	900,000	900,000							
Land preparation	750,000		750,000										
Digging holes	306,000		306,000										
Planting	30,000		30,000										
Weeding	30,000		30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	
<i>Family labour</i>													
Pulling	30,000		30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	
Pest application	9,000		9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	
Labor costs	1,155,000		1,155,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000	
Inputs													
Avocado seedlings	291,800	400	291,800										
Compost	306,000		306,000	306,000	306,000	306,000	306,000	306,000	306,000	306,000	306,000	306,000	
Urea	2,142		2,142	2,142	2,142	2,142	2,142	2,142	2,142	2,142	2,142	2,142	
Insecticides	17,250		17,250	17,250	17,250	17,250	17,250	17,250	17,250	17,250	17,250	17,250	
Total fertilizer and chemicals	617,192		325,392	325,392	325,392	325,392	325,392	325,392	325,392	325,392	325,392	325,392	
Other costs													
Farm tools	18,000		18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	
Harvesting	150,000		150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	
Transportation to market	210,000		210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000	
Total other costs	378,000		378,000	378,000	378,000	378,000	378,000	378,000	378,000	378,000	378,000	378,000	
Post harvest losses	4,200,000												
Total other input costs			703,392	703,392	703,392	703,392	703,392	3,223,392	2,908,392	2,383,392	2,383,392	2,383,392	
Total Expenses/ha	2,150,192		2,150,192	772,392	772,392	772,392	772,392	3,292,392	2,977,392	2,452,392	2,452,392	2,452,392	
Productivity per hectare (Kgs)	Kgs	3,500							2,100	2,450	2,800	3,150	3,500
Price per Kg (Rw F)	Rw F	3,000											
Revenues/sales		10,500,000		-	-	-	-	-	6,300,000	7,350,000	8,400,000	9,450,000	10,500,000
Net returns/ha		8,349,808		(2,150,192)	(772,392)	(772,392)	(772,392)	(772,392)	3,007,608	4,372,608	5,947,608	6,997,608	8,047,608

Appendix 27: Greenhouse farm conversion model

	Quantity	Frw/kg/unit	Total Frw	Y1	Y2	Y3	Y4	Y5	Y6 - 20
Structural costs									
Materials and construction costs	1	10,000,000	10,000,000	10,000,000					
replacement			1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Routine irrigation costs	12	20,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000
Structure repairs & maintenance	12	10,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Sub total			11,360,000	11,360,000	1,360,000	1,360,000	1,360,000	1,360,000	1,360,000
FERTILIZERS (Kg/Lt)									
DAP	100	390	39,000	39,000	39,000	39,000	39,000	39,000	39,000
UREA / CAN	100	390	39,000	39,000	39,000	39,000	39,000	39,000	39,000
NPK	500	540	270,000	270,000	270,000	270,000	270,000	270,000	270,000
Sub total			348,000	348,000	348,000	348,000	348,000	348,000	348,000
CHEMICALS (Kg/Lt)									
Ridomil	4	17,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000
Cypermethrin	4	4,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
compost	1	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Rodazim	4	15,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Umembe	4	10,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Mancozeb	10	2,600	26,000	26,000	26,000	26,000	26,000	26,000	26,000
Sub total			360,000	360,000	360,000	360,000	360,000	360,000	360,000
Sub total chemicals & fertilizers									
post harvest losses				1,800,000	1,500,000	1,200,000	900,000	600,000	600,000
SEEDS (Sachets)									
Tomato seeds	2	100,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Sub total			200,000	200,000	200,000	200,000	200,000	200,000	200,000
TOTAL INPUTS			12,268,000	12,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000
LABOUR (Man days)									
<i>Hired labour</i>									
Spraying	52	2,500	130,000	130,000	130,000	130,000	130,000	130,000	130,000
Irrigation	180	2,500	450,000	450,000	450,000	450,000	450,000	450,000	450,000
Garden Preparation	10	2,500	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Routine Weeding	52	2,500	130,000	130,000	130,000	130,000	130,000	130,000	130,000
<i>Family labour</i>									
Routine Harvesting	52	2,500	130,000	130,000	130,000	130,000	130,000	130,000	130,000
Sorting/grading	100	2,500	250,000	250,000	250,000	250,000	250,000	250,000	250,000
TOTAL Labor Cost (Rwf)			1,115,000	1,115,000	1,115,000	1,115,000	1,115,000	1,115,000	1,115,000
TOTAL PRODUCTION COST			14,091,000	13,383,000	2,023,000	2,023,000	2,023,000	2,023,000	2,023,000
Production (Kg/plant)	10	500	5,000						
Selling Price (Rwf/kg)			1,200						
Income per greenhouse			6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Net Profit /greenhouse			-8,091,000	(7,383,000)	3,977,000	3,977,000	3,977,000	3,977,000	3,977,000

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Appendix 28: PSAC costs and returns from investment in Coffee replacement – financial prices

Appendix 29: PSAC costs and returns from investment in Coffee replacement – economic prices

Appendix 30: PSAC costs and returns from investment in Coffee rehabilitation – financial prices

Appendix 31: PSAC costs and returns from investment in Coffee rehabilitation – economic prices

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Appendix 32: PSAC costs and returns from investment in tea expansion

	Unit	Quantity		With Project (Rwf)																				
Inputs			Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11	Y12	Y13	Y14	Y15	Y16	Y17	Y18	Y19	Y20		
Labour costs	Hectare	1,790	166,000,000	265,000,000	405,500,000	741,100,000	875,025,000	1,145,025,000	1,445,625,000	1,589,625,000	1,742,625,000	1,921,725,000	2,054,025,000	2,054,025,000	2,054,025,000	2,054,025,000	2,054,025,000	2,054,025,000	2,054,025,000	2,054,025,000	2,054,025,000	2,054,025,000	2,054,025,000	2,054,025,000
Seedlings	Kgs	25,060,000	352,800,000	352,800,000	441,000,000	432,180,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Manure	Kgs	25,060,000	112,000,000	224,000,000	364,000,000	501,200,000	501,200,000	501,200,000	501,200,000	501,200,000	501,200,000	501,200,000	501,200,000	501,200,000	501,200,000	501,200,000	501,200,000	501,200,000	501,200,000	501,200,000	501,200,000	501,200,000	501,200,000	
Lime	Trees	358,000	8,000,000	15,000,000	26,000,000	35,800,000	35,800,000	35,800,000	35,800,000	35,800,000	35,800,000	35,800,000	35,800,000	35,800,000	35,800,000	35,800,000	35,800,000	35,800,000	35,800,000	35,800,000	35,800,000	35,800,000	35,800,000	
Fertilizer (NPK 26:5:5)	Bags	14,320	96,000,000	192,000,000	312,000,000	429,600,000	429,600,000	429,600,000	429,600,000	429,600,000	429,600,000	429,600,000	429,600,000	429,600,000	429,600,000	429,600,000	429,600,000	429,600,000	429,600,000	429,600,000	429,600,000	429,600,000	429,600,000	
Pesticides	Liter	7,160	2,400,000	4,800,000	7,800,000	10,740,000	10,740,000	10,740,000	10,740,000	10,740,000	10,740,000	10,740,000	10,740,000	10,740,000	10,740,000	10,740,000	10,740,000	10,740,000	10,740,000	10,740,000	10,740,000	10,740,000		
Post-harvest losses	Various	0.40	-	-	-	148,680,000	346,920,000	532,770,000	727,293,000	726,054,000	665,343,000	665,343,000	665,343,000	665,343,000	665,343,000	665,343,000	665,343,000	665,343,000	665,343,000	665,343,000	665,343,000	665,343,000		
Small tools	Percentage	17,900,000	1,200,000	2,400,000	5,720,000	5,720,000	5,720,000	5,720,000	5,720,000	5,720,000	5,720,000	5,720,000	5,720,000	5,720,000	5,720,000	5,720,000	5,720,000	5,720,000	5,720,000	5,720,000	5,720,000			
Total input costs			1,057,000,000	1,560,200,000	2,304,670,000	2,264,655,000	2,660,505,000	3,155,628,000	3,298,389,000	3,390,678,000	3,569,778,000	3,702,078,000	3,702,078,000	3,702,078,000	3,702,078,000	3,702,078,000	3,702,078,000	3,702,078,000	3,702,078,000	3,702,078,000	3,702,078,000	3,702,078,000		
Overhead costs																								
Revolving Fertilizer Scheme																								
2042 hectares of woodlot																								
52 Green leaf collection hangars																								
Total overhead costs			60,820,000	60,820,000	1,060,820,000	60,820,000	50,000,000																	
Output																								
Expected yield	Kgs	-	-	-	-	1,680,000	5,040,000	10,500,000	18,018,000	23,856,000	28,014,000	30,072,000	30,072,000	30,072,000	30,072,000	30,072,000	30,072,000	30,072,000	30,072,000	30,072,000	30,072,000	30,072,000		
Expected revenue	Rwf	-	-	-	-	495,600,000	1,486,800,000	3,097,500,000	5,315,310,000	7,037,520,000	8,284,130,000	8,871,240,000	8,871,240,000	8,871,240,000	8,871,240,000	8,871,240,000	8,871,240,000	8,871,240,000	8,871,240,000	8,871,240,000	8,871,240,000	8,871,240,000		
Net returns			(1,057,000,000)	(1,621,000,000)	(1,869,800,000)	(1,778,675,000)	376,175,000	2,109,682,000	3,739,131,000	4,873,452,000	5,301,462,000	5,169,162,000	5,169,162,000	5,169,162,000	5,169,162,000	5,169,162,000	5,169,162,000	5,169,162,000	5,169,162,000	5,169,162,000	5,169,162,000	5,169,162,000		
Incremental net returns			(1,057,000,000)	(1,621,020,000)	(1,869,890,000)	(1,778,675,000)	376,175,000	2,109,682,000	3,739,131,000	4,873,452,000	5,301,462,000	5,169,162,000	5,169,162,000	5,169,162,000	5,169,162,000	5,169,162,000	5,169,162,000	5,169,162,000	5,169,162,000	5,169,162,000	5,169,162,000	5,169,162,000		
PV of incremental net returns																								
IRR of incremental net returns																								
			33%																					

Appendix 33: PSAC costs and returns from investment in tea infilling – financial prices

				With Project																		
Inputs			V1	V2	V3	V4	V5	V6	V7	V8	V9	V10	V11	V12	V13	V14	V15	V16	V17	V18	V19	V20
Labour costs	-	238,700,000	292,950,000	432,450,000	571,950,000	711,450,000	711,450,000	711,450,000	711,450,000	711,450,000	711,450,000	711,450,000	711,450,000	711,450,000	711,450,000	711,450,000	711,450,000	711,450,000	711,450,000	711,450,000	711,450,000	711,450,000
Seedlings	-	546,840,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Manure	-	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	
Lime	-	12,400,000	12,400,000	12,400,000	12,400,000	12,400,000	12,400,000	12,400,000	12,400,000	12,400,000	12,400,000	12,400,000	12,400,000	12,400,000	12,400,000	12,400,000	12,400,000	12,400,000	12,400,000	12,400,000	12,400,000	
Fertilizer (NPK 26:5:5)	-	148,800,000	148,800,000	148,800,000	148,800,000	148,800,000	148,800,000	148,800,000	148,800,000	148,800,000	148,800,000	148,800,000	148,800,000	148,800,000	148,800,000	148,800,000	148,800,000	148,800,000	148,800,000	148,800,000	148,800,000	
Pesticides	-	3,720,000	3,720,000	3,720,000	3,720,000	3,720,000	3,720,000	3,720,000	3,720,000	3,720,000	3,720,000	3,720,000	3,720,000	3,720,000	3,720,000	3,720,000	3,720,000	3,720,000	3,720,000	3,720,000	3,720,000	
Post-harvest losses	-	61,154,400	230,450,000	307,272,000	460,908,000	614,544,000	675,998,400	675,998,400	675,998,400	675,998,400	675,998,400	675,998,400	675,998,400	675,998,400	675,998,400	675,998,400	675,998,400	675,998,400	675,998,400	675,998,400	675,998,400	675,998,400
Small tools	-	1,860,000	1,860,000	1,860,000	1,860,000	1,860,000	1,860,000	1,860,000	1,860,000	1,860,000	1,860,000	1,860,000	1,860,000	1,860,000	1,860,000	1,860,000	1,860,000	1,860,000	1,860,000	1,860,000	1,860,000	
Total input costs	-	1,016,254,000	692,664,000	908,982,000	1,202,118,000	1,495,254,000	1,556,708,400	1,556,708,400	1,556,708,400	1,556,708,400	1,556,708,400	1,556,708,400	1,556,708,400	1,556,708,400	1,556,708,400	1,556,708,400	1,556,708,400	1,556,708,400	1,556,708,400	1,556,708,400	1,556,708,400	1,556,708,400
Output																						
Expected yield	-	520,800	2,604,000	5,208,000	7,812,000	10,416,000	11,457,600	11,457,600	11,457,600	11,457,600	11,457,600	11,457,600	11,457,600	11,457,600	11,457,600	11,457,600	11,457,600	11,457,600	11,457,600	11,457,600	11,457,600	
Expected revenue	-	119,836,080	599,180,400	1,198,360,800	1,797,541,200	2,396,721,600	2,636,393,760	2,636,393,760	2,636,393,760	2,636,393,760	2,636,393,760	2,636,393,760	2,636,393,760	2,636,393,760	2,636,393,760	2,636,393,760	2,636,393,760	2,636,393,760	2,636,393,760	2,636,393,760	2,636,393,760	2,636,393,760
Net returns	-	(682,058,000)	18,234,200	428,652,500	766,093,700	1,103,534,900	1,284,825,380	1,284,825,380	1,284,825,380	1,284,825,380	1,284,825,380	1,284,825,380	1,284,825,380	1,284,825,380	1,284,825,380	1,284,825,380	1,284,825,380	1,284,825,380	1,284,825,380	1,284,825,380	1,284,825,380	1,284,825,380
ENPV of incremental net returns	-	6,802,483,794	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IRR of incremental net returns	-	69%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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Appendix 35: Costs and returns from investment in macadamia – financial prices

Unit	Quantity	Without project	With project																				
			Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11	Y12	Y13	Y14	Y15	Y16	Y17	Y18	Y19	Y20	Y21
Inputs																							
Labour costs		17,500,000	53,125,000	100,625,000	124,375,000	118,750,000	118,750,000	118,750,000	118,750,000	118,750,000	118,750,000	118,750,000	118,750,000	118,750,000	118,750,000	118,750,000	118,750,000	118,750,000	118,750,000	118,750,000	118,750,000	118,750,000	118,750,000
Macadamia seedlings		51,000,000	51,000,000	51,000,000	51,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transportation		750,000	3,000,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	
Compost		3,690,000	12,240,000	24,480,000	30,600,000	30,600,000	30,600,000	30,600,000	30,600,000	30,600,000	30,600,000	30,600,000	30,600,000	30,600,000	30,600,000	30,600,000	30,600,000	30,600,000	30,600,000	30,600,000	30,600,000	30,600,000	30,600,000
Urea		4,080,000	16,320,000	32,640,000	40,800,000	40,800,000	40,800,000	40,800,000	40,800,000	40,800,000	40,800,000	40,800,000	40,800,000	40,800,000	40,800,000	40,800,000	40,800,000	40,800,000	40,800,000	40,800,000	40,800,000	40,800,000	40,800,000
Insecticides		650,000	2,600,000	5,200,000	6,300,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	
Post harvest losses (40%-20%)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Farm tools		150,000	600,000	1,200,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	
Total input costs		77,190,000	138,885,000	221,145,000	262,275,000	205,650,000																	
Output																							
Expected yield		-	-	-	-	-	-	-	-	-	100,000	350,000	650,000	925,000	1,175,000	1,375,000	1,475,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	
Expected revenue		-	-	-	-	-	-	-	-	-	150,000,000	525,000,000	975,000,000	1,387,500,000	1,762,500,000	2,062,500,000	2,212,500,000	2,250,000,000	2,250,000,000	2,250,000,000	2,250,000,000	2,250,000,000	2,250,000,000
Net returns		(77,190,000)	(138,885,000)	(221,145,000)	(262,275,000)	(205,650,000)																	

Appendix 36: Costs and returns from investment in macadamia – economic prices

Unit	Quantity	Without project	With project																				
			Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11	Y12	Y13	Y14	Y15	Y16	Y17	Y18	Y19	Y20	Y21
Inputs																							
Labour costs		14,525,000	44,093,750	83,518,750	103,231,250	98,562,500	98,562,500	98,562,500	98,562,500	98,562,500	98,562,500	98,562,500	98,562,500	98,562,500	98,562,500	98,562,500	98,562,500	98,562,500	98,562,500	98,562,500	98,562,500	98,562,500	
Macadamia seedlings		30,280,000	39,780,000	39,780,000	39,780,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transportation		585,000	3,240,000	4,680,000	5,850,000	5,850,000	5,850,000	5,850,000	5,850,000	5,850,000	5,850,000	5,850,000	5,850,000	5,850,000	5,850,000	5,850,000	5,850,000	5,850,000	5,850,000	5,850,000	5,850,000	5,850,000	
Compost		2,386,800	9,547,200	19,094,400	23,868,000	23,868,000	23,868,000	23,868,000	23,868,000	23,868,000	23,868,000	23,868,000	23,868,000	23,868,000	23,868,000	23,868,000	23,868,000	23,868,000	23,868,000	23,868,000	23,868,000	23,868,000	
Urea		2,856,000	11,424,000	22,848,000	28,560,000	28,560,000	28,560,000	28,560,000	28,560,000	28,560,000	28,560,000	28,560,000	28,560,000	28,560,000	28,560,000	28,560,000	28,560,000	28,560,000	28,560,000	28,560,000	28,560,000	28,560,000	
Insecticides		507,000	2,028,000	4,056,000	5,070,000	5,070,000	5,070,000	5,070,000	5,070,000	5,070,000	5,070,000	5,070,000	5,070,000	5,070,000	5,070,000	5,070,000	5,070,000	5,070,000	5,070,000	5,070,000	5,070,000	5,070,000	
Post harvest losses (40%-20%)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Farm tools		96,000	384,000	768,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	
Total input costs		60,735,800	109,596,950	174,745,150	207,319,250	(162,870,500)																	
Output																							
Expected yield		-	-	-	-	-	-	-	-	-	100,000	350,000	650,000	925,000	1,175,000	1,375,000	1,475,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	
Expected revenue		-	-	-	-	-	-	-	-	-	117,000,000	409,500,000	760,500,000	1,082,250,000	1,374,750,000	1,608,250,000	1,725,750,000	1,755,000,000	1,755,000,000	1,755,000,000	1,755,000,000	1,755,000,000	1,755,000,000
Net returns		(60,735,800)	(109,596,950)	(174,745,150)	(207,319,250)	(162,870,500)																	
ENPV of incremental net returns		1,469,241,479																					
EIRR of incremental net returns		21%																					

Appendix 37: Costs and returns from investment in French beans – financial prices

Unit	Quantity	Without project	With project																				
			Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11	Y12	Y13	Y14	Y15	Y16	Y17	Y18	Y19	Y20	Y21
Inputs																							
Labour costs		27,000,000	53,000,000	92,000,000	131,000,000	130,000,000	130,000,000	130,000,0															

Appendix 38: Costs and returns from investment in French beans – economic prices

Unit	Quantity	Without project		With project																		
		Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11	Y12	Y13	Y14	Y15	Y16	Y17	Y18	Y19	Y20	
Inputs																						
Labour costs		22,410,000	43,990,000	76,360,000	108,730,000	107,900,000	107,900,000	107,900,000	107,900,000	107,900,000	107,900,000	107,900,000	107,900,000	107,900,000	107,900,000	107,900,000	107,900,000	107,900,000	107,900,000	107,900,000	107,900,000	
Seeds		2,964,000	5,928,000	10,374,000	14,820,000	14,820,000	14,820,000	14,820,000	14,820,000	14,820,000	14,820,000	14,820,000	14,820,000	14,820,000	14,820,000	14,820,000	14,820,000	14,820,000	14,820,000	14,820,000	14,820,000	
Fertilizers & chemicals		3,958,500	7,917,000	13,854,750	19,792,500	19,792,500	19,792,500	19,792,500	19,792,500	19,792,500	19,792,500	19,792,500	19,792,500	19,792,500	19,792,500	19,792,500	19,792,500	19,792,500	19,792,500	19,792,500	19,792,500	
Post harvest losses (40%-20%)		19,152,000	33,516,000	47,880,000	55,062,000	38,304,000	28,728,000	23,940,000	23,940,000	23,940,000	23,940,000	23,940,000	23,940,000	23,940,000	23,940,000	23,940,000	23,940,000	23,940,000	23,940,000	23,940,000	23,940,000	
Total input costs		48,484,500	91,351,000	148,468,750	198,404,500	180,816,500	171,240,500	166,452,500														
Output																						
Expected yield		80,000	160,000	280,000	280,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	
Expected revenue		39,312,000	78,624,000	137,592,000	196,560,000	196,560,000	196,560,000	196,560,000	196,560,000	196,560,000	196,560,000	196,560,000	196,560,000	196,560,000	196,560,000	196,560,000	196,560,000	196,560,000	196,560,000	196,560,000	196,560,000	
Net returns		(9,177,500)	(12,727,000)	(10,876,750)	(1,844,500)	15,743,500	25,319,500	30,107,500														
ENPV of incremental net returns			120,975,281																			
EIRR of incremental net returns			38%																			

Appendix 39: Costs and returns on investment in essential oils – financial prices

Appendix 40: Costs and returns on investment in essential oils – economic prices

Appendix 41: Costs and returns on investment in avocado expansion – financial prices

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Appendix 42: Costs and returns on investment in avocado expansion – economic prices

Costs	Quantity	Without project		With project																			
		Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11	Y12	Y13	Y14	Y15	Y16	Y17	Y18	Y19	Y20		
Inputs																							
Labour costs	RwF		95,865,000	197,457,000	304,776,000	226,092,000	45,816,000	45,816,000	45,816,000	45,816,000	45,816,000	45,816,000	45,816,000	45,816,000	45,816,000	45,816,000	45,816,000	45,816,000	45,816,000	45,816,000	45,816,000	45,816,000	45,816,000
Seedlings	RwF		22,760,400	45,520,800	68,281,200	45,520,800	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fertilizers and chemicals	RwF		22,777,440	68,332,320	136,664,640	182,19,520	182,219,520	182,219,520	182,219,520	182,219,520	182,219,520	182,219,520	182,219,520	182,219,520	182,219,520	182,219,520	182,219,520	182,219,520	182,219,520	182,219,520	182,219,520	182,219,520	182,219,520
Other input costs	RwF		29,484,000	88,452,000	176,904,000	235,872,000	235,872,000	235,872,000	235,872,000	235,872,000	235,872,000	235,872,000	235,872,000	235,872,000	235,872,000	235,872,000	235,872,000	235,872,000	235,872,000	235,872,000	235,872,000	235,872,000	235,872,000
Pest harvest losses (40%-20%)	RwF		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Input costs		170,886,940	399,762,120	686,625,840	689,704,320	463,907,520	703,307,520	1,152,182,520	1,760,657,520	2,049,393,520	1,528,846,080												
Output																							
Expected yield	Kgs	-	-	-	-	-	-	-	210,000	665,000	1,400,000	2,030,000	2,205,000	2,380,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	
Expected revenue	RwF	-	-	-	-	-	-	-	491,400,000	1,556,100,000	3,275,000,000	4,750,200,000	5,159,700,000	5,569,200,000	5,733,000,000	5,733,000,000	5,733,000,000	5,733,000,000	5,733,000,000	5,733,000,000	5,733,000,000	5,733,000,000	
Net returns		(170,886,940)	(399,762,120)	(686,625,840)	(689,704,320)	(463,907,520)	(211,907,520)	403,917,480	1,515,342,480	2,700,267,480	3,630,853,520	4,040,353,520	4,204,153,520										
ENPV of incremental net returns		11,481,086,437	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EIRR of incremental net returns		37%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Appendix 43: Costs and returns on investment in mango expansion – financial prices

Costs	Quantity	Without project		With project																				
		Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11	Y12	Y13	Y14	Y15	Y16	Y17	Y18	Y19	Y20			
Inputs																								
Labour costs	RwF	52,125,000	129,225,000	231,300,000	254,100,000	199,800,000	199,800,000	199,800,000	199,800,000	199,800,000	199,800,000	199,800,000	199,800,000	199,800,000	199,800,000	199,800,000	199,800,000	199,800,000	199,800,000	199,800,000	199,800,000	199,800,000	199,800,000	
Seedlings	RwF	7,295,000	14,590,000	21,885,000	14,590,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fertilizers and chemicals	RwF	15,429,800	38,994,400	70,693,800	79,668,400	65,078,400	65,078,400	65,078,400	65,078,400	65,078,400	65,078,400	65,078,400	65,078,400	65,078,400	65,078,400	65,078,400	65,078,400	65,078,400	65,078,400	65,078,400	65,078,400	65,078,400	65,078,400	
Other input costs	RwF	450,000	1,350,000	2,700,000	3,600,000	3,600,000	12,600,000	30,600,000	57,600,000	75,600,000	75,600,000	75,600,000	75,600,000	75,600,000	75,600,000	75,600,000	75,600,000	75,600,000	75,600,000	75,600,000	75,600,000	75,600,000	75,600,000	
Pest harvest losses (40%-20%)	RwF	-	-	-	-	-	-	-	50,400,000	144,900,000	273,000,000	338,100,000	306,600,000	306,600,000	306,600,000	306,600,000	306,600,000	306,600,000	306,600,000	306,600,000	306,600,000	306,600,000	306,600,000	
Total Input costs		75,299,800	184,159,400	326,578,800	351,958,400	268,478,400	327,878,400	440,378,400	595,478,400	678,578,400	647,078,400	647,078,400	647,078,400	647,078,400	647,078,400	647,078,400	647,078,400	647,078,400	647,078,400	647,078,400	647,078,400	647,078,400		
Overhead costs																								
Trainings and Extension services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Coffee drying structures		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Coffee Washing Stations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total overhead costs		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Output																								
Expected yield	Kgs	-	-	-	-	-	-	-	315,000	997,500	2,100,000	3,045,000	3,465,000	3,832,500	4,095,000	4,200,000	4,200,000	4,200,000	4,200,000	4,200,000	4,200,000	4,200,000		
Expected revenue	RwF	-	-	-	-	-	-	-	126,000,000	399,000,000	840,000,000	1,218,000,000	1,386,000,000	1,533,000,000	1,636,000,000	1,680,000,000	1,680,000,000	1,680,000,000	1,680,000,000	1,680,000,000	1,680,000,000	1,680,000,000		
Net returns		(75,299,800)	(184,159,400)	(326,578,800)	(351,958,400)	(268,478,400)	(327,878,400)	(411,378,400)	244,521,600	539,421,600	738,921,600	885,921,600	990,921,600	1,032,921,600										

Appendix 44: Costs and returns on investment in mango expansion – economic prices

Costs	Quantity	Without project		With project																			
		Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11	Y12	Y13	Y14	Y15	Y16	Y17	Y18	Y19	Y20		
Inputs																							
Labour costs	RwF	43,263,750	107,256,750	191,979,000	210,903,000	165,834,000	165,834,000	165,834,000	165,834,000	165,834,000	165,834,000	165,834,000	165,834,000	165,834,000	165,834,000	165,834,000	165,834,000	165,834,000	165,834,000	165,834,000	165,834,000	165,834,000	165,834,000
Seedlings	RwF	5,690,100	11,380,200	17,070,300	11,380,200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fertilizers and chemicals	RwF	10,800,860	27,296,080	49,485,660	55,767,880	45,554,880	45,554,880	45,554,880	45,554,88														

Appendix 45: Shadow Exchange Rate computation

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Average
Total imports of G&S M	1,308	1,431	2,039	2,300	2,302	2,470	2,382	2,254	2,239	2,445	2,703	3,410	3,195	2,570
Total exports of G&S X	235	297	464	591	703	723	682	731	1,042	1,121	1,166	1,400	1,162	932
Average duties on imports t	18%	12%	12%	14%	14%	14%	15%	16%	15%	14%	14%	15%	15%	0
Import duties Tm	235	172	245	322	322	346	357	361	336	342	378	507	475	375
Average taxes on exports s	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Export duties Tx	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total international commerce M+X	1,543	1,728	2,503	2,891	3,005	3,193	3,064	2,985	3,281	3,566	3,869	4,810	4,357	3,502
M+Tm	1,543	1,603	2,284	2,622	2,624	2,816	2,739	2,615	2,575	2,787	3,081	3,917	3,670	2,945
X-Tx	235	297	464	591	703	723	682	731	1,042	1,121	1,166	1,400	1,162	932
SCF	0.87	0.91	0.91	0.9	0.9	0.9	0.9	0.89	0.91	0.91	0.91	0.9	0.9	0.90
OER (LCU/USD)	568	583	600	614	646	682	719	787	831	861	900	948	1007	800
SER	655	641	659	682	715	756	803	882	916	944	988	1048	1117	885
SERF	1.15	1.10	1.10	1.11	1.11	1.11	1.12	1.12	1.10	1.10	1.10	1.11	1.11	1.11

Appendix 46: Conversion factors

	Financial price	Conversion factor	Economic price
Costs			
Hired unskilled labour	2,500	0.83	3,012
Hired skilled labour	4,000	0.83	4,819
Certification facilities	5,000,000	0.85	5,882,353
Post harvest losses		0.95	-
Transport		0.82	-
Manure	30	0.78	38
Fertilizers	390	0.7	557
Farm tools	300	0.64	469
Insecticides & pesticide	17,000	0.78	21,795
Solid Waste facility	5,000,000	0.67	7,462,687
Tea hangar	14,000,000	0.67	20,895,522
Tea collection truck	45,000,000	0.85	52,941,176
Tomato seedlings	100,000	0.78	128,205
Coffee seedlings	150	0.78	192
Tea seedlings	63	0.78	81
Macadamia seedlings	5,000	0.78	6,410
Avocado seedlings	291,800	0.78	374,103
Mango seedlings	291,800	0.78	374,103
French beans seedlings	190,000	0.78	243,590
Essential oils seedlings	48,000	0.78	61,538
Commodities			
Tomatoes	1,200	0.78	1,538
Mango	400	0.78	513
Avocado	400	0.78	513
Essential oils	500	0.78	641
French beans	700	0.78	897
Macadamia	400	0.78	513
Tea	295	0.78	378
Coffee	410	0.78	526

Rwanda

Promoting Smallholder Agro-Export Competitiveness Project Project Design Report

Annex 5: Social Environment and Climate Assessment (SECAP) Review Note

Mission Dates: 09-27 May 2022

Document Date: 14/12/2022

Project No. 2000003934

Report No. 6186-RW

East and Southern Africa Division
Programme Management Department

The SECAP Review note should build on the preliminary note mentioned above, draw on the results of the screening exercise and be informed by the issues raised during the design mission, the stakeholders interviews, publicly available tools and dataset, and environmental, social or climate-related studies that inform on the characteristics of the project location. The SECAP review note includes the revised ESMP and should be attached to the Project Design Report, integrated in Draft Project Implementation Manual (PIM) and COSTAB and shall be submitted to Design Review Meeting (DRM) or IRC (for NSOs).

1. Introduction

1. The SECAP Review Note assesses the issues related to the environment, social and climate risks that are likely to affect the implementation of the PSAC and also provides related mitigation actions. It also identifies how the challenges related to IFAD's mainstreaming themes (gender, youth, nutrition, environment and climate change) could be addressed through an integrated approach. In addition, the review also considers and analyses issues that are related to policy, legislation and institutional analysis of supportive national frameworks.
2. The SECAP assessment is based on: (i) a desk review of existing information from studies and reports, (ii) a desk review of relevant national policies and strategies, (iii) consultations with national stakeholders, civil society organisations and farmers organisations, including cooperatives. This report is also informed by existing environmental, social and climate change studies and assessments.

2. Situational analysis and potential project impacts

3. The Rwandan economy is, and will remain for the foreseeable future, heavily dependent on the agricultural sector, with over 80 percent of its population depending directly or indirectly on the sector. The economic landscape is dominated by the services sector, which represents 47.8 percent, the agriculture sector represents 31.9 percent and the industry sector represents 20.3 percent of GDP^[1]. The sector employs around 70 percent of the population, provides 91 percent of the food consumed in the country, it accounts for a significant part of the foreign exchange earnings from the exports of products, including coffee, tea, horticulture, and phytorelief. 75% of Rwanda's agricultural production comes from smallholder farmers^[2].
4. Although marketable surpluses have begun to increase, the relatively poor performance of the agricultural sector has been a major impediment to economic development and it now faces further challenges due to climate change as a consequence of global warming. Further, harvest and post-harvest losses are still relatively high, at 20 percent for key commodities, thus the full production potential is not being realised. Improving post-harvest management and provision of infrastructures in this regard is important.
5. Investments in smallholder sector following a commercial orientation have the potential to substantially contribute to strengthening the country's agricultural export capacity. This constitutes an unique opportunity to involve youth, at scale, across selected value chains.

2.1 Socio-economic assessment

a. Overall poverty situation

6. While in the past 20 years, poverty in Rwanda has declined, 38.2 percent of the population continue to live below the poverty line. Poverty in rural areas is at 43.1 percent and almost 20 percent of the rural population lives in situations of extreme poverty^[3]. Female-headed households are poorer than male-headed households^[4]. Around 57 percent of the population are either food insecure or close to being food insecure. Rwanda's increased food insecurity in spite of monetary poverty reduction, is linked to a set of inter-related underlying causes: small plot sizes, limited land availability, low productivity in subsistence agriculture and low farmers' purchasing power. These factors are accentuated by erratic weather patterns including intense rains in some locations and recurrent droughts in others^[5]. Poverty is highest among households that depend on income from seasonal labour and own little or no arable land. Resource poor rural households who cultivate small plots are the most food insecure^[6].
7. Poverty also relates with households' vulnerability to shocks and their ability to cope. Most of the rural population is dependent on rain-fed agriculture and consumption of home-produced food, therefore their food and nutrition security are susceptible to shocks caused by periodic droughts and floods. Coping strategies during times of food and financial shortages include seeking casual labour, reducing the number of meals; migration to neighbouring areas to look for food and reliance on the government to provide food relief.
8. The Project intervention area comprises fourteen (14) districts in four provinces: Nyamasheke, Rutsiro, Karongi, Nyabihu and Rusizi in Western Province; Huye, Nyaruguru, Nyamagabe and Nyanza in Southern Province; Rulindo and Musanze in Northern Province and Rwamagana and Bugesera in Eastern Province. The targeted districts are mostly in the western and southern part of the country where with the highest poverty rates are reported.

b. Gender

9. The latest Gender Inequality Index (GII), which reflects gender-based inequalities in health, empowerment and economic dimensions, ranks Rwanda 92nd out of 162 countries. According to the national Women's Empowerment in Agriculture Index Study from 2020, the largest contributor to women's disempowerment in Rwanda is workloads^[7]. Access to credit, decisions on credit, and difficulty speaking publicly also are important contributors to disempowerment. Among the three PSAC target provinces (Southern, Western and Eastern), additional constraints to empowerment for women include also the purchase, sale and transfer of assets.

Table 1. Percentage of disempowered rural women and men who have inadequate achievement by indicator, by province^[8]

Province		Production	Resources			Income	Leadership		Time
		Input in productive decisions	Ownership of assets	Purchase, sale, or transfer of assets	Access to and decisions on credit	Control over use of income	Group membership	Speaking in public	
Kigali City	Men	5%	0%	8%	7%	1%	5%	2%	10%
	Women	1%	1%	9%	17%	2%	5%	8%	23%
Northern	Men	2%	2%	7%	13%	1%	6%	2%	10%
	Women	2%	1%	5%	13%	1%	8%	8%	15%
Southern	Men	1%	3%	7%	16%	2%	9%	3%	17%
	Women	1%	1%	10%	16%	2%	9%	16%	22%
Western	Men	1%	1%	4%	10%	1%	7%	1%	12%
	Women	1%	1%	7%	15%	1%	5%	15%	23%
Eastern	Men	3%	2%	8%	11%	3%	4%	4%	10%
	Women	4%	6%	21%	24%	4%	10%	16%	21%

10. In terms of economic opportunities, both men and women in Rwanda face constraints in accessing markets and finance. However, men have more access and control over agriculture resources at household level compared with women^[9]. The Revised National Gender Policy from 2021^[10], notes that women remain present at the subsistence level of agricultural value chain-production due to inadequate access to agricultural inputs and extension services among others.
11. In addition, while women have equal access to and ownership of land as men^[11], this does not necessarily translate into equal access to assets, decision making and control over income resulting from the agricultural production. Gender disparities are also evident in the value addition and marketing of agricultural commodities where more economic commodities are controlled by men. In general, women are associated with marketing small quantities of production while larger quantities are marketed by men who also control the income from the sales.
12. With low education level and lack of financial literacy, women have also less access to financial services which, in turn, limits their opportunity to engage in income-generating activities. Lack of assets challenges women to access financial services and products, as they are often not able to satisfy collateral requirements needed, for example, to receive a loan and start a new business.
13. In terms of unequal workloads, in male-headed households, women work for more hours (15.5 hours) than men (7 hours), spending over three hours more on farming activities than the seven hours worked by men, in addition to five hours on unpaid reproductive and household work^[12].
14. While Rwanda is internationally recognized for its achievements in gender-equal parliamentary representation, health, and education^[13], persisting discriminatory social norms which negatively affect women's decision-making power and opportunities for economic participation, remain in place. The 2020 UN gender social norms index^[14], which looks at four dimensions (political, educational, economic and physical integrity) and captures how social beliefs can obstruct gender equality notes that in Rwanda almost 90% of people hold some kind of bias against women. These biases are especially related to physical integrity including intimate partner violence and reproductive rights. This is particularly significant given that in Rwanda, among women age 15-49, 37% have experienced physical violence since age 15 and 23% have ever experienced sexual violence. The corresponding proportions among men are 30% and 6%^[15].
15. Furthermore, the Rwandan agricultural sector and its related policies often construct gendered inequality as an 'add-on problem' to key action areas such as farmers' market integration, agricultural productivity, technology adoption, and innovation^[16] and notions of gender as a system of power relations that form specific norms and practices in agriculture remain silent.

c. Youth

Youth Engagement

16. Rwanda is a youthful country, where working age of youth (16 to 30 years old) represent 77 percent of the rural population. Yet, the involvement of youth in agriculture is low, only a quarter of farmers (26.6%) are between 16 and 30 years old[\[17\]](#). Young people are also amongst the most vulnerable sectors of the population: in Rwanda, almost 30 per cent of young people live in households that are below the poverty line. Gender disparities also exist, with more young women extremely poor (12 per cent) compared to men (10.4 per cent) in 2016/2017[\[18\]](#).
17. Young people in rural areas are mostly literate (83 per cent, with no significant difference between males and females); however, the level of education is low and the percentage of young people attending tertiary education and technical or vocational schools is extremely limited (only 2.8 per cent of the rural youth population)[\[19\]](#) which challenges their involvement in the formal labour market. Indeed, precarious forms of employment with low level of earning is the main employment problem for the youth.
18. Root causes of rural youth unemployment in agriculture are mostly related to lack of access to productive assets and natural resources, goods and services; lack of knowledge and technical and business skills; a negative perception of agriculture among youth and a non-conducive environment for youth involvement in agriculture and agribusiness[\[20\]](#). Youth perceive agriculture as associated to mere subsistence and poverty and seek other options; however, these are not accessible for them due to lack of skills, assets and services.
19. Providing the right incentives and support to rural youth to engage in commercially oriented agriculture will be critical to spearhead youth entrepreneurship, accelerate adoption of new technologies and provide the labour market with the skilled youth it requires to drive Rwanda's agri-export capacity. The project will ensure that at least 30% of the beneficiaries are youth. Key issues considered being supporting youth access to productive assets, skills and services in specific value chains with the view to i) support youth agripreneurship (start-ups and business acceleration); and ii) fostering youth access to wage employment.
20. The project will capitalize on the youth employment ecosystem created by IFAD's agribusiness hub grant in Rwanda, by engaging with the stakeholders involved in that programme to upgrade youth skills to meet the development of the coffee, tea and horticulture value chains. PASC will tap into the agribusiness hubs dual training (on irrigation, horticulture, mechanisation, etc.); "matching services" (matching skilled unemployed youth with potential employers) and entrepreneurship supportive interventions. In these cases, the project will finance youth participation in these ecosystem services. The project will utilize existing labour market assessments (or undertake new ones if necessary for coffee and tea commodities, as necessary), to understand the job opportunities available to youth of different ages and gender. If necessary, it will also develop specific courses to be administered in TVETs and / or IPRCs specifically catered for the coffee and tea value chains. Key partners will thus include Kilimo Trust, the Rural Youth in Agribusiness Forum (RYAF), a network of Integrated Polytechnic Regional Colleges (IPRCs) and Technical and Vocational Education and Training Institutes (TVETs), together with Rwanda's Skills Development Fund (SDF), Business Development Fund (BDF) and FONERWA Rwanda Green Fund (RGF), among others. Furthermore, additional partnerships will be explored with multiple employers from the private sector, particularly with companies in select VCs that are growth oriented and short of labour demand. In addition, potential entry points for rural youth groups may include community-based nurseries, organized groups of pluckers and certification trainers. Finally, the project intends to hire young women and men graduates for the positions of NAEB focal persons in each district.

d. Indigenous peoples

21. In Rwandan context, recognizing the ethnicity publicly is banned. It is noted that the minority group classified as historically marginalized people. It is hard to get exact data and figures on the economic-situation faced by the indigenous community due to the lack of disaggregate data in the country. However, in 2019, a large-scale assessment was carried out by minority group-supporting organizations African Initiative for Mankind Progress (AIMPO), Women's Organization for Promoting Unity (WOPU), and Minority Rights Group International (MRG), with funding from the European Union, in order to understand the inclusion and involvement of minority groups in various socio-economic and political programs and to gauge their understanding of human rights[\[21\]](#).
22. Historically, this category of people suffered from insecure land tenure and being landless. Although the government's policies and programs for poverty reduction and social welfare in general have included vulnerable communities as historically marginalized communities through the distribution of state land and houses in village settlements, they have often failed to effectively address their problems. These groups currently live in conditions of great hardship and poverty on the margins of mainstream society and experience unequal treatment in all areas of economic, social and political life in the country[\[22\]](#). Because the Government of Rwanda is promoting people to live together, harmonized, integrated and not legally or publicly identify the ethnicity. Although the indigenous communities to be included as a part of the project, it is not suggested to recognize the indigenous identity. In the event the communities are present in the PSAC project area, the project should follow the steps to seek their free, prior and informed consent (FPIC)[\[23\]](#) outlined in Section 11 of the SECAP review Note.

e. Marginalised groups

23. Socially vulnerable groups include households with older people aged above 65 years and persons with disabilities (PWD). Households with older people aged above 65 years, have a poverty rate 5.7 percent higher than the national average with 79.1 percent regarded as poor or vulnerable to falling into poverty. There are 511,738 older persons (60 and above) living in Rwanda out of a total population of 10,515,973 inhabitants. The older persons are composed of 207,239 men and 304,499 women. Thus, older persons represent 4.9 percent of the total resident population. 7.4 percent of the older persons receive formal pension from the Social Security Fund for Rwanda (SSFR), since in the context of high levels of poverty and the lack of formal employment, only a fraction of older people will have contributed to a pension[\[24\]](#). The households with older people are particularly vulnerable in the absence of assistance from Government.
 24. The poverty level of households with a disabled member is 1.7 percent above the national average. 76.6 percent of such households are either poor or vulnerable to falling into poverty[\[25\]](#). The requirement to care for disabled people means that some households cannot engage as much in income generating activities and the disabled family members cannot work themselves, since they cannot meet the additional costs they face when accessing work. PWD are disproportionately exposed to stigma and discrimination, lack of employment opportunities and homelessness.
 25. People who are both old and disabled experience double vulnerability. Those who are chronically ill are also very vulnerable to living in poverty: 22% of food insecure households have a chronically ill member. Although PSAC's focus is on improvement of competitiveness in agriculture, its programming should engage these groups and increase their ability to meaningfully and equitably engage in the economy.

f. Nutrition

Nutrition and Food Security Situation

26. Nationally, 38percent of children under 5 years are stunted. Stunting increases with the age of the child up until 23 months, rising from 18 % among children 6–8 months to a peak of 49% among children 18–23 months.[\[26\]](#) Forty-one percent of rural children are stunted, as compared with 24percent of urban children. Both a mother's level of education and wealth quintile have a clear inverse relationship with prevalence of stunting. Underweight (low weight for age) affects 9% of children under 5 while wasting, (acute malnutrition or low weight for height) which is associated with a high death rate, affects 2.2% of children under 5 (wasting rates <5% are considered within an acceptable range). In addition to chronic and acute malnutrition, anaemia levels in children under 5 are high and the pace of reduction is slow while steadily increasing in prevalence among women. Currently, anaemia affects 37% of Rwandan children under 5 and 19% of women of reproductive age (15-49 years)[\[27\]](#) .
 27. Underweight (low weight for age) affects 9% of children under 5 while wasting, (acute malnutrition or low weight for height) which is associated with a high death rate, affects 2.2% of children under 5 (wasting rates <5% are considered within an acceptable range).
 28. Early childbearing also contributes to malnutrition in Rwanda. By age 19, 21% of adolescent girls had begun childbearing in 2014–2015, which is a slight increase from 20% in 2010[\[28\]](#). This has serious consequences because, relative to older mothers, adolescent girls are more likely to be malnourished and have a low-birth-weight baby who is more likely to become malnourished and be at increased risk of illness and death than those born to older mothers. The risk of stunting is 33% higher among first-born children of girls under 18 years in Sub-Saharan Africa, and as such, early motherhood is a key driver of malnutrition[\[29\]](#).
 29. Despite impressive economic growth, the progress on reducing the level of stunting in smallholder rural children continues to be a serious concern. The country faces triple burden of malnutrition (undernutrition, micronutrient deficiencies and overweight/obesity). Making value chains more nutrition-sensitive can help improve the quality of the foods that are available, affordable and acceptable. The introduction of improved processing and packaging of horticulture produce will help in addressing the access, acceptability and nutritional quality of what the consumer eats. A substantial part of value chain actors (producers, processors, retailers and etc.) lack knowledge of nutritional value of produce, importance of quality and safety of different products, including choosing products that are safe and nutritious, at the same time environmentally sustainable and eco-friendly, including proper food preparation and waste management.

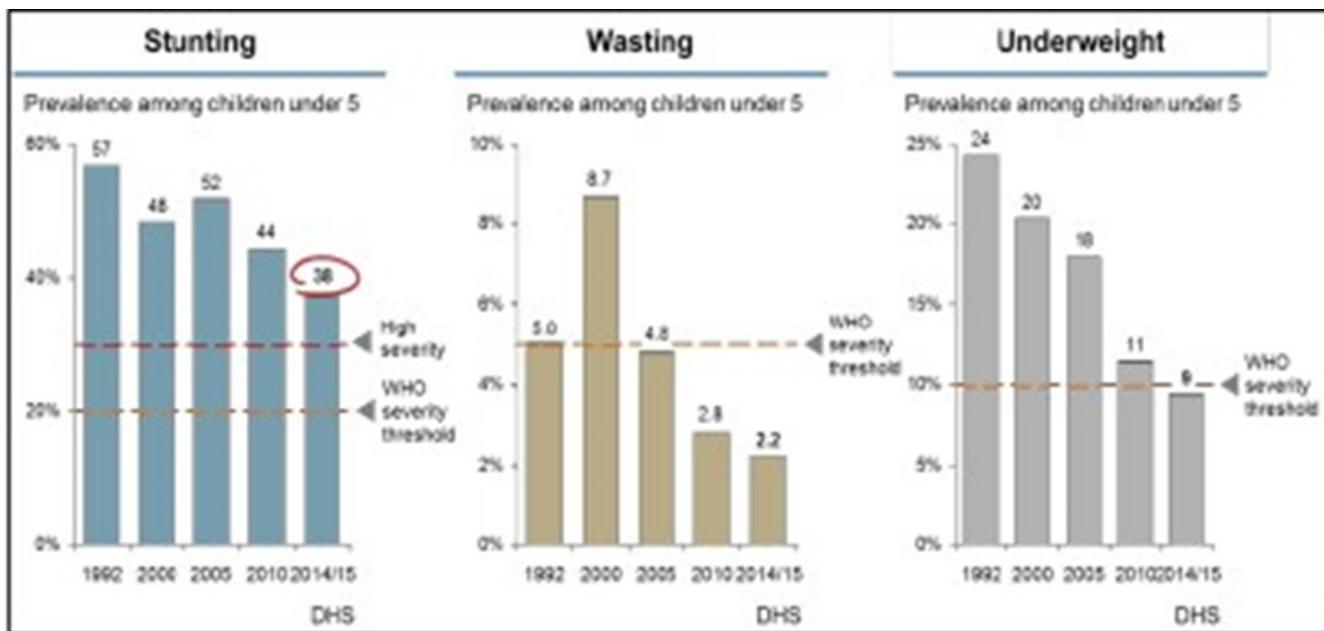


Figure 1 Trends in under nutrition among children under 5 years compared to the WHO severity threshold

Food Security

30. Eighty percent of all households are food secure, which corresponds to about 1,963,975 households. However, 979,045 (40%) of these households are considered marginally food secure, meaning they are at high risk of becoming food insecure. Of the 473,847 (17%) households considered food insecure, 63,696 (3%) are severely food insecure. The level of food insecurity is particularly high in the western and northern parts of the country, especially in the livelihood zones of Western Congo Nile Crest Tea Zone (49%), Lake Kivu Coffee Zone (37%), and the Northern Highland Beans and Wheat Zone (32%). At the provincial level, the Western Province is most concerning, with over 35% of its households considered food insecure. Although the Western Province holds 22% of the country's households, 42% of all severely food insecure households in Rwanda are found there. At the district level, Rutsiro (57%), Nyamagabe (42%), Nyabihu (39%), Nyaruguru (37%), Rusizi (36%), Karongi (35%), and Nyamasheke (35%) have the highest percentages of households classified as food insecure^[30]. Figure 2 depicts the food security situation in Rwanda.

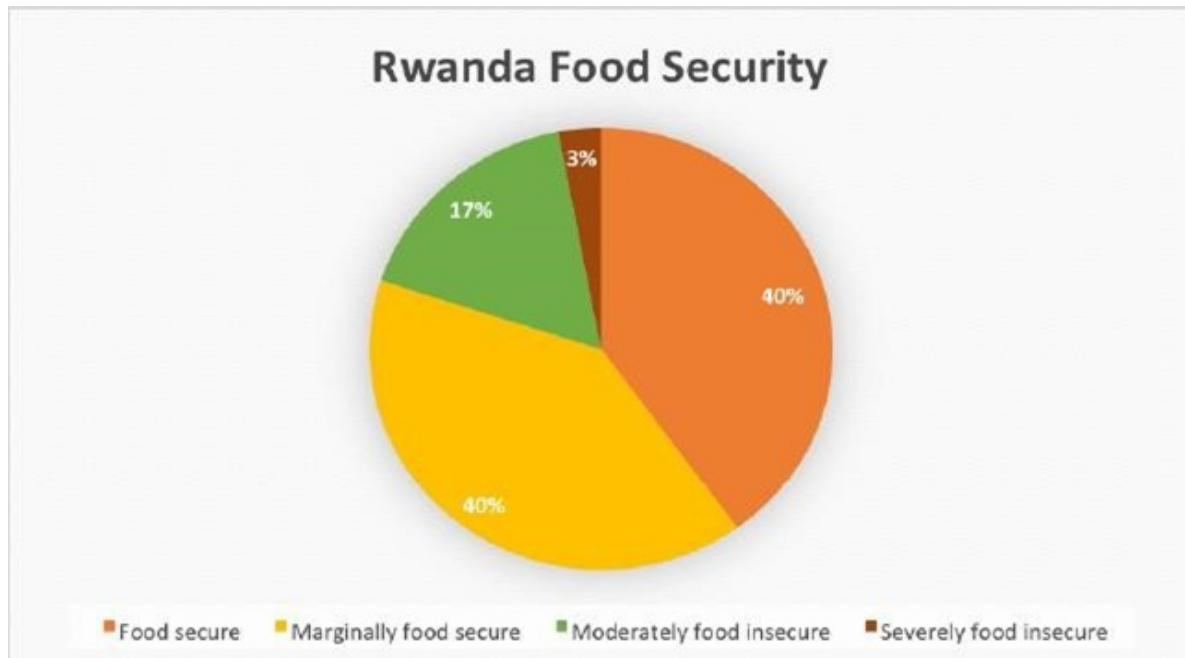


Figure 2 Households' Food Security situation in Rwanda (2018)

2.2 Environment and climate context, trends and implications

31. The environmental and climate context, trends and implications are elaborated in the sections below. The environmental context is influenced by the topography of the country and the geographic locations of the areas being cultivated. Specific measures can be adopted in PSAC to address the environmental related challenges such as erosion and efficiency of natural resource use. The climate change trends are mainly the temperature rises and the rainfall variability that has adverse impacts on the agricultural productivity particularly for rain-fed cultivation. The impacts on the different PSAC value chains are linked to yields, pest and diseases and post-harvest management. Climate change adaptation measures are available to manage the risks related to increasing temperatures and rainfall variability.

a. Environmental assessment

32. Rwanda is located in two major basins, Nile and Congo basins, and its hydrological network is composed of nine catchments. The topography is characterized by hills and mountains and therefore widely varying altitudes (900 m in south-west, 1500-2000 m in the south and the centre of the country, 1800-3000 m in the highlands of the north and the west and 3000-4507 m in the regions of Congo-Nile Crest and the chain of volcanoes). The country is divided into 12 agro-ecological zones that can be clustered into three natural regions: highlands, midlands, and lowlands.
33. The topography, results in 60% of the total land area being under cultivation. The climatic conditions and the generally fertile soils favour cultivation of both cash crops the most important being coffee, tea, sugar cane and pyrethrum and food crops such as roots and tubers, bananas, fruits, vegetables, cereals and pulses (beans and peas). Most crop land (90%) is located on slopes with a gradient ranging from 5% to 50%. occupied mostly by terraced agriculture. The gradients exacerbate vulnerability to the impacts of climate change such as intense rainfall that leads to soil erosion and soil fertility loss^[31].
34. The topography in the target districts includes slopes and this leads to soil erosion with reduced water holding capacity and soil fertility when cultivating in slopes. Improved land resources management would therefore be of benefit to the productivity of the small holders targeted under PSAC. Soil and water conservation measures and environmentally friendly practices such as mulching, composting of organic wastes from all VCs, erosion control measures and intercropping with other crops and shade trees, which can have the additional benefit of improving soil fertility, will be included under the PSAC activities.
35. Land scarcity in Rwanda has led to the reduction or abandonment of fallow periods in many areas, which along with limited manure and mineral fertilizer inputs, few soil conservation practices, results in low yields. Land scarcity, in many instances, has resulted in over-cultivation and land degradation with the long-term impact has been a vicious cycle of erosion and reduced soil fertility and thus low agricultural productivity^[32]. Conversion of wetlands into agricultural lands, has also affected biodiversity, water regulation and water purification.

b. Climate trends and impacts

Climate trends and projections

36. The climate of Rwanda is dominated by the Inter Tropical Convergence Zone (ITCZ) which passes over the country twice a year and is further modified by a widely varying altitude across the country and by the presence of large adjacent water bodies of the great lakes. Most parts of the country benefit from two agriculture rainy seasons (February - May; September – December). The duration of the two rainy seasons is increasingly variable, ranging from seven to nine months, with an annual rainfall amount of up to 1,500 mm.
37. Average temperature has increased by 0.29°C per decade from 1985 to 2015, with increased interannual variability over the last few decades^[33]. Analyses illustrate regional changes, such as in the Northern and Western provinces, where the rainy season is becoming shorter and more intense^[34]. Overall, the total annual precipitation will be reduced in all provinces until Mid-century. Total rainfall during the months of September to December the first and long rainy season is predicted to be reduced by ~22 mm (from ~465 to 443 mm) while the shorter second rainy season March to May is predicted to be reduced by ~40 mm (from ~400 to 360 mm)). The average annual temperature, TMean will increase by at least 1.7°C by mid-century. The hottest months of August and September are predicted to increase by 2.1 °C, relative to a Historical average of ~21°C. The overall effect of these increases in TMean is likely to result in complex impacts on the agricultural sector, particularly when considered in combination with the predicted decreases in precipitation.

Climate change and Variability impacts

38. The productivity of smallholders in the tea, coffee and horticulture VCs is adversely affected by climate change and variability. Increasing temperatures, rainfall variability and events such as droughts reduce yields and have negative effects on volumes, costs and quality of produce. Specifically for the tea value chain, high temperatures may lead to decreased yields and quality, reduced water content in the tea, dry weather pests and aggressive weed growth. On the other hand, excessive rain can lead to

spread of fungal diseases, wet weather pests, poor drainage in low-lying areas, heavy soil erosion that results in reduced water holding capacity, poor soil nutrients, and poor bud break and shoot development. Rainfall variability affects the flowering of the coffee plants, which at different stages of maturity poses a challenge in disease management, insect management and harvesting. Models indicate that the impact of climate change will be highly negative for arabica coffees, effectively reducing the areas suitable for production by 20–50% by 2050. Impacts are highest in low latitudes and at low altitudes[35]. The changing climate also poses challenges to patterns of cherry ripening and drying of parchment because of unpredictable rainfall patterns as well as uncertainty regarding the timing of fertilizer application and drying. Climate change may also result in shifts in production areas due to the risk of increasing temperature and increasing pests and diseases[36]. The adverse climate change impacts on productivity are also expected for the horticulture value chains included under PSAC.

c. Climate change mitigation

39. PSAC will implement “multiple-benefit” approaches, which will typically build climate resilience alongside other benefits, contributing to poverty reduction, enhancement of biodiversity, increased agricultural productivity and lowering of greenhouse gas emissions from the agriculture sector. Climate change mitigation benefits in PSAC are expected from i) the use of shade trees such as carbon sequestration, ii) improved net assimilation of tealeaf and additional organic matter from leaf litter and minimized wind damage, and reduced soil erosion[37] . iii) capacity building in timing of husbandry activities such as pruning and fertilizer application, iv) when to plant, which varieties to plant and which inputs to use, v) adjustment of spraying programs and wider use of improved coffee varieties and tested tea clones, vi) intercropping of nitrogen-fixing plants with staple crops, vii) construction of erosion control and water holding structures and viii) composting and mulching among others. The agro-forestry activities will also have GHG benefits from reduced soil carbon loss through tree planting and regeneration of degraded soils through increased agroforestry practices.

2.3 Target group profiles

40. In line with the COSOP’s targeting strategy and consistent with the national wealth ranking system (Ubudehe), the Project will directly target the following different categories of beneficiaries, applying complementary approaches aimed at enabling poor farmers to graduate from poverty. Amongst the target groups, attention will be provided to women and among those, to adolescent girls and women heads of households; youth will be another priority target group, as well as vulnerable households.
41. **Rural women.** Compared to men, women in agricultural production are more exposed to vulnerabilities. Adolescent girls are even more vulnerable due to early pregnancy[38]. Women headed households are disproportionately faced with the challenges of poverty and small-sized land (<0.5 ha), compared to male-headed households, which limits their access to productive resources. PSAC will address gender disparities and the key constraints, which limit women’s participation by: (i) ensuring that women and men have equal access to project’s interventions including addressing unbalanced workloads and targeting 40 percent women as direct beneficiaries; (ii) increasing women’s voice in decision-making at the household and community level; (iii) increasing women’s financial literacy, encouraging their economic empowerment and participation throughout the selected value chains iv) and promoting gender transformative outcomes through addressing discriminatory social norms and structures.
42. Young people have low rate of education (only primary) and limited skills on financial services. The project will ensure that at least 30% of the beneficiaries are youth[39]. The project will have specific interventions to reflect the unique roles, needs and priorities of young people and include them along community-based nurseries and certification trainers. With this, the project aims to generate employment and income-generating opportunities for rural youth.
43. **Vulnerable households.** The poorest and most food insecure households are more likely to have women with low level of education, children suffering from undernutrition and stunting and persons with disabilities. To tackle the multiple barriers that traditionally prevent very poor and vulnerable households from improving livelihoods (access to land and assets, lack of capacities, poor culture of saving, lower position and decision-making power in representing organization, etc.) and enable them to gradually improve their livelihoods, a social inclusion strategy will be required, directly targeting the poorest households with services and activities.

3. Institutional analysis

Gender	<p>Ministry of Gender and Family Promotion (MIGEPROF) plays a leading role in the implementation of the gender agenda in the country. The project, through its Gender Specialist, will coordinate with MIGEPROF on initiatives for gender equality and women empowerment at the district level (coordinating with the Gender and Family Promotion Officers) in particular.</p> <p>The Gender Monitoring Office (GMO) is mandated by the Constitution, along with the Ministry of Gender and Family Promotion, and the National Women's Council for executing several programs and policies to address these gender gaps and constraints. Women's Council at the district level will be key reference to align KIIWP's gender strategy with the priorities set by Kayonza district on gender mainstreaming and to articulate with women's associations and cooperatives.</p> <p>In the Ministry of Agriculture, a gender advisor supports capacity building of staff through development of performance contracts that address gender integration, including identification of key gender-responsive indicators.</p>
Youth	<p>Rwanda Youth Agribusiness Forum (RYAF) is a platform established to bring together different youth organizations, individual youth farmers and entrepreneurs. RYAF already engaged in IFAD-supported projects PASP and RDDP in the delivery of training and extension services, and it could be further involved to engage youth in agriculture, as service providers as well as beneficiaries of capacity building, business and financial services.</p>
	<p>HoReCo is a business company of professionals in agriculture who were trained in matters of horticulture development and value chain, irrigation and agriculture mechanization as well as building capacity of youth in agriculture.</p>
Environment and Climate	<p>Rwanda Environment Management Authority (REMA), under the Ministry of Environment, reserves the legal mandate for national environmental protection, conservation, promotion and overall management, including advisory to the government on all matters pertinent to the environment and climate change. REMA aims to closely monitor and assess development programs to ensure compliance with the laws on environment during their preparation and implementation.</p>
FONERWA	<p>The National Fund for Environment – FONERWA is a ground breaking Environment and climate change Fund, established by the Rwandan Government in 2012. The Fund's purpose is to be the engine of green growth in Rwanda, while serving as a touchstone for Africa and the rest of the world. Our strategy is to provide unheralded technical and financial support to the best public and private projects that align with Rwanda's commitment to a green economy.</p> <p>The Fund's core responsibilities are to:</p> <ul style="list-style-type: none"> • Mobilise and manage resources used in financing activities aiming at protecting and preserving environment and natural resources; • Mobilise and manage funds to be used in the fight against climate change and its impact; • Collect and manage funds from the public and private sector, through bilateral and multi-lateral partnerships, to achieve the country's objectives to advance national priorities in the field of environment and climate change; • Support public organs, associations and individuals for environment protection and conservation, research as well as the fight against the climate change; • Coordinate and ensure that various finance partnership agreements related to prevention as well as fighting against climate change are prepared and effectively managed across various national stakeholders; • Collaborate with other national regional and international institutions with the same mission.

44. National strategies, policies and regulatory frameworks relevant to PSAC include:

	<p>Revised National Gender Policy 2021, puts emphasis on ensuring that gender equality concepts and principles are well understood and applied by all. The policy will further strengthen pre-established foundation not only by addressing the remaining policy gaps in mainstreaming gender across sectors and ensuring that sector-specific planning and implementation of programs that are gender responsive but also proposes mechanisms for addressing the persistent cultural norms and stereotypes hindering the effectiveness of gender equality and equity. Unlike the 2010 National Gender Policy, the 2021 gender policy emphasizes on effective engagement of men and boys and accelerating gender mainstreaming in the private sector.</p>
	<p>Gender and youth mainstreaming strategy in agriculture 2019-2025, builds on the work of the previous gender-specific sector strategy developed in 2010. It aims to support the implementation of the Fourth Strategic Plan for Agricultural Transformation (PSTA4, 2018) and the National Agriculture Policy (NAP, 2018)</p>
Gender	<p>The 4th Strategic Plan for Agricultural Transformation (PSTA4), Empowerment of women in PSTA 4 focuses on training and capacity development in leadership and management skills for women to actively participate in decision-making at the household, cooperative, community, and institutional level. In parallel, women economic empowerment will be fostered through provision of technical skills and promoting access to inputs. This includes for example, providing targeted support to women to access suitable financial products for income generating activities, productive and off farm.</p>
	<p>National Strategy for Transformation (NST1), Gender and Family Promotion is one of the cross-cutting areas under the National Strategy for transformation (NST1 2017-2024) and emphasizes on interventions geared to: promote access to finance for women, mainstreaming gender in employment and job creation strategies, capacity development of the gender machinery and scaling-up Early Childhood Development (ECD) services at village levels as well as strengthening and promoting gender equality and ensure equal opportunities for all Rwandans</p>
	<p>District Development Strategy (DDS), in 2018, all districts in Rwanda developed their DDS translating their intended development aspirations over the course of NST-1. The DDSs emphasize on strengthening and promoting gender equality and ensure equal opportunities for all Rwandans. Women and youth employment are another area of focus for DDSs.</p>
	<p>National Gender Coordination and Partnership Strategy (2016-2020), guides the coordination of gender promotion, establishing a framework for stakeholders' coordination and engagement and set strategic priorities for action.</p>
	<p>National Policy against Gender-Based Violence (2011) supports gender-based violence prevention and response and provides an opportunity for further advancements. Significant steps have been taken in the country to have dedicated staff and resources to provide services to victims and reduce impunity for GBV. The existing One-Stop Centers provide critical support to victims of GBV and can be used as a model for integrated care and support.</p>
Youth	<p>National Youth Policy (2015) focuses on youth economic empowerment by addressing issues related to unemployment and underemployment, limited skills, low rate of access to finance and markets, among others.</p>
Environment and Climate	<p>The National Strategy on Climate Change and Low-Carbon Development (NCCLCD) for Green Growth and Climate Resilience underlines the need to manage the implications of climate variability for the social, environmental and economic development of the country. The Green Growth Plan fosters the development of irrigation infrastructure that give farmers more control of the water resource, facilitate diversification of crops, contribute to efficient land and water usage and ensure water availability in dry areas.</p> <p>In 2020, Rwanda updated its Nationally determined Contributions. PSAC will contribute to the following prioritised adaptation interventions: i) develop climate resilient post-harvest and value addition facilities and technologies; iii) develop sustainable land use management practices; v) expand irrigation and improve water management and; vi) development of Agroforestry and sustainable agriculture</p>

4. Environmental and social category

Environmental and social category (substantial)

45. The environment and social category for PSAC is substantial, recognizing that some activities can have adverse impacts on the environment and increase pressure on the natural resources. This categorisation and classification is in cognisance of the activities of the PSAC that focus on productivity and the enabling environment for the tea, coffee and horticulture value chains. However, the potential adverse impacts are predictable, will be localized, mostly reversible and can be managed with appropriate measures. The activities will take place in non-sensitive areas and infrastructure being developed will be small scale.
46. The activities to improve production may have some adverse effects on the environmental and natural resources, such as increased erosion, particularly when cultivating on slopes, possible siltation of water channels, increased demand for water resources at particular times; diffuse pollution from increased use of agro-chemicals; point source pollution from increased effluent discharges from processing plants and washing stations; and organic waste from processing of all the value chains, vegetation removal and land use change as infrastructure such as roads and storage facilities are being developed. However, *these effects are expected to be localised with minimal adverse impacts that can be managed with appropriate actions.*
47. PSAC also envisages expansion of production areas (approx. 4,800 ha), which may result in land use change or deforestation and loss of biodiversity as additional risks as well as increased pressure on water and energy resources. The adverse impacts from the development of infrastructure (roads rehabilitation, hanger construction and cold storage facilities) in non-sensitive areas will be localized and can be managed through site-specific environment and social management plans that will be developed during the project implementation. The main social risks include labour, health and safety related to handling of pesticides and conditions for the seasonal labour, which is mainly informal and hardly skilled.
48. PSAC will develop appropriate SECAP risk management instruments which will include an Environmental and Social Management Framework (ESMF), site specific Environmental and Social Management Plans (ESMPs), Environmental Checklists, etc. Through a dedicated Environmental Specialist PSAC will ensure that the developed SECAP risk management instruments are implemented and that mitigation measures are instituted.

5. Climate risk category

Climate risk category (moderate)

49. The climate risk classification for PSAC is moderate. The main climate change risks facing the smallholders in the PSAC target areas include rising temperatures and rainfall variability with more intense rainfall in some areas, shorter rain seasons and potential droughts in some locations. The increases in temperature (1.7–2.1°C) in the rainy season months will increase crop water demand and evapotranspiration losses of water from agricultural soils; reduced rainfall is also predicted during these months. The risk analysis will include specific recommendation for climate change adaptation options to be included in PSAC. The adaptation measures will be costed and included in the project budget.

Impacts of climate change and projections on key agricultural and rural development sectors.

50. Rwanda is ecologically diverse for its size, ranging from highland mountain forests in the west to savannah grasslands and low altitude marshes in the east. Most of the country benefits from two agriculture rainy seasons (February - May; September – December) (see below figure 2 on typical seasonal calendar). The duration of the two rainy seasons is increasingly variable, ranging from seven to nine months, with an annual rainfall up to an amount of 1,500 mm. Rainfall in the eastern part of the country is below the national average of 1,250 mm per annum.

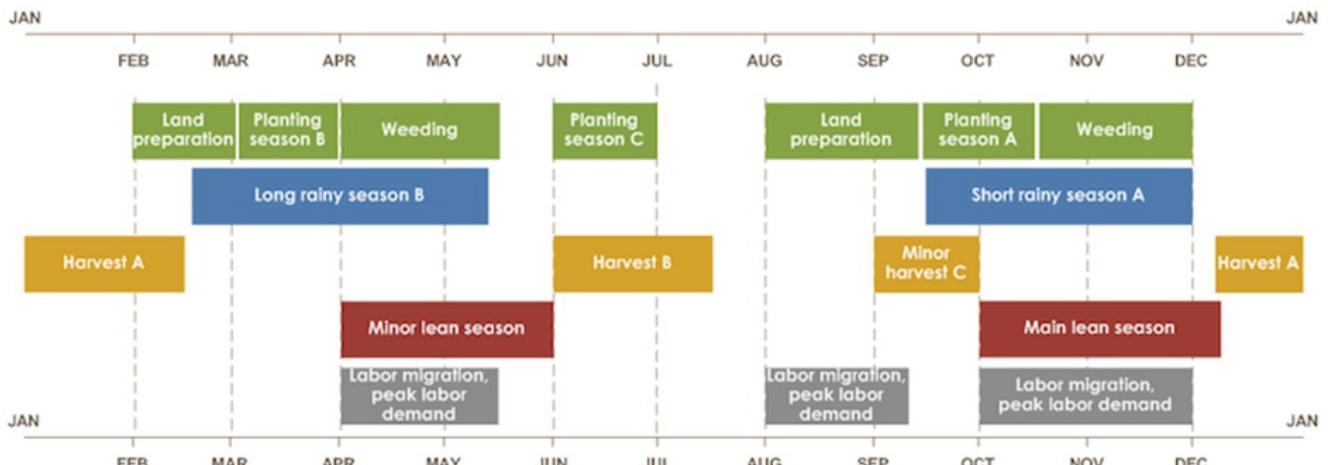


Figure 3 Rwandan seasonal calendar for a typical year

51. Environmental and ecosystem degradation in Rwanda is triggered by two main factors: climate disturbances and anthropogenic activities. The former is caused by several factors, including the El-Niño and La Niña phenomena, associated with surface temperatures in the Indian and Atlantic Oceans. A study by the University of Reading[40] shows that climate variability in Eastern Africa is due to the influence of ocean-atmosphere climate phenomena, namely El Niño Oscillations (ENSO) and the Indian Ocean Dipole (IOD). Warm ENSO events are thought to be responsible for a build-up of warm sea surface temperatures (SSTs) in the Eastern Pacific Ocean which lead to increasing rainfall. These events are specifically observed in the short rains seasons. Furthermore, the recently discovered Indian Ocean Dipole (IOD), in addition to ENSO effects, most probably causes anomalously high rainfall in East Africa[41]. For some years (1963, 1972, 1982, 1997), El Niño events are deemed to have coincided with positive IOD events leading to high rainfall in East Africa, whereas high rainfall anomalies in East Africa have been documented when positive IOD events occurred independently of ENSO events. However, as East Africa has varied topography (e.g. mountains and rift valleys) its features are not yet adequately represented in climate model projections and deserve further investigation, especially with the modifying influence of the Congo basin.

Projected Changes to Temperature in Rwanda by 2050

52. The predicted trends in Mean Monthly Temperature (TMean) for the period from 'Historical' to 'Future 2050' timepoints indicate that climate change will result in consistent increases in Mean Temperature across spatial and temporal dimensions in Rwanda. A common prediction across each of the country's five provinces is that TMean will increase in all provinces during the period from 'Historical' to 'Mid-Century' timepoints by at least 1.7°C. The hottest months of August and September are predicted to increase by 2.1°C, relative to a Historical average of 21°C. Similar increases of 1.7–2.2°C are predicted for all other months of the year.
53. The overall effect of these increases in TMean and TMin is likely to result in complex impacts on the agricultural sector, particularly when considered in combination with the predicted decreases in precipitation. The large increases in temperature (1.7–2.1°C) in the months of October–December will increase crop water demand and evapotranspiration losses of water from agricultural soils, coinciding with the reduced rainfall predicted for the same months. This effect is likely to increase the risks of crop failure as a result of inadequate or erratic rainfall during the establishment of rainfed crops, particularly for climate sensitive or marginal crops such as maize and horticultural/vegetable crops such as tomatoes and peppers. Furthermore, the increased average temperatures are likely to include increased frequency or severity of heat waves and unusually hot days, further contributing to evapotranspirative losses of water and crop stress.[42] Table 2. shows the projected influence of climate change on mean monthly temperature (°C) in Rwanda at historical and mid-century periods, and monthly anomalies between the two time periods.

Table 2. Projected influence of climate change on mean monthly temperature (°C).

Tmean (°C)	MONTH											
	J	F	M	A	M	J	J	A	S	O	N	D
Historical	20.1	20.4	20.3	19.9	19.9	19.8	20.0	20.9	21.0	20.5	19.9	20.0
Future	21.9	22.3	22.1	21.7	21.8	21.9	22.2	23.1	23.1	22.5	21.6	21.8
Anomaly	1.8	1.9	1.8	1.8	1.9	2.1	2.2	2.1	2.1	2.0	1.7	1.8

54. The changing climate conditions are creating greater uncertainty for the Rwanda tea industry. The planning for new plantations must take care of climate uncertainty. Existing plantations need to be managed more resilient to rising temperatures, and the increased risk of flooding and landslides.
55. Lower-lying plantations are already “marginal” in terms of producing quality tea. The rising temperatures will further reduce the quality of tea and coffee as current growing areas will become too hot for growing the current varieties.
56. The climate-resilient innovation is to plan future plantations in locations that take account of the warmer climate such as higher, cooler regions.
57. Tea producers need to take into consideration longer-term climate changes since it takes five years for new bushes to mature and more than ten years before producers see a return on investment. - Thus new plantations mean that the producers are locked in to their investment decisions for decades, up to 50 years or more.
58. New plantations need to be planned with this future climate in mind and be located on higher altitude areas where they will be more likely to produce good quality leaves for several decades. The tea industry must expand into areas that are suited to the kind of climate the region will experience in the coming decades. This means including a number of stakeholders from across the value chain:
- The large international companies which operate the factories that process and sell the tea.
 - The small holder farmers which dominate tea production in Rwanda and are more vulnerable to climate change.

Projected Changes to Rainfall in Rwanda by 2050

59. The predicted changes in mean monthly precipitation from the historical baseline to the mid-century (2050) future indicate that climate change will result in complex changes in rainfall across provinces and months (see Table 2). A common prediction across each of the country's five provinces is that total annual precipitation will be reduced in all provinces during the period from baseline to Mid Century timepoints. The total rainfall received during the months of September to December at the onset of the first, long rainy season is predicted to be reduced from 465 to 443 mm (total reduction of rainfall of 22 mm). Similarly, total rainfall at the onset of the shorter second rainy season in the months of March, April and May is predicted to be reduced from 400 to 360mm (total reduction of rainfall of 40mm).
60. An additional effect of climate change predicted by these analyses is the increase in monthly rainfall during the months of December and January. These results may be indicative of a delay in the onset of the traditional rainy seasons, or alternatively may indicate that rainy seasons (particularly season A, September-December) may effectively be extended for one to two months. It should be noted that these effects are likely to vary on an interannual basis as well as spatially within each season, and the consequent impacts on agricultural activities cannot be predicted with certainty. In some cases, the average reduction in monthly rainfall, notably during the months of September-October may result in inadequate rainfall to support effective establishment of crops during the period which is traditionally associated with the start of each growing season. Alternatively, the positive anomalies (i.e. predicted increases) in monthly rainfall in the months of December – January may indicate an extension in the duration of the rainy season A, thereby providing farmers with the option to extend or stagger the timing of crop establishment.
61. These analyses indicate that climate change may delay the onset of rainfall relative to the traditional agricultural calendar, in turn resulting in changes to the timing of various agricultural activities such as field preparation and sowing of seed. Both of the rainfed agricultural growing seasons are characterised by monthly rainfall deficits which may result in fundamental changes to local crop choices and agricultural practices by the year 2050. Drought sensitive crops such as tomatoes are likely to be increasingly unreliable or poor in yield, which will be further exacerbated by predicted increases in temperature. Table 3. shows the projected influence of climate change on mean monthly precipitation (mm/month) in Rwanda at historical and mid-century periods, and monthly anomalies between the two time periods.
62. *Table 3. Projected influence of climate change on mean monthly precipitation (MM/MONTH).*

MM/MONTH	MONTH												TOTAL
	J	F	M	A	M	J	J	A	S	O	N	D	
Historical	100.3	100.9	135.0	154.5	110.3	23.0	14.6	36.0	85.6	124.0	148.2	107.0	1139.4
Future	101.9	99.7	128.9	143.9	87.1	17.7	13.0	31.0	75.7	110.1	146.9	110.4	1066.3
Anomaly	+1.7	-1.1	-6.1	-10.5	-23.2	-5.3	-1.7	-5.0	-9.9	-14.0	-1.3	+3.4	-73.0

63. The changing climate conditions are creating greater uncertainty for the Rwanda tea industry. The planning for new plantations must take care of climate uncertainty. Existing plantations need to be managed more resilient to rising temperatures, and the increased risk of flooding and landslides. Lower-lying plantations are already "marginal" in terms of producing quality tea. The rising temperatures will further reduce the quality of tea and coffee as current growing areas will become too hot for growing the current varieties. The climate-resilient innovation is to plan future plantations in locations that take account of the warmer climate such as higher, cooler regions.
64. Tea producers need to take into consideration longer-term climate changes since it takes five years for new bushes to mature and more than ten years before producers see a return on investment. - Thus new plantations mean that the producers are locked in to their investment decisions for decades, up to 50 years or more.
65. New plantations need to be planned with this future climate in mind and be located on higher altitude areas where they will be more likely to produce good quality leaves for several decades. The tea industry must expand into areas that are suited to the kind of climate the region will experience in the coming decades. This means including a number of stakeholders from across the value chain:
- The large international companies which operate the factories that process and sell the tea.
 - The small holder farmers which dominate tea production in Rwanda and are more vulnerable to climate change.

Occurrence of Floods and Droughts

66. In 2015, the Ministry of Disaster Management and Refugees Affairs (MIDIMAR) published the National Risk Atlas. This report encompasses a comprehensive assessment of existing risks at national and local levels. It highlights that over the last decade, the frequency and severity of natural disasters, such as floods and droughts, have significantly increased. The National Risk Atlas highlights the most known disasters as the droughts that occurred in 1989, 2000, 2005-2006 and 2014 and the devastating landslides that occurred in 1988, 2006, 2010, 2011 mainly in the Northern and Western provinces. The extreme weather events have recently destroyed crops, caused serious environmental degradation and led to food insecurity, malnutrition and famine in affected areas, with water shortages affecting livestock and pasture productions. Below is a table summarizing main climate change projections and potential impacts on agriculture and livestock production.

Table 4 Scenarios analysis of potential climate change impacts on agriculture sector (2018)

No.	CLIMATE CHANGE SCENARIOS	POTENTIAL IMPACTS ON AGRICULTURE
1.	Increasing trend in mean temperature (projected annual mean temperature increases between 0.10°C and 0.30°C)	<ul style="list-style-type: none"> Decrease in tea and coffee production. Leads to significant reduction of crop yields of Horticulture. Shift in pest ecologies, and thus resulting in pest and diseases outbreaks in new areas. Heat stress affects physiological processes, health and mortality of plants.
2.	Decreasing trend in mean rainfall and a number of rainy days coupled with more days with extreme rainfall intensities particularly in the eastern and parts of southern region	<ul style="list-style-type: none"> Late harvests, delay of sowing in the next season, seasonal crop failures and low yield. Famines and food insecurity; Increased use of swamps for agricultural purposes will soon or later also have implications for overall water balance in the country and its availability for agriculture
3.	Increase in rainfall intensities in north-west highlands and south-western regions	<ul style="list-style-type: none"> Increase soil loss and nutrient leaching from soil, thus challenging agricultural productivity growth. Increased runoff during heavy storms destroy existing soil conservation facilities, increase sedimentation of lakes and ponds thus altering fish habitats
4.	More frequent violent storms (strong winds, hailstorms, thunders, torrential rains)	<ul style="list-style-type: none"> Crop damage or total crop destruction and thus yield reduction; Increased flooding and landslides destroying crops cultivated on vulnerable/fragile areas such as valleys and steep slopes

6. Recommendations for project design and implementation

a. Targeting communities and organizations

Entry points for promoting gender equality and women's empowerment, youth employment, improved nutrition outcomes and promoting social inclusion

67. Gender- and youth-sensitive modalities under all project components will be identified to create inclusive export-driven value chains. For example, more favourable conditions will be made for women and youth in order to alleviate the usual barriers they are facing when they seek loans, and thus increase their financial inclusion. Based on needs, the programme will provide technical support and training on strategic skills like financial literacy or cooperative leadership for especially women and young people.
68. PSAC will address the identified gender disparities through a Gender and Social inclusion plan and a strategy, which will cover some of the following: (i) women and men have equal access to project's interventions (40 percent women as direct beneficiaries); ii) focus on addressing unbalanced workloads as the key constraint for women's disempowerment through, for instance, climate resilient innovations, improvement of rural infrastructure facilities and by addressing social norms (iii) increasing women's voice in decision-making at the household and community level; (iv) increasing women's financial literacy, encouraging their economic empowerment and participation throughout the selected value chains v) and promoting gender transformative outcomes through addressing discriminatory social norms and structures.
69. The Gender and Social inclusion strategy and action plan will also set clear targets for youth inclusion and describe the interventions and approaches to be considered to effectively promote youth wage and self-employment and identify pathways for the poorest and most food insecure households to tackle the multiple barriers that prevent them from improving livelihoods and fully benefiting from the proposed project activities.
70. Embedding social inclusion in PMU: A strong emphasis should be put on the capacity of the SPIU to deliver gender-and youth-sensitive programming. The SPIU will also benefit from gender parity among staff. The M&E system will be gender responsive and sex-and age-disaggregated to track progress and provide nuanced insights into the project impacts on women, youth, and vulnerable groups.

Entry points for mainstreaming environment management and climate change adaptation and mitigation

71. Measures to reduce adverse environmental impacts in production and processing areas are available and will be incorporated in PSAC, such as shade trees and efficient resource use in cultivation (optimal fertilizer/agro chemical use), focus on rehabilitation and rejuvenation of existing production areas, diversification and inter-cropping and efficient use of water resources including drip irrigation. PSAC will also include measures to control erosion in farms such as vegetated contours. The agro-forestry activities including the avocado/mango and macadamia value chain interventions will contribute to long-term improvements in land resources.
72. The capacity of the producers and their organizations will be improved in natural resources and environmental management through training and the Environment and Social Management Systems (ESMS) for the financial institutions will also be enhanced. For the management of the social risks Rwanda has ratified all relevant ILO conventions and control structures are in place, however sector actors perceive labour as being used inefficiently. Therefore, better planning and wages, training of seasonal labour, could both improve efficiencies of the CWSs and livelihoods.
73. Adaptation measures under PSAC include capacity building for the producers on husbandry activities (e.g., pruning and fertilizer application), protective agriculture for some of the horticulture value chains, use of renewable energy for drying facilities, water use efficient irrigation systems and use of improved tea clones and coffee varieties. Other options that have been incorporated are selection of the most suitable growing areas where expansion is envisaged, crop diversification and intercropping, efficient management of soil resources and use of shade trees in the productive landscape. Shade management reduces ambient temperature and microclimate variability, prevents sun scorch and soil erosion and improves the resilience of agro-ecosystems. Additional adaptation measures to be considered include the adjustment of spraying programs to cope with changing trends in the manifestation of coffee pests and diseases[\[43\]](#).

7. Further studies needed

74. Socio Economic analysis and diagnostic assessments related to the selected value chains will be implemented at baseline or start-up phase.
75. Socio-economic analysis and diagnostic assessment will inform the development of a social inclusion strategy and action plans, which will further determine target groupings, identify vulnerabilities, capacity gaps and needs, and entry points for social and economic empowerment along with enlisting potential risks, such as GBV, child labor, and adequate mitigation measures

8. Monitoring and evaluation

The project's monitoring and evaluation system will be aligned to the project logframe and include specific responsibilities for monitoring targeting performance, beneficiary tracking, especially women and youth. To that end, all people-centred indicators will be disaggregated by sex and age.

76. Outcome Indicators, including the Empowerment Indicator (CI IE 2.1), Employment Indicator (CI 2.2.1), and Environmental sustainability and Climate change (CI 3.1.1, 3.2.2) will be tracked at baseline, midterm, and endline as part of the COI surveys.
77. The monitoring of potential impact on natural resources bases of the PSAC target beneficiaries will be important. Indicators such as: i) the amount of land under climate resilient practices; ii) the number of smallholders adopting climate resilient and environmentally friendly technologies; iii) the number of smallholders supported to become more climate change resilient; (iv) number of operational ESMS in participating Financial Institutions can be considered.

9. References

As provided in the footnotes.

ESCMP Matrix

10. Environment, Social and Climate Management Plan (ESCMP) Matrix

Table 5 Environmental and social mitigation measures, monitoring and indicators

No.	Risks	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification/Indicators	Frequency of Verification
1.0	Environmental risks					
1.1	Deforestation – including clearing land for plantations	<ul style="list-style-type: none"> · Discourage cutting of mature trees by making it a legal requirement during establishment of plantations and through targeted awareness raising · Ensure protection of buffer zones along rivers (riparian areas), as well as the protection of ecological corridors by making it a legal requirement during establishment of plantations. · Conduct awareness campaigns on protection of biodiversity. · Promote agroforestry through practical demonstrations and technical training · Provide for wildlife corridors for migratory wildlife including preserving any important bird areas. · Ban the use of fire as a form of land clearing and preparation for any project related activities. 	Stakeholder engagements during meetings and field visits	MINAGRI NAEB REMA experts Local extension workers Service provider	Inspection, visual observations, pictures, geo mapping	Quarterly
1.2	Land degradation and soil erosion	Erection of Erosion Control Structures Encourage earth/soil collection from existing borrow pits Practice Agro-forestry Encourage grass planting or (temporary) fencing to regenerate vegetation Promote Incorporation of residues of leguminous crops into the soil	Stakeholder engagements during meetings and field visits	MINAGRI NAEB REMA experts Local extension workers Service provider	Geo maps, observation, pictures, inspection	Quarterly

No.	Risks	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification/Indicators	Frequency of Verification
1.3	Declining soil health	<p>Encourage crop diversification</p> <p>Promote balanced fertilizer application;</p> <p>Promote use of bio-fertilizer or organic fertilizers;</p> <p>Promote conservation agriculture, mulching.</p> <p>Encourage plantation of leguminous varieties for nitrogen fixation;</p>	Stakeholder engagements during meetings and field visits	MINAGRI NAEB REMA experts Local extension workers Service provider	Mapping, field observations, pictures	Quarterly
1.4	Cultural Heritage	<p>No project (plantations) will be established in a Cultural Heritage site or area.</p> <p>During plantation establishment the farmers must be on the lookout for any cultural heritage artifacts and must screen and assess any object they come across. This will be done by contacting the National museums department immediately</p> <p>Any sub project must be established after meaningful consultation leading to consent,</p> <p>Any findings should be treated with confidentiality and access to the area must immediately be restricted.</p> <p>The project will develop and implement a chance finds procedure,</p> <p>Established plantations should not prevent easy access to legally protected cultural heritage areas.</p>	Stakeholder engagements during meetings and field visits	MINAGRI NAEB REMA experts Local extension workers Service provider	Mapping, field observations, pictures	Quarterly
1.5	Contamination of water resources from effluent discharges	<p>Promote compliance with national discharge standards</p> <p>Install proper effluent handling facilities at every Coffee Washing station.</p> <p>Recycle the water as much as is possible and discharge effluent that meets the national discharge standards</p> <p>Maintain safe distance (30 feet) between latrine and water sources</p> <p>Take corrective action when water contamination established</p>	Project Coordination, District /Municipal, Environment Departments	NAEB REMA experts District/Local extension workers	Discharge of poor-quality effluent Change in chemical and biological water quality Number of reported pollution events	Bi-annually Annually

No.	Risks	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification/Indicators	Frequency of Verification
1.6	Construction risks of spills (oil, lubricants), dust, noise, waste during establishment of Agriculture facilities	Avoid and minimize use of hazardous materials Ensure adequate waste management Apply dust control practices	Stakeholder engagements during meetings and field visits	Service Provider	Contamination of nearby water resources. Number of reported pollution events	Quarterly
1.7	Land and water resources pollution from Solid Organic Waste from farming activities.	Promote compliance with national solid waste management requirements. Ensure proper planning of soil and water conservation works Composting of all organic waste emanating from farm produce packaging and processing. Contain all possible leachate from temporary storage areas by erecting banding walls. Re-use organic waste as animal feeds. Encourage and establish new business models for manure composting and sales, potentially by establishing and initially subsidizing central composting points	Stakeholder engagements during meetings and field visits	NAEB REMA experts District/Local extension workers	Leachate polluting the environment. Organic waste piling at the plant.	Quarterly
1.8	Increased competition over natural resources	Promote adoption of drip irrigation or other precision irrigation techniques such as porous pipes. Promote rain water harvesting systems Promote solar systems	Stakeholder engagements during meetings and field visits	NAEB REMA experts District/Local extension workers	Size of area and species affected	Annually
1.9	Monoculture and loss of biodiversity	Encourage the use of local/indigenous varieties Promote crop rotation Protect forests and wetlands that are critical habitats for endangered species Prohibit introduction of exotic species	Stakeholder engagements during meetings and field visits	NAEB REMA experts District/Local extension workers	Number of species lost	Annually

No.	Risks	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification/Indicators	Frequency of Verification
1.10	Pest infestation	<ul style="list-style-type: none"> · Promote compliance with the project IPMP and the national pest management standards. · Promote Integrated pest management (IPM); · Promote use of varieties tolerant to pest infestation; · Promote crop diversification; · PSAC will comply with FAO International Code of Conduct on Pesticide Management as well as national pest management standards, whichever is the more stringent. 	Stakeholder engagements during meetings and field visits	NAEB REMA experts District/Local extension workers	Inspection Training and sensitisation records Integrated pesticides management plan produced and implemented	Quarterly
1.11	Environmental degradation, primarily pollution	<p>Adequate siting of micro-enterprises outside residential and commercial areas;</p> <p>Minimal application of chemicals and other hazardous materials</p> <p>Promote water management systems with capturing of wastewater and disposal to designated collection points</p> <p>Segregation of solid waste, avoidance and monitoring of banned/hazardous substances,</p> <p>Promote renewable energy technologies</p>	Stakeholder engagements during meetings and field visits	NAEB REMA experts District/Local extension workers	Record of awareness creation activities No. of procurement activities embedding environment and social safeguards	Annual
2.0 SOCIAL RISKS						
2.1	Youth unemployment thus compromising security	Promote income generation activities for the youth e.g., bee keeping, tree nursery establishment etc.	Stakeholder engagements during meetings and field visits	NAEB REMA experts District/Local extension workers	Number of youths employed	Quarterly

No.	Risks	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification/Indicators	Frequency of Verification
2.2	Health risk to workers	Promote safe work through Standard Operating Procedures, training and awareness raising Encourage and enforce the use of PPE Supporting first-aid box and to provide minimal level of training; Enlisting the names and numbers of village doctors in nearby community places/shops; Encourage regular workplace cleaning	Project Coordination, Province/Municipal, Authorities	NAEB + local extension workers+ service provider	Number of reported accidents	Annually
2.3	Community Health, Safety and Security	<ul style="list-style-type: none"> · identify, evaluate and monitor potential traffic and road safety risks to affected local communities and other road users. · Sub projects to incorporate road safety measures into their daily operations, like erecting clear road signs, maintaining the roads and bridges etc, · undertake a road safety assessment and monitor incidents and accidents, keeping proper records which will be easily accessible. 				
2.4	COVID – 19 infection risk	Promote COVID-19 guidelines (WHO compliant) Monitor uptake of guidelines through field visits Organize awareness raising sessions Promote early closure of facilities and enterprises in case of suspicion of COVID-19 cases	Stakeholder engagements during meetings and field visits	NAEB + local extension workers+ service provider	Records of awareness creation activities	Quarterly

No.	Risks	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification/Indicators	Frequency of Verification
2.5	Labour and Working Conditions	<p>All employers to institute fair labour practices, and avail the terms and conditions of employment to each employee.</p> <p>No sub-project shall practice forced labour or child labour at all. All engagements must be for mature persons, with consent and for fair remuneration.</p> <p>The primary suppliers for the project must also practice fair labour practices and acceptable conditions of service for their workers.</p> <p>Ensure contractors adopt principles of decent work and the associated work programme in Rwanda</p> <p>Monitor execution of cash-for-work programmes</p> <p>Ensure grievance mechanisms are known and accessible to workers</p> <p>Promotion of nutrition-sensitive meals during working hours</p> <p>Supporting first-aid box and to provide minimal level of training;</p>	Stakeholder engagements during meetings and field visits	NAEB + local extension workers+ service provider	Number of reports	Annually
2.6	Labour influx	<ul style="list-style-type: none"> - Work preferably with local workers - Sensitize external workers on behavior, through code of conduct - Sensitize local communities and conduct awareness campaigns on the potential risks from migrant labour which includes health implications and exposure to communicable diseases, threats of sexual violence and harassment and crime. - The project will protect the local communities from the increased vulnerability due to increased pressure on already scarce natural resources, by preferring them for employment and implementing social corporate responsibility and providing some essential amenities. 	Stakeholder engagements during meetings and field visits	Service Provider	Number of cases reported	Annually

No.	Risks	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification/Indicators	Frequency of Verification
2.7	Gender based violence	<ul style="list-style-type: none"> · Engagement with local leaders and male household's members and promote campaign for sensitisation on gender equality and against gender biases and GBV. Community and Household level. · Staff training in gender, environment, nutrition, project guidelines and appraisals to give equal opportunities to all. · Promote women in traditionally male dominated value chain activities. · Conducting gender sensitive and participatory consultations · Include safe spaces/ women-only focus groups to encourage women's meaningful participation in consultations. · Create female only spaces for women to receive trainings and services 	Stakeholder engagements during meetings and field visits	NAEB + local extension workers+ service provider	<p>Number of females trained</p> <p>Number of traditional leaders and male family members engaged</p>	Annually
2.8	Child labour	<p>Undertake a risk assessment of child labour and develop mitigation plans to inform the labour management plan^[1]</p> <p>Promote cooperation between agriculture and labour stakeholders and ensure coherence of policies and programmes on child labour prevention.</p>	Stakeholder engagements during meetings and field visits	NAEB + local extension workers	Risk assessment conducted	Annually
2.9	Elite capture of the matching grant facility	<ul style="list-style-type: none"> · Include provisions for inclusion of the poor and barring of the rich in the matching grants facility. · Discuss targeting issues at the launch seminars/workshops; · Build the capacity of PSAC project management and service providers and of those involved in the community social mobilization and other service providers <p>Include targeting and social inclusion in the ToRs of the PSAC project management team</p>	Stakeholder engagements during meetings and field visits	NAEB + local extension workers+ service provider	Number of personnel trained in the required targeting	Quarterly

No.	Risks	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification/Indicators	Frequency of Verification
2.10	Discriminatory social norms prevent women from participating and benefitting from project activities	<p>Extensive use of GALS+ methodology to empower women and to engage men and boys</p> <p>Improve women's self-efficacy through access to knowledge, skills and capital</p> <p>Increase women's visibility as key actors in the value chains</p> <p>Promote wider structural changes through policy support and dialogue</p>	Stakeholder engagements during meetings and field visits	MINAGRI NAEB Service Provider	Number of women capacitated	Annually

[1] The tool is being developed by FAO and should be ready by Q3 2022

11. Free, Prior and Informed Consent in IFAD Investment Projects (FPIC)

78.

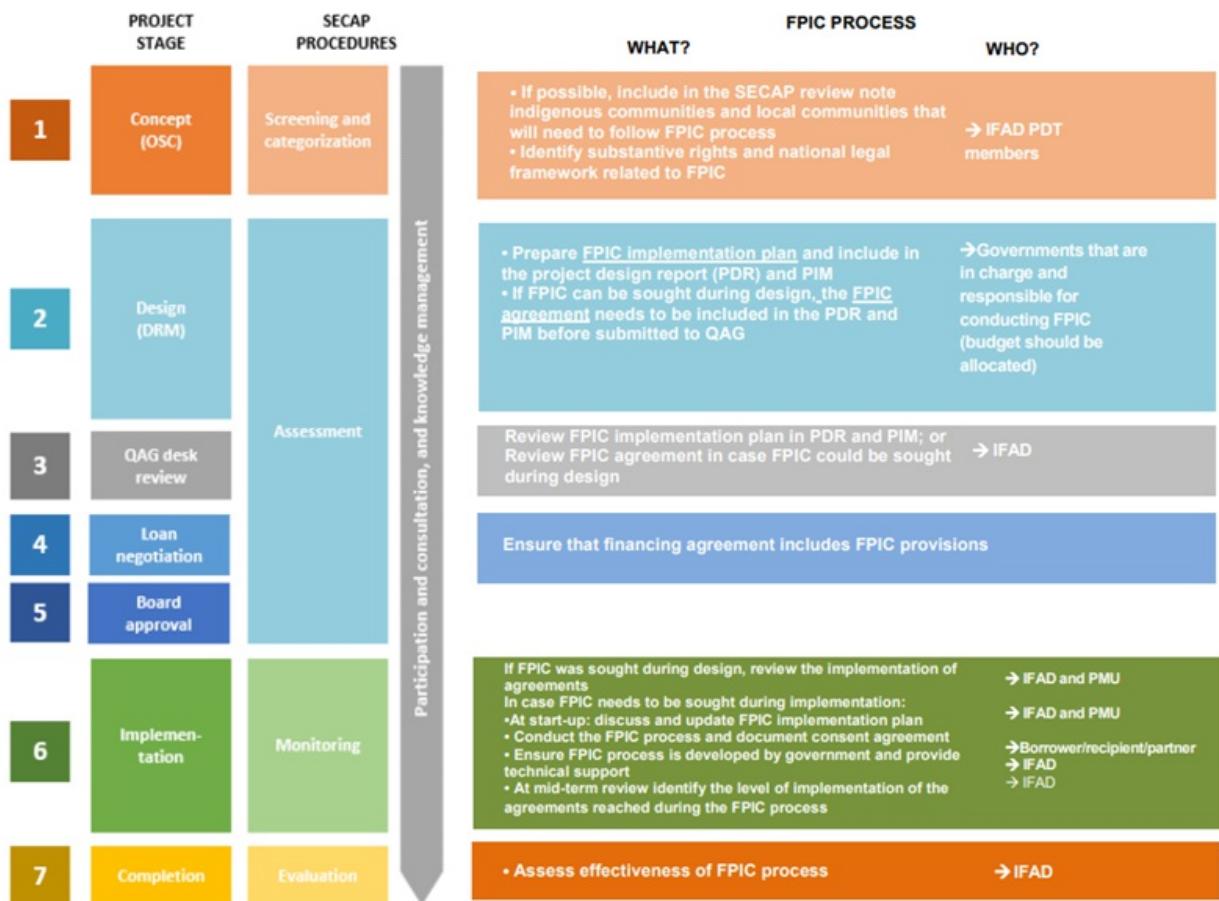


Figure Ann 5-8 Free, Prior and Informed Consent (FPIC)

11.1 Free, Prior and Informed Consent in IFAD Investment Projects (FPIC)

79. Free, prior and informed consent (FPIC) is an operational principle empowering local communities to give or withhold their consent to proposed investment and development programmes that may affect their rights, access to lands, territories and resources, and livelihoods^[45]. FPIC is solicited through consultations in good faith with the representative institutions endorsed by communities. It ensures that they participate in decision-making processes concerning a given development project.
80. Consent should be sought in a way that is “free, prior and informed”^[46]:
- **Free** implies no coercion, intimidation, or manipulation.
 - **Prior** implies that consent has been sought sufficiently in advance of any decision point or commencement of activities.
 - **Informed** implies that information provided covers all relevant issues to make decision maker fully enlightened.
 - **Consent** is the expected outcome of the consultation, participation, and collective decision-making process by the local communities.

11.2 General guiding principles

a) Responsibility and institutional capacity for seeking FPIC

81. The IFAD general policies and procedures, stipulate that the borrower or grant recipient is responsible for programme and project preparation, including social, environmental and climate assessments and seeking FPIC. In this case the Government of Rwanda

(GoR) through the PSAC will be responsible for seeking the FPIC.

82. The first step is for the GoR to identify the laws that regulate the rights to land and resources, and check if it has demarcated and recognizes community lands. If Rwanda has not done so, this can be rectified by conducting early consultations with concerned communities and inclusion in project design of the measures, approaches and resources for ensuring demarcation and recognition of territorial and communal rights.

b) Identifying representative institutions

83. To ensure legitimacy, it is crucial that FPIC be obtained from the representative institutions of local communities. Understanding how communities make decisions is the first important step in the FPIC process. The important criteria are that representation should be determined by the concerned peoples and communities themselves to avoid misrepresentation or manipulation. This can be done in line with the community structure for representation, figure Ann 5-9 below.

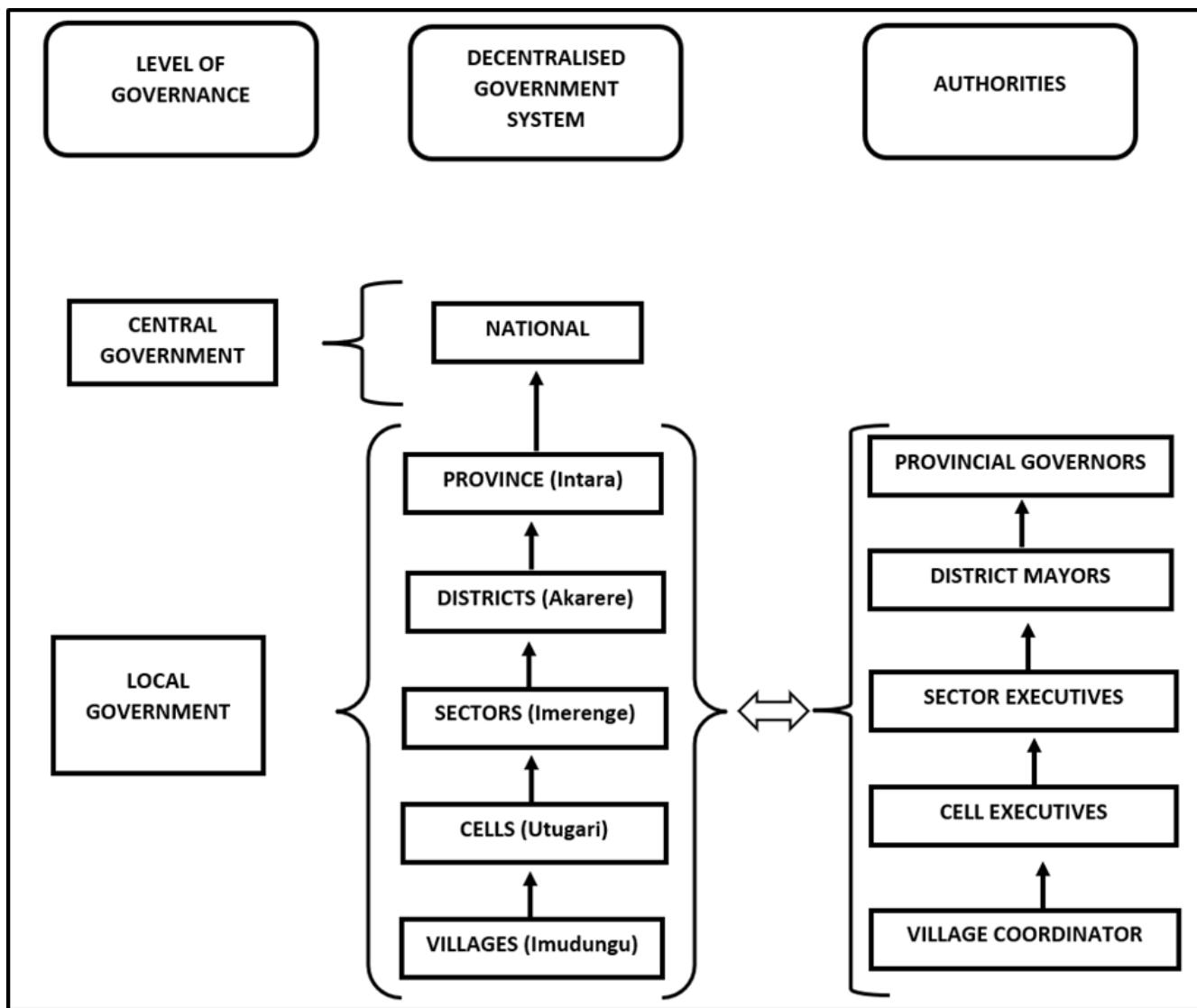


Figure Ann 5-9 The Local Governance structures in Rwanda

84. The Ministry of Local Government (MINALOC) oversees the local authorities, which are structured in four tiers: 30 districts (akarere), 416 sectors (imerenge), 2,148 cells (utugari) and 14,837 villages (imudungu).
85. In general, representative institutions must strive to adhere to the principles of inclusive consultation, participation, and consent in their internal decision-making processes.
86. The FPIC process at design and implementation phases is intended to ensure that the project does not negatively affect the

future beneficiaries. Solutions should be found during the consultation on how to maximize benefits expected from local communities.

c) Consultation, participation, and consent

87. Consultation is an important feature of any project design process. PSAC is expected to follow the IFAD participatory approach to ensure that local communities are included in project design. It will give appropriate attention to women, young people and indigenous groups in these consultations.
88. Besides the initial Impact assessments of the project at design stage, GoR will institute a continuous consultation process during implementation.
89. Consent to the project or to a project component or specific activity under a component, will be an outcome of the collective decision-making process by the local communities. GoR will seek recorded consent agreements with the concerned communities through their freely chosen representative bodies to engage in the FPIC process.
90. The consent agreement and record will document the outcome(s) of the process and terms and conditions agreed upon. It will also document any dissent to the overall project or project activities. The agreement must be independently verified as fair and true by the communities and follow the process agreed by them.
91. The procedures and rules of the FPIC process will be largely determined by the communities affected and those who have the right to give or withhold consent. The FPIC process must be in harmony with their own governance and internal collective process for taking decisions.

d) Documenting consultation, participation and FPIC

92. GoR will undertake to document all consultations, participations, and consents in the following manner:
 - **Keep record of consultations undertaken:** how participants were selected and invited; what documentation/information they received beforehand and in which language; who participated; what was discussed; and what was agreed.
 - **Keep record of participation:** when did representatives of indigenous peoples and local communities participate; how they were selected; what institutional roles or accountability links to constituents do they have; what commitments do they assume; and what agreements were made.
 - **Document specific instances that express FPIC:** often FPIC is expressed as an agreement between the borrower (or the duly designated implementing agency) and the concerned local communities. These agreements should clearly articulate what has been agreed (issues, commitments, time frames, budgets, roles, responsibilities, etc.); who entered into the agreement (clearly identifying the individuals involved as well as their title and role); and what mechanisms have been set up to maintain dialogue and address disagreements.

e) Where to seek FPIC?

93. FPIC is not so much a safeguard principle, rather a proactive approach to identify development pathways with local communities and it is applied in two scenarios[\[47\]](#):
 - Investment projects that may have an impact on the land access and use rights of rural communities,
 - Projects targeting indigenous peoples or rural areas that are home to indigenous and tribal peoples and ethnic minorities.
94. The first scenario refers to the type of investment project and the second to the type of project area and target groups. Table 6 outlines the FPIC requirement according to these two criteria.

Table 6 FPIC requirements based on project type and areas of intervention (IFAD, 2015)

No	Location	Project likely to affect land access and/or use rights of communities	Agricultural and rural development projects unlikely to affect land rights (agricultural technologies and production, value chain development, social infrastructure)	Project supporting demand-driven services to individuals (rural finance, small and medium-sized enterprise development)
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1.	Rural areas without indigenous peoples or minorities.	YES	NO	NO
2.	Rural areas with some indigenous peoples and minorities' communities.	YES	On a case-by-case basis	NO
3.	Indigenous people's territories or tribal areas	YES	YES	YES

95. In projects that affect land access and use rights of communities, the principle of FPIC is applied to local communities in a broad sense, i.e., the local communities that will potentially be affected, are identified during project design and in application of SECAP.
96. However, there is a general requirement for FPIC[48], in areas that are home to indigenous and tribal peoples and ethnic minorities.

When to Seek FPIC

97. FPIC is sought at design phase when the precise nature and specific location of an investment is known and well defined. In the case of PSAC the precise nature and specific locations of the potential investment are not known, thus GoR is not expected to directly seek FPIC at this stage.
98. FPIC for PSAC will be sought during the implementation phase when:
- The project, or some of its component, is likely to affect land access and use rights of local communities, and/or
 - Communities are not identifiable at project design stage.
 - Specific investments in specific communities are not predefined during project design phase, but open to communities' demand during the project implementation period.

11.3 FPIC Implementation Plan

99. The purpose of the present FPIC Implementation Plan is, among others, to provide information on how the FPIC Process will be conducted throughout the course of the project and which methods will be used as part of the process; as well as to outline the responsibilities of MINAGRI AND NAEB.

11.3.1 Decision-Making Institutions and Representatives

100. The key institutional actors involved with issues of resettlement, property and land rights, access to resources, etc, are the local government departments both at National level and District level. The implementing agency will be the MINAGRI through the NAEB.
101. NAEB's Environmental and Social Specialists will work very closely with the Rwanda Environmental Management Authority (REMA), Local Government officials and District Council Officials to facilitate consultations leading to FPIC with concerned communities /project affected persons (PAPs).

11.3.2 Consultations Leading To FPIC

102. Subsequent to the socio-cultural and land tenure assessments and the identification of key decision-making institutions, consultations will be held with the sub-project communities and plantations Cooperatives /Cooperatives /Associations during programme implementation – when site specific ESMPS and designs are being updated or prepared, as the case may be. Consultations will be conducted by the PSAC Environmental and Social Specialist, or by an independent facilitator/advisor hired

by NAEB.

103. The use of participatory mapping will be instrumental for the consultation process leading to FPIC. This is because of the advantages of participatory mapping and accompanying participatory enquiry techniques which allow the assessment of ownership, occupation and use of land and resources as well as the social dynamics (e.g., movements and relationships among the different social groups) and right holders.

104. Given that the sub-projects are initiated by the communities and proposed to the NAEB the consultations will:

- Confirm that the sub-project is a community-driven initiative.
- Share the objective and scope of the proposed sub-project with the communities/Cooperatives /Cooperatives /Associations directly or through their representatives (existing or elected by the communities in the process).
- Clearly inform the Cooperatives /Cooperatives /Associations/communities' representatives on the actors financing and implementing the project and their respective responsibilities.
- Provide clear and transparent information on the benefits and risks of the project.
- Share the findings of the socio-cultural, land tenure and environmental assessment and reality check/confirmation of findings.
- Engage selected Association/community members or their representatives in the resources and social mapping activities, in order to assess ownership, occupation and use of land and resources as well as the social dynamics (relationships among the different social groups).
- Share the objective and scope of the mapping exercise with the Cooperatives /Cooperatives /Associations/communities.
- Ensure inclusive participation - men, women, young people, the elderly, representatives of different communities present on the same land and neighbouring villages - and provide for multiple maps by the different Cooperatives /Cooperatives /Associations/communities.
- Share the maps with all stakeholders and actors; and,
- Formalise ownership of the land use maps by the communities that have developed them.

11.3.3 Formalising The Consent Agreement

105. Once project activities and project sites requiring FPIC agreement are identified, this will be formalised in a written form in English as well as in Kinyarwanda. The effective time the consent agreement would be formalised will be agreed upon during the consultation process and needs to be formalised before any investment is made.

106. The consent agreement will be prepared by the PSAC District Teams. The format for a consent agreement would, among others, include:

- Project activities on which consent is provided,
- Respective expectations,
- Proposed project duration, expected results and activities,
- Participatory monitoring and verification plan and procedures,
- Identification of grievances procedures and mechanisms,
- Terms of withdrawal of consent,
- Record of process through means and languages accessible to all stakeholders and parties involved.

107. The FPIC agreement and record of process will be made available through means and languages that are accessible to all stakeholders and parties involved.

11.3.4 Disclosure

108. The FPIC Implementation Plan will be disclosed together with the Programme Design Report (PDR), Environmental, Social and Climate Management Framework (ESCMF), and other documents to be submitted to the Executive Board (and Evaluation Committee).

11.3.5 Documenting The FPIC Process

109. FPIC process will be documented through minutes of consultations, mapping documents prepared by the Cooperatives /Associations/communities, videos where feasible, and FPIC agreements/formalisation documents.

11.3.6 The FPIC Implementation Plan

110. The following is a summary of the PSAC FPIC implementation Plan:

Table 7 Summarised PSAC FPIC Implementation Plan

No.	DESCRIPTION/ACTIVITY	RESPONSIBLE	TIMEFRAME	
1.0	Conduct sociocultural and land tenure assessment:			
	<p>Identify:</p> <ul style="list-style-type: none"> Customary laws, informal rules and organizing practices on land ownership. Institutions and governance systems. Types of livelihoods. Mutual support and solidarity mechanisms. Cooperatives /Associations/Community stakeholders, land users and assess who has the right to give or withhold the consent. <p>Assess:</p> <ul style="list-style-type: none"> Consequences from the proposed project that may result in the change of the status of the lands, and resources 	District offices of the NAEB (who may hire consultants to carry out the sub-project specific socio-cultural/land tenure assessments.	At the beginning of programme implementation phase. This could be part of the participatory mapping exercise.	
2.0	Identify decision-making institutions and representatives			
	<ul style="list-style-type: none"> Conduct preliminary consultations with the Cooperatives /Associations/community and explain the nature of the proposed project. Allow time for Cooperatives/Associations/communities to discuss and decide on their representatives for the consultation process leading to FPIC Clarify responsibilities of representatives Agree on the process leading to FPIC Identify signatory parties for the consent agreement. 	District offices of the NAEB, possibly through an independent facilitator, supported by IFAD as part of project implementation support, as required.	At the beginning of programme implementation phase (this could be done in tandem with the socio-cultural and land tenure assessment and mapping exercise)	
3.0	Capacitate the implementors and the stakeholders			

No.	DESCRIPTION/ACTIVITY	RESPONSIBLE	TIMEFRAME	
	<p>Conduct various capacity building workshops for both the implementing partners and the stakeholders so that they are all on the same page and will make informed decisions (See Section 5 for Details):</p> <ul style="list-style-type: none"> · Training of implementing partners on background of project: Environmental and Social Risks and Impacts of PSAC. · Training of Extension staff on background of project: Environmental and Social Impact Assessment of the Projects; · Cascading training to lower levels on background of project: Environmental and Social Impact Assessment of the Projects; · Training of Stakeholder on Gender, HIV/AIDS awareness: · Training of Stakeholder on land issues: <ul style="list-style-type: none"> o Land Tenure and rights o Land rights o Use of land o Pollution and degradation. 	<ul style="list-style-type: none"> · MINAGRI · National Aids Council (NAC) · Ministry of Environment · Private Consultant 	Programme implementation phase - before individual sub-projects start begins and throughout the project cycle	
4.0	Conduct consultation leading to FPIC on the proposed project/specific component/activities			
	<ul style="list-style-type: none"> · Share objective and scope of the project with the representatives identified by the communities and identify project component(s) requiring FPIC. · Inform them on the actors financing and implementing the project and their respective responsibilities. · Provide clear and transparent information on the benefits and risks of the project. · Share the findings of the sociocultural, land tenure and environmental assessment · Formalize consent agreement. 	District offices of the NAEB possibly through an independent facilitator, supported by IFAD as part of project implementation support, as required.	At the beginning of programme implementation phase and before individual sub-projects start.	
5.0	Formalize the consent agreement			

No.	DESCRIPTION/ACTIVITY	RESPONSIBLE	TIMEFRAME	
	<p>Formalize the consent agreement (written or in other form if so, requested by the community)</p> <p>The format for a consent agreement would include:</p> <ul style="list-style-type: none"> • Respective expectations • Proposed project duration, expected results and activities • Participatory monitoring and verification plan and procedures • Identification of grievances procedures and mechanisms • Terms of withdrawal of consent <p>Record the process through means and languages accessible to all stakeholders and parties involved</p> <p>Annex the FPIC agreement and documented process to the PDR.</p>	District offices of the NAEB possibly through an independent facilitator, supported by IFAD as part of project implementation support, as required.	Programme implementation phase. Timing agreed upon during the consultation process and before individual sub-projects starts.	
6.0	FPIC implementation			
	Implement the FPIC agreements throughout the project life.	MINAGRI, NAEB, IFAD implementation support and joint supervision missions	Programme implementation phase - before individual sub-projects start begins and throughout the project cycle	
7.0	Monitoring the FPIC implementation			
	<p>Assess FPIC implementation as part of the M&E exercise during the project life.</p> <p>Appropriate indicators for measuring progress towards and/or attainment of agreed terms will be defined and linked with a timeframe in the FPIC agreement</p>	MINAGRI, NAEB, IFAD implementation support and joint supervision missions	Programme implementation phase - before individual sub-projects start begins and throughout the project cycle	

11.4 Timeframes for Seeking FPIC

111. When the precise nature and specific location of an investment is known and well defined, FPIC must be solicited at design stage. In the case of PSAC the precise nature and specific locations of the potential investment were not known, thus the Government of Rwanda was not expected to directly seek FPIC at this stage.

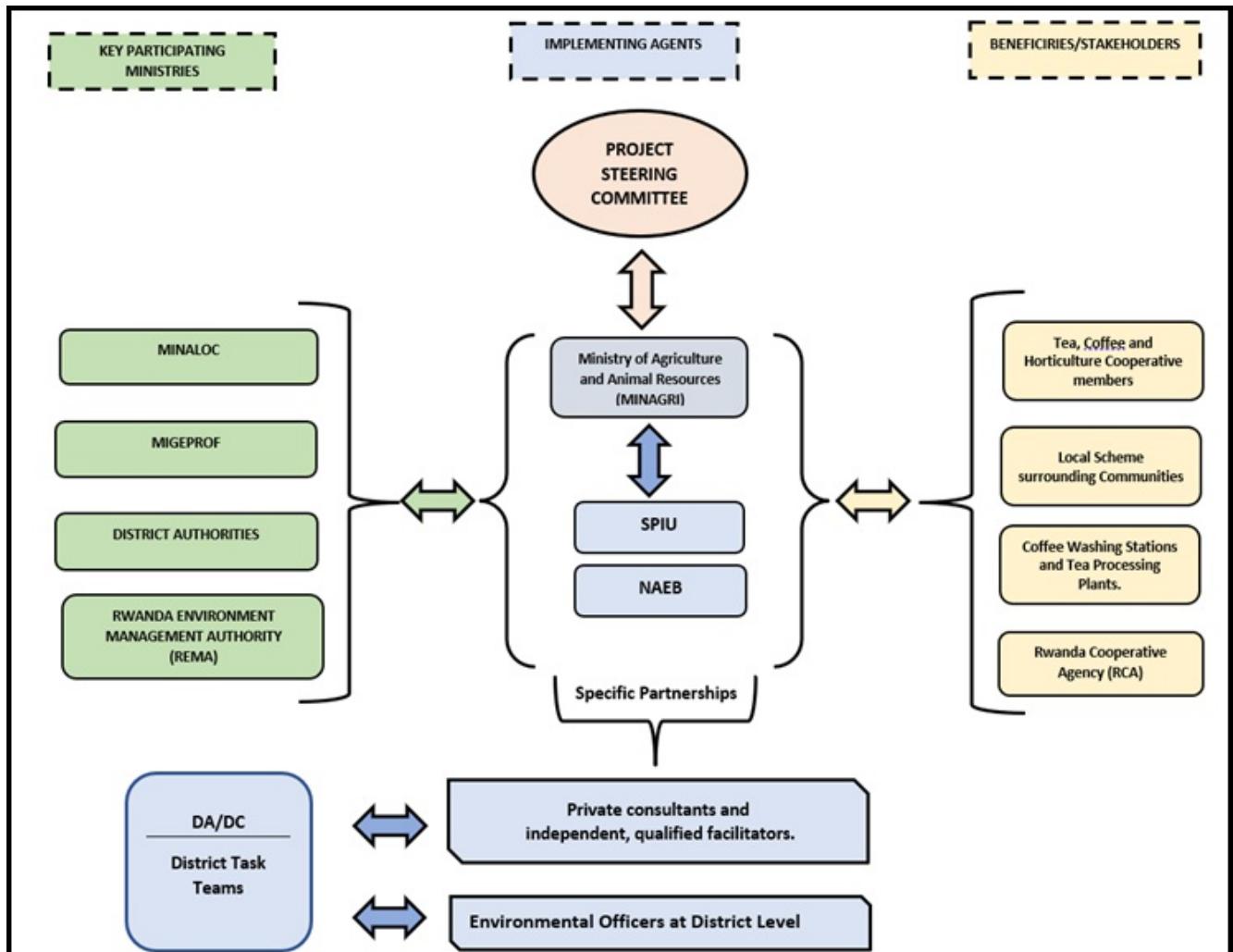
112. FPIC will be sought at Implementation stage before any of the sub-projects is implemented and the FPIC process will be implemented throughout the project life cycle with constant monitoring and evaluation.

11.5 FPIC Implementation Arrangements

113. The following is a description of arrangement responsibilities and mechanisms for seeking FPIC, as well as the role of independent, impartial entities to monitor the FPIC implementation process.

114. The lead implementing agency for the project is MINAGRI with the assistance of NAEB. NAEB will be tasked with the day-to-day coordination, planning and management of select project activities.

115. Due to the multifaced nature of PSAC, a project steering committee (PSC) will be established and will contribute to the project oversight.
116. The NAEB will spearhead the implementation of the FPIC process and will be assisted by several key implementation ministries who have staff down to district level. The structure of the implementation is outlined in figure 7-1 below.



117. NAEB staff with their District teams comprised of the staff from the key implementing partners will be capacitated by undergoing training as explained in section 5 of this report. The target beneficiaries will similarly be capacitated. All the training will be conducted by designated Ministries or private consultants. Once capacitated the teams will start the consultation processes leading to FPIC. This process will also be assisted with private consultants.

11.6 Assess FPIC Implementation

118. To assess FPIC implementation, the appropriate indicators for measuring progress towards and/or attainment of agreed terms will be defined and linked with a timeframe in the FPIC agreement. Subsequent workshops and stakeholders' reviews of the FPIC plan may also amend the various indicators to be established in the FPIC agreement. Joint supervision missions assessing project progress will also assess the implementation of FPIC agreements on a regular basis. Whenever possible, supervision and evaluation missions would include experts of relevance.

11.7 Budget and Financing

119. The following is an itemized budget for undertaking the FPIC activities described in this report.

Table 8-1 Estimated Budget for ESMF Implementation (US\$)

No.	ACTIVITY	ESTIMATE (US \$)
1	Conduct sociocultural and land tenure assessment	50,000.00
2	Identify decision-making institutions and representatives	-
3	Capacitate the implementors and the stakeholders - Environmental and Social Training	113,000.00
4	Conduct consultation leading to FPIC on the proposed project/specific component/activities	50,000.00
5	Formalize the consent agreement	5,000.00
6	Assess FPIC implementation: - Monitoring and evaluation purposes (R&D, M&E, Field Visits)	40,000.00
7	TOTAL (US \$)	258,000.00

12. Targeted Adaptation Assessment

SHORT-LISTING OF FEASIBLE ADAPTATION OPTIONS

120. The first step was to identify a long list of adaptation options to build resilience for the Promoting Smallholder Agro-Export Competitiveness Project (PSAC). The second step was to categorise the long list of options. This resulted in a shorter list of feasible options. The third step was to filter the short list of options down to the list of “most feasible adaptation options”.

121. The filtration process led to the identification of the “most feasible programmatic options.” As Table 8 shows, these options have different characteristics in terms of the climate hazards they address, and the issues in the agriculture sectors that are critical to their delivery.

122. The options were filtered according to a number of criteria:

- **First criterion.**

Does the option pass an initial assessment of relevance and feasibility to be implemented in the local context?

- **Second criterion.**

Does the option provide a positive contribution to reaching the national targets of agricultural productivity levels?

- **Third criterion.**

Does the option help to alleviate the constraints in the Tea, coffee, and horticulture value chains?

- **Fourth criterion.**

Does the option provide significant reductions to the current costs of withstanding weather variability and future climate change?

123. The following table 8 presents the most feasible adaptation options that were identified in regard to the Tea, Coffee, and

horticulture sector.

Table 8 Climate change adaptation options.

No.	HIGHLY VULNERABLE ISSUE	ADAPTATION OPTION
1.0	Cost of agricultural production and agriculture in general	Agricultural disaster risk reduction and management (DRR/M) Establishment of farmers' support (subsidies, awareness training programs) The development of knowledge and decision-support systems including improved monitoring and early warning systems. The development of new crop varieties and technologies to support farming. (improved coffee varieties and tested tea clones)
2.0	Climate and climate Shocks	Off-farm enterprise promotion like coffee shops etc Implementation of climate smart agriculture practices and environmentally sustainable practices Improved water management including the development of water harvesting techniques.
5.0	Soil erosion and soil improvements	Reduction of soil erosion, nutrient leaching from soil and minimized wind damage. (Soil erosion control and water holding structures) Improved net assimilation of tealeaf and additional organic matter from leaf litter including composting and mulching. The use of shade trees and inter-cropping of nitrogen-fixing plants with staple crops
7.0	Production of Tea, Coffee, and Horticulture crops	Shifting cropping calendars; when to plant, which varieties to plant and which inputs to use Adjustment of spraying programs and timing of husbandry activities such as pruning and fertilizer application

APPRAISAL OF FEASIBLE OPTIONS

124. The most feasible options were identified using expert decision making. However, to know which option and when the options should be implemented, they need to be appraised in more detail. The answer to "where", is given by a Multi-Criteria Analysis, (MCA) approach, whilst the answer to "when", is given by an iterative risk management (IRM) approach[\[49\]](#).

Multi-Criteria Analysis, (MCA) Approach

125. The Multi-Criteria Analysis, (MCA) approach has been used to determine which "most feasible options" should be implemented. In appraising the options, the approach takes into consideration a number of criteria including costs, benefits and urgency. The approach was used to prioritize urgent and immediate adaptation options. It was purely an expert-driven process, using information gathered from a wide stakeholder engagement.

126. The MCA method was chosen because there was a clear indication that numerous criteria and indicators, not just monetary ones, must be considered in the prioritization of the adaptation options[\[50\]](#). The "most feasible adaptation options" which were identified above will be prioritized in the current section. The prioritization will follow the following steps:

- **Step 1:** Identify prioritization criteria,
- **Step 2:** Identify outcome and performance of options against the criteria,
- **Step 3:** Assign weights to each criterion.

Step 1: Identify prioritization criteria" The criteria against which the feasible adaptation options were judged and prioritized were identified. The different criteria used in the MCA were independent of each other, and included the following:

- Economic costs and benefits,

- Level of climate resilience and robustness,
- Synergy with national plans and Multilateral Environmental Agreements,
- Urgency,
- Complementarity with national plans institutional feasibility.

Step 2: Identify outcome and performance of each option so that they can be ranked against identified criteria: The performance of each option was assessed against each criterion on a scale of 0 – 1. This was done by developing a performance matrix for the adaptation options as depicted in Table 9. Each criterion is ranked on a 0–1 scale and combined based on the criteria weights to find a combined score for each option, which then was used to rank the options for decision making.

127. The adaptation option, “Establishment of farmers' support (subsidies, awareness training programs)” ranked highest followed by “The development of new crop varieties and technologies to support farming, (Improved coffee varieties and tested tea clones).” and then by “Reduction of soil erosion, nutrient leaching from soil and minimized wind damage. (Soil erosion control and water holding structures)”.

Table 9 Adaptation decision matrix (without criteria weighting), Source: Adapted from RoR, (2006)[\[51\]](#)

OPTIONS	CRITERIA	ECONOMIC COSTS AND BENEFITS	LEVEL OF CLIMATE RESILIENCE AND ROBUSTNESS	SYNERGY WITH NATIONAL PLANS AND MULTILATERAL ENVIRONMENTAL AGREEMENTS	URGENCY	COMPLEMENTARY WITH NATIONAL PLANS INSTITUTIONAL FEASIBILITY	FINAL SCORE	RANK
Agricultural disaster risk reduction and management (DRR/M)		0.50	0.75	0.75	0.5	0.6	3.10	11
Shifting cropping calendars; when to plant, which varieties to plant and which inputs to use		0.75	0.5	1	1	1	4.25	7
The development of knowledge and decision-support systems including improved monitoring and early warning systems.		0.75	0.75	0.60	1	1	4.10	8
Implementation of climate smart agriculture practices and environmentally sustainable practices.		0.25	0.5	0.25	0.75	0.5	2.25	12
Off-farm enterprise promotion like coffee shops etc		0.75	0.85	1	1	1	4.60	5
The development of new crop varieties and technologies to support farming. (improved coffee varieties and tested tea clones)		1	1	1	1	0.90	4.90	2
Improved water management including the development of water harvesting techniques.		0.75	1	1	1	0.75	4.50	6
Reduction of soil erosion, nutrient leaching from soil and minimized wind damage. (Soil erosion control and water holding structures)		1	1	1	1	0.80	4.80	3
Improved net assimilation of tealeaf and additional organic matter from leaf litter including composting and mulching.		0.75	0.75	1	1	1	4.00	9
The use of shade trees and inter-cropping of nitrogen-fixing plants with staple crops		1	1	0.75	1	1	4.75	4
Establishment of farmers' support (subsidies, awareness training programs)		1	1	1	1	1	5.00	1
Adjustment of spraying programs and timing of husbandry activities such as pruning and fertilizer application		0.5	0.75	0.75	1	0.5	3.50	10

Source: Adapted from RoR, (2006)

Step 3: Assign weights to each criterion to reflect its relative importance and aggregate: Once options were identified and a set of criteria developed, the next step of an MCA method requires deciding if separate weights need to be assigned to different criteria. The weights reflected the importance of each criterion in meeting the overall objectives of the decision, including preferences of stakeholders derived from the consultations. This is illustrated in Table 10.

128. This was done by proposing the following weights for the identified criteria:

Table 10 weights for the identified criteria

No. IDENTIFIED CRITERIA	WEIGHT
1. Economic costs and benefits	0.20
2. Level of climate resilience and robustness	0.30
3. Synergy with national plans and Multilateral Environmental Agreements	0.15
4. Urgency	0.20
5. Complementary with national plans institutional feasibility	0.15

129. This time around, the adaptation option, "Establishment of farmers' support (subsidies, awareness training programs)" ranked highest followed by "The development of new crop varieties and technologies to support farming. (improved coffee varieties and tested tea clones)" and then by "Reduction of soil erosion, nutrient leaching from soil and minimized wind damage. (Soil erosion control and water holding structures)". The inclusion of weightings reshuffled the priority of the options, aligning them more to the preferences of the stakeholders and the political and strategic priorities of the country or sector.

Table 11 Adaptation decision matrix (with criteria weighting)

OPTIONS	CRITERIA	ECONOMIC COSTS AND BENEFITS	LEVEL OF CLIMATE RESILIENCE AND ROBUSTNESS	SYNERGY WITH NATIONAL PLANS AND MULTILATERAL ENVIRONMENTAL AGREEMENTS	URGENCY	COMPLEMENTARY WITH NATIONAL PLANS INSTITUTIONAL FEASIBILITY	FINAL SCORE	RANK
CRITERIA WEGHT	0.20	0.30	0.15	0.20	0.15			
Agricultural disaster risk reduction and management (DRR/M)	0.50 X 0.20 = 0.1	0.75 X 0.30 = 0.225	0.75 X 0.15 = 0.1125	0.5 X 0.20 = 0.1	0.6 X 0.15 = 0.09	0.6275		11
Shifting cropping calendars; when to plant, which varieties to plant and which inputs to use	0.75 X 0.20 = 0.15	0.5 X 0.30 = 0.15	1 X 0.15 = 0.15	1 X 0.20 = 0.2	1 X 0.15 = 0.15	0.8		9
The development of knowledge and decision-support systems including improved monitoring and early warning systems.	0.75 X 0.20 = 0.15	0.75 X 0.30 = 0.225	0.60 X 0.15 = 0.09	1 X 0.20 = 0.2	1 X 0.15 = 0.15	0.865		8
Implementation of climate smart agriculture practices and environmentally sustainable practices.	0.25 X 0.20 = 0.05	0.5 X 0.30 = 0.15	0.25 X 0.15 = 0.0375	0.75 X 0.20 = 0.15	0.5 X 0.15 = 0.075	0.6125		12
Off-farm enterprise promotion like coffee shops etc	0.75 X 0.20 = 0.15	0.85 X 0.30 = 0.225	1. X 0.15 = 0.15	1 X 0.20 = 0.2	1 X 0.15 = 0.15	0.925		6

OPTIONS	CRITERIA	ECONOMIC COSTS AND BENEFITS	LEVEL OF CLIMATE RESILIENCE AND ROBUSTNES S	SYNERGY WITH NATIONAL PLANS AND MULTILATERA L ENVIRONMEN TAL AGREEMENTS	URGENCY	COMPLEMENT ARY WITH NATIONAL PLANS INSTITUTIONA L FEASIBILITY	FINAL SCOR E	RANK
The development of new crop varieties and technologies to support farming. (improved coffee varieties and tested tea clones)		1 X 0.20 =	1 X 0.30 = 0.3	1 X 0.15 = 0.15	1 X 0.20 = 0.2	0.90 X 0.15 = 0.135	0.985	2
Improved water management including the development of water harvesting techniques.		0.75 X 0.20 =	1 X 0.30 = 0.3	1 X 0.15 = 0.15	1 X 0.20 = 0.2	0.75 X 0.15 = 0.1125	0.9625	4
Reduction of soil erosion, nutrient leaching from soil and minimized wind damage. (Soil erosion control and water holding structures)		1 X 0.20 =	1 X 0.30 = 0.3	1 X 0.15 = 0.15	1 X 0.20 = 0.2	0.80 X 0.15 = 0.12	0.97	3
Improved net assimilation of tealeaf and additional organic matter from leaf litter including composting and mulching.		0.75 X 0.20 =	0.75 X 0.30 = 0.225	1 X 0.15 = 0.15	1 X 0.20 = 0.2	1 X 0.15 = 0.15	0.925	6
The use of shade trees and inter-cropping of nitrogen-fixing plants with staple crops		1 X 0.20 = 0.20	1 X 0.30 = 0.3	0.75 X 0.15 = 0.1125	1 X 0.20 = 0.2	1 X 0.15 = 0.15	0.9625	4
Establishment of farmers' support (subsidies, awareness training programs)		1 X 0.20 = 0.20	1 X 0.30 = 0.30	1 X 0.15 = 0.15	1 X 0.20 = 0.2	1 X 0.15 = 0.15	1	1
Adjustment of spraying programs and timing of husbandry activities such as pruning and fertilizer application		0.5 X 0.20 = 0.1	0.75 X 0.30 = 0.225	0.75 X 0.15 = 0.1125	1 X 0.20 = 0.2	0.5 X 0.15 = 0.075	0.7125	10

Source: Adapted from Seitz J, (2014)

Iterative Risk Management

130. Having prioritised the most feasible adaptation options using the MCA, the iterative risk management (IRM) approach was then used to know when the “most feasible options” should be implemented, i.e., the sequencing of the options. It was used to sequence the implementation of the identified resilience options. This approach takes care of the uncertainty in future climate change and is derived from the recommendations of the Inter-Governmental Panel on Climate Change (IPCC), whose special report on extreme events, recommended the use of IRM approaches [52].
131. The approach uses a monitoring, research, evaluation and learning process (cycle) to improve future management strategies. It is well suited for decision contexts characterised by high uncertainties and can help decision makers to avoid taking irreversible decisions and develop plans where decisions can be adjusted appropriately. IRM is based on the idea that current decisions are essentially constrained by imperfect knowledge and cognitive bias, and cycles of revisions are necessary to improve the performance of strategies and actions. Thus, IRM incorporates learning at the core of its methodology [53].
132. IRM has a focus on starting with current climate variability (and the adaptation deficit) and then looking at future climate change within a framework of decision making under uncertainty. Early steps within IRM have a strong focus on building adaptive capacity, implementing low and no-regret options, and identifying areas of long-term concern that warrant early investigation or

action. By encouraging the “what if?” question, IRM promotes the development of flexible approaches where decisions are taken at the right time and can be adjusted later.

133. Thus, IRM looks at how to implement options over time, based on current impacts (and the adaptation deficit) and projected future climate change, against a background of uncertainty (Figure Ann 5-10). The analysis of the Prioritised Options shows that all should be implemented in some form immediately, though some of the long-term areas might only require initial investigation. The implementation of the options is depicted in figure Ann 5-10:

- **Band “A”** consists of long-term resilience actions. Initially a few actions and investigations will be implemented to avoid locking Rwanda into irreversible decisions which may not be needed in the future. These actions are proactive investigations and implementation of certain long-term issues that need to start immediately. They involve protecting the infrastructure from structural damages by using natural and man-made approaches to avert impacts from floods and heat. These should be implemented and integrated into the infrastructural development immediately to make development more effective and ‘climate smart’. In the Prioritised Options for Rwanda Promoting Smallholder Agro-Export Competitiveness Project (PSAC) these include
 - Agricultural disaster risk reduction and management (DRR/M)
 - Shifting cropping calendars; when to plant, which varieties to plant and which inputs to use.
 - Implementation of climate smart agriculture practices and environmentally sustainable practices.
 - Improved water management including the development of water harvesting techniques.
 - Reduction of soil erosion, nutrient leaching from soil and minimized
- **Band “B”** consists of actions which will result in benefits whether the climate changes or not, and thus provide immediate benefits for economic growth, as well as enhancing long-term resilience. They involve building capacity to ensure the institutional frameworks and an enabling environment are created for subsequent resilience mainstreaming and integration. In the prioritised options for the Rwanda Promoting Smallholder Agro-Export Competitiveness Project (PSAC), low and no regret options can include all the listed options but most appropriately the following.
 - The development of knowledge and decision-support systems
 - Off-farm enterprise promotion like coffee shops etc
 - The development of new crop varieties and technologies to support farming. (Improved coffee varieties and tested tea clones)
 - Improved water management including the development of water harvesting techniques.
 - Improved net assimilation of tealeaf and additional organic matter from leaf litter including composting and mulching.
 - The use of shade trees and inter-cropping of nitrogen-fixing plants with staple crops
 - Establishment of farmers' support (subsidies, awareness

134. The experience gained through the implementation of low-regret measures can serve as a basis to start designing and assessing more costly adaptation actions that could be implemented in the future.

- **Band “C”** consists of Enabling steps, involving building capacity and the enabling steps for the whole programme to take off. Once the climate resilience actions become rooted into the system, less and less of these actions will be implemented. In the prioritised options for the Rwanda Promoting Smallholder Agro-Export Competitiveness Project (PSAC), these include
 - The development of knowledge and decision-support systems
 - The development of new crop varieties and technologies to support farming. (Improved coffee varieties and tested tea clones)
 - Establishment of farmers' support (subsidies, awareness training programs)
 - Adjustment of spraying programs and timing of husbandry activities such as pruning and fertilizer application

135. Further the IRM looks at three-time periods in which to sequence options based on these key climate risks: the short term (now), the medium term (2025) and the long term (2050+). It looks at how to implement options based on current and projected future climate and the associated risks. Options should be sequenced in a robust and flexible manner given this uncertainty and should be matched to risk areas and key decision thresholds^[54].

(i) Short term

136. In the short term, the three bands of adaptation programmes will be implemented simultaneously at different rates as follows:

- **Band “A”**

These include Climate Resilience and Climate-justified actions, which constitutes “early actions for long term change” They will start with a few actions and investigations to avoid locking Rwanda into irreversible decisions which may not be needed in the future. The number of the adaptation actions are expected to grow as the programme takes shape.

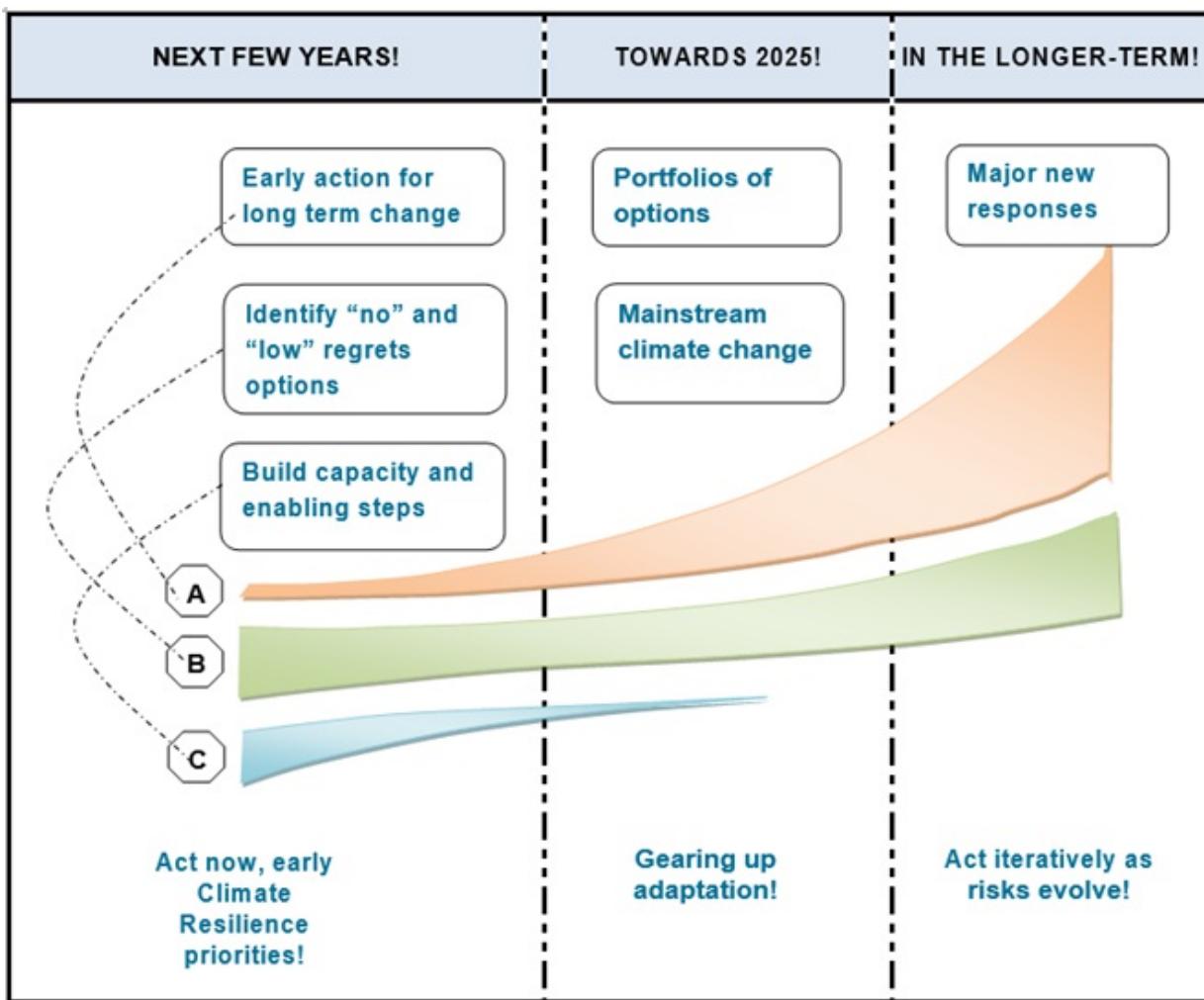


Figure Ann 5-10 Iterative sequencing of resilience options (Adapted from FDRE, 2013)

- Band “B”

These are the **Low- and no-regret** actions, which result in social and economic benefit irrespective of the future climatic changes. They will start in full force as much as is possible.

- Band “C”

These are the enabling steps. They have to be implemented in order for the climate resilience programme to take root. The enabling steps will taper off in the long run as the Climate resilience actions become rooted in the system.

(ii) Mid Term up to 2025

137. In the period up to 2025, the low and no regret options will have taken root and Rwanda will be having the institutional and technical capacity to deliver climate resilient growth. As the low and no regret options (Band B) will continue being implemented, more focus will now be directed to actions that increase resilience of the agriculture sector (Band A), fully integrating these into the delivery of development activities to ensure climate resilient growth. The number of band “A” actions in figure Ann 5-10 will start to increase, whilst Band “C” programmes will be tapering off.

(iii) Long Term (Post 2025)

138. In the long term (post 2025) all the portfolios of options will need to be implemented, noting that the specific activities will vary according to the evolution of climate risks. The implementing agent will need to act iteratively as risks evolve.

139. The key advantage of such an approach is that it seeks to exploit quick wins, by addressing the existing adaptation deficit at the same time as building future resilience. It also makes sure irreversible decisions are not taken now, which may or may not be

needed depending on the level of climate change that arises. By doing so it encourages decision makers to ask “what if” and develop a flexible approach, where decisions are reviewed over time, and plans adjusted as the evidence emerges. This builds in flexibility, reduces the risk of lock-in or stranded assets, and aims to keep future options open.

Footnotes

[1] <https://data.worldbank.org/indicator/NV.SRV.TOTL.ZS?locations=RW>

[2] <https://rdb.rw/investment-opportunities/agriculture/>

[3] https://databank.worldbank.org/data/download/poverty/95142451-550D-4C1B-A389-26FD74C6B018QA-2019/Global_POVEQ_RWA.pdf

[4] NISR, 2020. Demographic Health Survey 2019/20

[5] EICV4, 2014

[6] Almost 60% of food insecure households are vulnerable and 30% are extremely vulnerable CFSVA (2018).

[7] Women's Empowerment Agriculture Index Study (WEAI), 2020, Baseline report, DFID

[8] Ibid.

[9] NpM, 2020, Financial services for women. Case studies on women's participation in the maize and bean value chains in Rwanda.

[10] MIGEPROF, Revised National Gender Policy, Accelerating the Effectiveness of Gender Mainstreaming and Accountability for National Transformation 2021

[11] In Rwanda, the land registration policy and the inheritance law favor equal access to and ownership of land. According to the State of gender equality in Rwanda Report, (2019) women had significant access to land in the country. According to that source, 58.3 percent of land was owned by spouses, 24 percent by only women and 14 by only men (2 percent by others).

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[13] WEF. 2019. Global gender gap report 2020. Cologny/Geneva: World Economic Forum

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https://hdr.undp.org/sites/default/files/hd_perspectives_gsni.pdf

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[17] Agricultural households survey, 2020

[18] EICV5, 2016/2017, Thematic Report, Youth.

[19] In the Eastern Province of Rwanda, 83% of the rural youth population is literate and more than 90% have attained schools, even from the poorest quintiles; however, only 1.7% attained tertiary education and 2.8 % has attained technical and vocational schools. Source: NISR, EICV5, 2016/2017. Education Thematic Report

[20] Source: IFAD, 2019, Creating Employment Opportunities for Rural Youth in Africa: Support to integrated agribusiness hubs, Grant Design Report.

[21] Minority Rights Group International, African Initiative for Mankind Progress Organization and Women's Organization for Promoting Unity: *Report on the Status of Inclusion and Involvement of Historically Marginalized People (HMP) in Various Socioeconomic and Political Programmes and Promotion of their Human Rights in Rwanda* (May 2019) – available at:
<https://minorityrights.org/wp-content/uploads/2019/07/Final-Baseline-Study-Report-AIMPOWOPU-MRG-May-2019.pdf>

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[24] Republic of Rwanda, NISR, Fourth Population and Housing Census2012, Thematic Report, Socio-Economic Status of Older people, January 2014

[25] Socio-economic characteristics of persons with disabilities

[26] National Institute of Statistics of Rwanda (NISR) [Rwanda], Ministry of Health (MOH) [Rwanda], and ICF International. 2015. Rwanda Demographic and Health Survey 2014-15. Rockville, Maryland, USA: NISR, MOH, and ICF International.

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[28] RDHS 2010; RDHS 2015

[29] Fink, G., Sudfeld, C.R., Danaei, G., Ezzati, M., and Fawzi, W.W. 2014. "Scaling-Up Access to Family Planning May Improve Linear Growth and Child Development in Low and Middle-Income Countries."

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- [32] REMA, 2010
- [33] USAID, 2019
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- [36] Adaptation of Small-Scale Tea and Coffee Farmers in Kenya to Climate Change African Handbook of Climate Change Adaptation (2021).
- [37] Ethical Tea Partnership 2011; Omondi 2015; Prematilake 2014
- [38] Source: Kayonza District, Second District Health Strategic Plan, 2018/19- 2023/24.
- [39] The target for youth is realistically kept at 25% given that according to Rwanda's regulations, the classification as 'youth' does not exceed the age of 30 and does not differentiate between men and women, unlike in other countries where 'youth' can involve men up to the age of 35 and women up to the age of 40
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- [43] Ibid
- [44] The tool is being developed by FAO and should be ready by Q3 2022
- [45] IFAD, 2015; How to do Seeking free, prior and informed consent in IFAD investment projects, Knowledge Management and Grants Officer, Policy and Technical Advisory Division, September 2015.
- [46] United Nations Development Group (UNDG), Guidelines on Indigenous Peoples' Issues, 2009:30
- [47] Ibid
- [48] Consistent with international practice, the IFAD Policy on Engagement with Indigenous Peoples states that they are characterized by: "*Priority in time, with respect to occupation and use of a specific territory; the voluntary perpetuation of cultural distinctiveness, which may include the aspects of language, social organization, religion and spiritual values, modes of production, laws and institutions; self-identification, as well as recognition by other groups, or by state authorities, as a distinct collectivity; and an experience of subjugation, marginalization, dispossession, exclusion or discrimination.*"
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- [54] **FDRE, (2013); Ethiopia's climate resilient green economy. Climate Resilience Strategy, Agriculture and Forestry, Federal Democratic Republic of Ethiopia**

Environmental and Social Safeguards Classification: Substantial

Environmental and Social Safeguards				
Biodiversity conservation	Yes/No	Likelihood	Consequence	Risk Rating
1.1 Could the project potentially involve or lead to conversion or degradation of biodiversity, habitats (including modified habitat, natural habitat and critical natural habitat) and/or ecosystems and ecosystem services?	Yes	Likely	Moderate Project will significantly affect modified habitat, but will not impinge on natural habitat or critical natural habitat.	Substantial
1.2 Could the project involve or potentially lead to activities involving habitats that are legally protected, officially proposed for protection, or recognized as protected by traditional local communities and/or authoritative sources (e.g. National Park, Nature Conservancy, Indigenous Community Conserved Area, ICCA, etc.)?	No			Low
1.3 Could the project potentially involve or lead to an increase in the chance of human-wildlife encounters/conflict?	Yes	Possible	Moderate Conflict leads to some loss of livelihood or threat to wildlife, but this is not catastrophic	Moderate
1.4 Could the project potentially involve or lead to risks to endangered species (e.g. reduction, encroachment on habitat)?	No			Low
1.5 Could the project potentially involve or lead to impacts/risks to migratory wildlife?	Yes	Possible	Moderate Project or associated facilities close to sites of importance to migratory wildlife sites. No direct impact, but possible indirect impact.	Moderate
1.6 Could the project potentially involve or lead to introduction or utilization of any invasive alien species of flora and fauna, whether accidental or intentional?	No			Low
1.7 Could the project involve or lead to the handling or utilization of genetically modified organisms?	No			Low
1.8 Could the project involve or lead to procurement through primary suppliers of natural resource materials?	No			Low
Resource Efficiency and Pollution Prevention	Yes/No	Likelihood	Consequence	Risk Rating

Environmental and Social Safeguards				
2.1 Could the project involve or lead to the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	Yes	Possible	Moderate Pollutants may possibly be released, either routinely or by accident, but treatment systems are proven and verified. Receiving environment is highly sensitive.	Moderate
2.2 Could the project involve or lead to primary not environmentally sustainable production of living natural resources? (Note: this includes the cultivation or rearing of plants or animals, including annual and perennial crop farming, animal husbandry (including livestock), aquaculture, plantation forestry, etc)	Yes	Possible	Moderate Project is fully dependent on production of living natural resources. Project is sited in an existing agricultural area, with low environmental and/or social sensitivity.	Moderate
2.3 Could the project involve or lead to engagement in areas of forestry, including the harvesting of natural forests, plantation development, and/or reforestation?	No			Low
2.4 Could the project involve or lead to significant consumption of raw materials, energy, and/or water?	Yes	Possible	Moderate The project will require consumption of raw materials, energy, and/or water. This will be a significant component of the project, but impacts can be appropriately managed.	Moderate
2.5 Could the project involve or lead to significant extraction, diversion or containment of surface or ground water (e.g. construction of dams, reservoirs, river basin developments, groundwater extraction)?	No			Low
2.6 Could the project involve inputs of fertilizers and other modifying agents?	Yes	Possible	Moderate The project requires use of fertilizers, but options are available to replace polluting fertilizers with alternatives.	Moderate

Environmental and Social Safeguards				
	Yes	Possible	Moderate	Moderate
2.7 Could the project involve or lead to procurement, supply and/or result in the use of pesticides on crops, livestock, aquaculture or forestry?		The project requires use of pesticides, but options are available to replace potentially polluting pesticides with alternatives.		
2.8 Could the project be located in an area which is being, or has been, polluted by an external source (e.g. a mine, smelter, industry)?	No			Low
2.9 Could the project involve livestock – extensive and intensive systems and animal products (dairy, skins, meat, etc.)?	No			Low
Cultural Heritage	Yes/No	Likelihood	Consequence	Risk Rating
3.1 Could the project be located in areas that are considered to have archaeological (prehistoric), paleontological, historical, cultural, artistic, and religious values or contains features considered as critical cultural heritage?	Yes	Possible	Moderate The project is thought to be close to an area that is considered to have archaeological (prehistoric), paleontological, historical, cultural, artistic, and religious values or contains features considered as critical cultural heritage. The site has not been surveyed, and so the presence of cultural heritage is not well known.	Moderate
3.2 Could the project directly or indirectly affect indigenous peoples' rights, lands, natural resources, territories, livelihoods, knowledge, social fabric, traditions, governance systems, and culture or heritage (tangible and intangible)?	No			Low
3.3 Could the project involve or lead to significant excavations, demolitions, movement of earth, flooding or other environmental changes?	No			Low

Environmental and Social Safeguards				
	Yes	Possible	Moderate	Moderate
3.4 Could the project involve or lead to adverse impacts to sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)		The project is thought to be close to an area that is considered to have archaeological (prehistoric), paleontological, historical, cultural, artistic, and religious values or contains features considered as critical cultural heritage. The site has not been surveyed, and so the presence of cultural heritage is not well known.		
3.5 Could the project involve or lead to alterations to landscapes and natural features with cultural significance?	No			Low
3.6 Could the project involve or lead to utilization of tangible and/or intangible forms (e.g. practices, traditional knowledge) of Cultural Heritage for commercial or other purposes?	No			Low
indigenous peoples	Yes/No	Likelihood	Consequence	Risk Rating
4.1 Could the project be sited in areas where indigenous peoples are present (including the project area of influence)?	Yes	Possible	Moderate The project may have a moderate impact on indigenous people, because it is sited within commuting distance of indigenous communities, and because it offers employment to indigenous people.	Moderate
4.2 Could the project result in activities located on lands and territories claimed by indigenous peoples?	No			Low
4.3 Could the project result in impacts on the rights of indigenous peoples or to the lands, territories and resources claimed by them?	No			Low
4.4 Could the project result in the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No			Low
4.5 Could the project lead to impacts on the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	No			Low
Labour and Working Conditions	Yes/No	Likelihood	Consequence	Risk Rating

Environmental and Social Safeguards				
	Yes	Likely	Moderate	Substantial
5.1 Could the project operate in sectors or value chains that are characterized by working conditions that do not meet national labour laws or international commitments? (Note: this may include discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants)			The project operates in sectors or value chains that have, in the past, not met national labour laws, or international commitments, but is now adequately nationally regulated. However, international value chains are not regularly audited for environmental or social performance.	
5.2 Could the project use or operate in a value chain where there have been reports of forced labour? (Note: Risks of forced labour may be increased for projects located in remote places or where the status of migrant workers is uncertain)	No			Low
5.3 Could the project involve children (a) below the nationally-defined minimum employment age (usually 15 years old) or (b) above the nationally-defined minimum employment age but below the age of 18 in supported activities or in value chains?	No			Low
5.4 Could the project: (a) operate in a sector, area or value chain where producers and other agricultural workers are typically exposed to significant occupational and safety risks, and/or (b) promote or use technologies or practices that pose occupational safety and health (OSH) risks for farmers, other rural workers or rural populations in general? (Note: OSH risks in agriculture might include: dangerous machinery and tools; hazardous chemicals; toxic or allergenic agents; carcinogenic substances or agents; parasitic diseases; transmissible animal diseases; confined spaces; ergonomic hazards; extreme temperatures; and contact with dangerous and poisonous animals, reptiles and insects. Psychosocial hazards might include violence and harassment.)	Yes	Likely	Moderate The project operates in a sector, area, or value chain where workers are occasionally exposed to significant OSH risks, and where regulation is known to be weak or non-existent.	Substantial
Community Health, Safety and Security	Yes/No	Likelihood	Consequence	Risk Rating
6.1 Could the project be at risk from water-borne or other vector-borne diseases (e.g. temporary breeding habitats), and/or communicable and non-communicable diseases?	No			Low
6.2 Could the project lead to unintended negative impacts on nutrition?	No			Low
6.3 Is there a possibility of harm or losses due to failure of structural elements of the project (e.g. collapse of buildings or infrastructure)?	No			Low
6.4 Could the project involve or lead to the construction or rehabilitation of dams?	No			Low
6.5 Could the project involve or lead to transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No			Low

Environmental and Social Safeguards				
	Yes	Possible	Minor	Moderate
6.6 Could the project lead to adverse impacts on ecosystems and ecosystem services relevant to communities' health (e.g. food, surface water purification, natural buffers from flooding)?			The project will only have minor impacts on ecosystem services, and these can be mitigated through standard environmental management planning.	
6.7 Could the project lead to the potential for gender-based violence, including sexual harassment, exploitation and abuse, as a result of labour influx, land redistribution, or other actions that alter community dynamics?	Yes	Possible	Minor Minor changes to community dynamics. Resulting serious recorded cases of gender-based violence and/or sexual exploitation. Gender-based violence protocols in place.	Moderate
6.8 Could the project lead to increases in traffic or alteration in traffic flow?	Yes	Unlikely	Negligible The project will not lead to an increase in traffic, or alteration of traffic flow.	Low
6.9 Could the project lead to an influx of project workers?	Yes	Possible	Moderate The project is partly dependent on an influx of project workers, but the majority of workers are local. Risks of impacts have been planned for, and protocols are in place	Moderate
6.10 Could the project involve or lead to the engagement of security personnel to protect facilities and property or to support project activities?	No			Low
Physical and economic resettlement	Yes/No	Likelihood	Consequence	Risk Rating
7.1 Could the project result in temporary or permanent and full or partial physical displacement (including people without legally recognizable claims to land)?	No			Low
7.2 Could the project result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No			Low

Environmental and Social Safeguards				
	No			Low
7.3 Could the project present a risk of forced evictions?	No			Low
7.4 Could the project result in impacts on or changes to land tenure arrangements and/or community-based property rights/customary rights to land, territories and/or resources?	Yes	Possible	Moderate The project will result in moderate changes to land tenure arrangements and/or community-based property rights/customary rights. Legal recourse and other forms of arbitration/conflict resolution are available.	Moderate
Financial intermediaries and direct investments	Yes/No	Likelihood	Consequence	Risk Rating
8.1 Could the investment be granted to an institution that does not have an environmental and social policies and an associated environmental and social management system (ESMS) in place (transparent, publicly available)?	Yes	Possible	Minor The institution has an ESMS in place. Reports are not publicly available.	Moderate
8.2 Could the investment be granted to an institution with insufficient capacities (i.e. unqualified personnel e.g. ES Officer) to implement the ESMS?	Yes	Possible	Minor The institution employs an ES Officer, and employs field staff to implement the ESMS.	Moderate
8.3 Could the investment be granted to an institution that does not have an Exclusion List?	Yes	Possible	Minor The institution has an Exclusion List, but cannot verify the	Moderate
8.4 According to the institution's portfolio classification: Could the institution have potential high-risk projects in their portfolio?	No			Low
8.5 Is there evidence that the institution does not comply with the local legal framework?	No			Low

Environmental and Social Safeguards				
	Yes	Possible	Minor	Moderate
8.6 Does the institution provide a stable communication channel with stakeholders and local communities (e.g. a Grievance Redress Mechanism)?			Communities and stakeholders can contact the institution and a process is in place for institutionalizing the communication channels (e.g. complaint-management system) and training staff accordingly.	
8.7 Does the organization provide auxiliary or capacity building support services.	Yes	Likely	Minor The institution offers basic training services to customers (directly or third party service providers to improve business and livelihood opportunities.	Moderate

Climate Risk Classification: Moderate

Step 1: Hazard identification	
What are the expected hazards in the project intervention area?	No, Yes, TBD
River flood	No
Costal Flood	No
Urban Flood	No
Landslide	No
Cyclone	No
Water Scarcity (agricultural droughts and/or dry spells)	Yes
Extreme Heat	No
Wildfires	No
Future climate scenarios foreseen (period 2040-2059) - Change in frequency and intensity	No, Yes, TBD
Change in temperature (increase or decrease)	Yes
Change in rainfall (increase or decrease)	Yes
Climate variability (larger or smaller)	Yes
Intensity and frequency of extreme events (larger or smaller)	Yes
Is the project expected to have an impact on climate?	No, Yes, TBD
Is the project expected to be a significant emitter of greenhouse gases?	No
Step 2: Exposure Assessment	
Is the project located in exposed areas to weather-related natural hazards?	No, Yes, TBD
Low-lying areas (valleys, coastal zones, and small islands)	Yes
Very warm areas (subtropical)	Yes
Tropical areas (rainforests)	No
Arid and semi-arid areas (deserts)	No
Mountains zones and permafrost areas (tundra)	No
River banks	Yes
Does the project target agricultural systems, ecosystems or livelihoods exposed to weather-related hazards?	No, Yes, TBD
Is crop production frequently affected by rainfall variability, prolonged droughts, changes in temperature or pests and diseases?	Yes
Is livestock productivity frequently affected by rainfall variability, prolonged droughts, changes in temperature or diseases?	Yes
Are fisheries frequently affected by ocean acidification, water salinity and changes in sea surface temperature due to ocean-atmospheric oscillations or climate change?	Yes
Is forest productivity frequently affected by wildfires, diseases, rainfall variability, prolonged droughts, or changes in temperature?	Yes
Is the biodiversity in the project area likely to be affected by changes in climate variables?	Yes
Is any stage of the agricultural value chain (production, storage, processing and marketing) exposed to climate related hazards?	Yes
Is any rural infrastructure likely to be affected by flooding, landslides, changes in temperatures, and extreme winds.	Yes
Step 3: Sensitivity Assessment	
What are key sensitivities for the populations in the project's areas of intervention?	No, Yes, TBD
Is conflict exacerbating the population's sensitivity to weather related hazards?	No
Is population displacement being exacerbated by climate change impacts?	No

Are diseases (e.g. COVID-19, malaria, cholera) increasing the population's vulnerability and affecting their capacity to address potential weather-related hazards?	No
Is the income of the target population predominately coming from agriculture?	No
Are social inequalities (e.g. based on gender, youth, indigenous persons and other marginalized groups) being exacerbated by climate change?	Yes
Is the Human Development Index (HDI) equal to or below 0.6?	Yes
Is the Multidimensional Poverty Index (MPI) equal to or above 0.1?	Yes
Step 4: Adaptive capacity and climate resilience	
What are key adaptive capacities in the areas of project intervention?	No, Yes, TBD
Is the country well ranked in the Disaster risk reduction progress score?	Yes
Are climate and weather information services (real-time weather data, seasonal forecasts etc.) effectively being delivered (through radio, TV, SMS, extension services etc.) to farmers, rural dwellers, and end users?	Yes
Does the project country have an early action plan (preparedness and emergency response) to mitigate the impacts of weather-related hazards once the shock occurs?	Yes
Does the government or other institutions support the target population/communities with the necessary social and economic resources to prepare for or respond to climate-related events?	Yes
Is the target community carrying out (using their own means) agricultural adaptation?	Yes
Does the target population have the economic means or support to adjust or adapt their activities in response to weather related shocks?	No
Do policies/mechanisms exist that make financial credit, loans, and agricultural insurance available?	Yes
Are rural infrastructures effectively delivering services to farmers and rural dwellers?	No

Rwanda

Promoting Smallholder Agro-Export Competitiveness Project Project Design Report

Annex 6: First Annual Work Plan and Budget (AWPB)

Mission Dates: 09-27 May 2022

Document Date: 14/12/2022

Project No. 2000003934

Report No. 6186-RW

East and Southern Africa Division
Programme Management Department

PSAC ACTION PLAN AND BUDGET FOR 18 MONTHS PERIOD (January 2023 -June 2024)

Activity No	Activity per component & sub-component	Implementing Agency	IFAD Cat																			
				Unit	Quantity January 2023-		Quantity July 2023-June 2024				Total Quantity FY 2023/24	Unit Price Frw '000	Total costs Jan 2023-June 2023 Frw '000	Total costs July 2023-June 2024 Frw '000	Total costs Jan 2023-June 2024 Frw '000	Amount (January 2023- June 2024) Frw'000						
					Q3	Q4	Q1	Q2	Q3	Q4						Q3	Q4	Q1	Q2	Q3	Q4	
C1	Component 1 - Investments to enhance climate smart production and productivity of selected export-driven value chains																					
C10	Support smallholder farmers production and productivity																					
C11	Coffee- Replacement and rehabilitation																					
C111	Women and Youth led Nurseries for production of Seedlings for Replacement of 3050Ha @250trees/Ha + 15% for infilling for replacement and 10% infilling for rehabilitation of 1082ha																					
C11101	Acquisition of coffee seeds for seedlings production			Kgs	0	1,000	1,000	0	0	1,600	0	1,600	5	5,000	8,000	13,000	0	5,000	0	0	8,000	0
C11102	Field for Mobilization of communities for coffee seedlings preparation			Lumpsum	0	0	0	6	12	12	12	42	267	0	11,197	11,197	0	0	1,600	3,199	3,199	3,199
C11103	Conduct meetings for groups formation			Meetings			0					0		0	0	0	0	0	0	0	0	0
C11104	Acquisition of tubings			Kgs	0	0	0	7,000	0	0	13,000	20,000	3.5	0	70,000	70,000	0	0	24,500	0	0	45,500
C11105	Acquisition of urea			Kgs	0	0	0	0	1,700	0	0	1,700	1.4	0	2,380	2,380	0	0	0	2,380	0	0
C11106	Acquisition of Fungicides			Kgs	0	0	0	0	1,636	0	0	1,636	12	0	19,635	19,635	0	0	0	19,635	0	0
C11107	Aquiring watering cans			Number	0	0	0	940	0	0	0	940	5	0	4,702	4,702	0	0	4,702	0	0	0
C11108	Maintanance of coffee sedlings in nurseries			Number	0	0	0	0	1,636,250	1,636,250	1,636,250	1,636,250	0.050	0	57,269	57,269	0	0	0	16,363	16,363	24,544
C11109	Formation, capacity building of youth groups to engage in Replacement, Rehabilitation and Expansion program (2 groups per sector)																					
C11110	Awareness meetings of youth led groups			Meetings	0	0	0	10	20	10	18	58	600	0	34,800	34,800	0	0	6,000	12,000	6,000	10,800
C11111	Trainings of youth led groups			Training	0	0	0	10	20	18	10	58	600	0	34,800	34,800	0	0	6,000	12,000	10,800	6,000
C11112	Fields for groups formation and training			Lumpsum	0	0	0	10	20	18	10	58	267	0	15,463	15,463	0	0	2,666	5,332	4,799	2,666
C11113	Uprooting Old coffee trees and establishment of new coffee plantations (Ha) through engagement of youth groups																					
C11114	Awarenss Meetings			Meeting	0	0	0	0	6	6	6	18	600	0	10,800	10,800	0	0	0	3,600	3,600	3,600
C11115	Identification and mapping of old coffee trees to be replaced			Lumpsum	0	0	0	10	20	18	10	58	267	0	15,463	15,463	0	0	2,666	5,332	4,799	2,666
C11116	Labor for uprooting old coffee trees, Land preparation, hole making and seedlings Plantation including manure			Ha	0	0	0	0	0	0	0	0	3,090	0	0	0	0	0	0	0	0	0
	Maintenance of Replaced Coffee Plantations (Ha) - each lot planted every year shall be maintained			Ha	0	0	0	0	0	0	0	0	2,163	0	0	0	0	0	0	0	0	0
C112	Rehabilitation & maintenance (1st year) of 1082 Ha of coffee trees over 8 years old through engagement of youth groups (removal of stems and suckers selection)																					
C11201	Identification/Mapping of coffee trees to be rehabilitated			Lumpsum	0	0	0	15	29	15	0	58	267	0	15,463	15,463	0	0	3,866	7,731	3,866	0
C11202	Labor for cutting coffee stems			Ha	0	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0
C11203	Maintenance of rehabilitated coffee and suckers Selection			Ha	0	0	0	0	0	0	0	0	2,163	0	0	0	0	0	0	0	0	0
C11204	Rehabilitation & maintenance (2nd year) of 1082 Ha of coffee trees over 8 years old through engagement of																					
C113	Tools for use in coffee replacement, expansion and rehabilitation (4132 Ha)																0	0	0	0	0	
C11301	Aquisition of pruning saws			Number	0	0	0	0	0	0	5,400	5,400	6	0	32,400	32,400	0	0	0	0	0	32,400
C11302	Acquisition of pruning shears (secaterurs)			Number	0	0	0	0	0	0	5,400	5,400	7	0	37,800	37,800	0	0	0	0	0	37,800
C114	Support with seedlings to encourage intercropping coffee with Banana/fruit shade trees to improve food and nutrition security, timber production (in target 4132 Ha)																					
C11401	Acquisition of tubings			Kgs	0	0	0	100	0	0	100	0	3.5	0	350	350	0	0	350	0	0	0
C11402	Maintanance of Agroforestry sedlings in nurseries			Number	0	0	0	0	0	30,000	30,000	30,000	0.05	0	1,500	1,500	0	0	0	0	0	750
C11403	Acquisition of Banana suckers			Number	0	0	0	0	0	0	0	0	0.8	0	0	0	0	0	0	0	0	0
C11404	Sensitization, campaign and selection of early adopters for replacement, rehabilitation and Expansion program through Local Government in all 58 Sectors (2 Meetings			Meetings	0	0	0	29	29	29	29	116	600	0	69,600	69,600	0	0	17,400	17,400	17,400	17,400

Activity No	Activity per component & sub-component	Implementing Agency	IFAD Cat	Unit	Quantity January 2023-								Quantity July 2023-June 2024				Total Price Frw '000	Total costs Jan 2023-June 2023 Frw '000	Total costs July 2023-June 2024 Frw '000	Amount (January 2023- June 2024) Frw'000					
					Q3	Q4	Total Quantity FY 2022/23	Q1	Q2	Q3	Q4	Total Quantity FY 2023/24	Q3	Q4	Q1	Q2	Q3	Q4		Q3	Q4				
C11405	Support for 2 coffee technical assistants to deliver proximity technical assistance for the 86 sectors (Annual@ 150USD per Month)			Lumpsum	0	0	0	348	348	348	348	1,392	155	0	215,064	215,064	0	0	53,766	53,766	53,766	53,766			
	Total Coffee- Replacement and rehabilitation													5,000	656,686	661,686	0	5,000	123,516	158,738	133,341	241,091			
C12	Tea Expansion/Infilling																								
C121	Tea plantations -Expansion																								
C12101	Community approach farmers teams formation			days			0.00	32	32				64.00	40	0	2,560	2,560			1,280	1,280				
C12102	Purchase of nursery material (tubings and sheetings)			tons			0.00	49.00					81.45	130.45	3,200	0	417,440	417,440		156,800	260,640				
C12103	Seedlings preparation and their maintenance			seedlings			0.00		7,518,000	7,518,000	7,518,000	7,518,000	0.0275	0	206,745	206,745					68,915	68,915	68,915		
C12104	Tea plantation-Infilling																								
C12105	Fertilizer Revolving Scheme																								
C12106	Conduct of a performance review			consultant			0.00	1					1.00	1,500	0	1,500	1,500			1,500					
C122	Agroforestry																								
C12201	Purchase of nursery material (tubings)			kgs			0.00			681			681.00	2.6	0	1,771	1,771					1,771			
C12202	Community approach farmers teams formation			days			0.00		32	32			64.00	40	0	2,560	2,560					1,280	1,280		
C12203	Seedlings preparation, maintenance and planting			ha			0.00						0.00												
	Total Tea Expansion/Infilling														0	632,576	632,576	0	156,800	263,420	70,195	71,966	70,195		
C123	Horticulture plantation Establishment and productivity improvement																								
C12301	Mango - Plantation (including seedling, manure and other inputs)			seedling	0	0	0	30,000	0	0	0	30,000	1.5	0	45,000	45,000	0	0	13,500	0	9,000	22,500			
C12302	Avocado - Plantation			seedling	0	0	0	60,000	0	0	0	60,000	1.5	0	90,000	90,000	0	0	27,000	0	18,000	45,000			
C12303	Macadamia - Plantation			seedling	0	0	0	102,000	0	0	0	102,000	5.0	0	510,000	510,000	0	0	0	102,000	102,000	306,000			
C124	Essential oil - (Plantation and all the inputs/ establishment of 1Ha of mother gadern)																								
C12401	Seedlings acquisition (28,000Seedlings/Ha with 30% of seedlings)			Seedlings	0	0	0	36,400	0	0	0	36,400	1.20	0	43,680	43,680	0	0	43,680	0	0	0			
C12402	Manure/organic fertilizer acquisition			Kg	0	0	0	0	20,000	0	0	20,000	0.05	0	1,000	1,000	0	0	0	1,000	0	0			
C12403	Pesticides acquisition (AgroPy product)			L	0	0	0	0	24	0	0	24	20	0	480	480	0	0	0	480	0	0			
C12404	Mother gardern establishment(Land preparation,planting,maintanance activities)			Ha	0	0	0	0	1	0	0	1	400	0	400	400	0	0	0	400	0	0			
C12405	Mango - other inputs along with plantation (Manure and fertilizer)			kg	0	0	0	0	0	0	0	0		0	0	0	0								
C12406	Avocado - other inputs along with plantation (Manure and fertilizer)			kg	0	0	0	0	0	0	0	0		0	0	0	0								
C12407	Macadamia - other inputs along with plantation (Manure and fertilizer)			kg	0	0	0	0	0	0	0	0		0	0	0	0								
C12408	Mango - 30% gap filling in Year 2 of each new plantation			seedling	0	0	0	0	0	0	0	0		0	0	0	0								
C12409	Avocado -30% gap filling in Year 2 of each new plantation			seedling	0	0	0	0	0	0	0	0		0	0	0	0								
C12410	Macadamia -20% gap filling in Year 2 of each new plantation			seedling	0	0	0	0	0	0	0	0		0	0	0	0								
C12411	Mango - Plantation - Maintenance (manure and other inputs)			kg	0	0	0	0	0	0	0	0		0	0	0	0								
C12412	Avocado - Plantation - Maintenance (manure and other inputs)			kg	0	0	0	0	0	0	0	0		0	0	0	0								
C12413	Macadamia - Plantation - Maintenance (manure and other inputs)			kg	0	0	0	0	0	0	0	0		0	0	0	0								
C12414	Trials on essential oils (varietal selection)			Ha			0							0											
	Total Horticulture plantation Establishment and productivity improvement													0	690,560	690,560	0	0	84,180	103,880	129,000	373,500			
C13	Improvement of rural Infrastructure activites																								
C131	Direct support (100% project supported)																								
C13101	Support for soil and water testing kits (Palitest Kits)																								
C13102	Construction of 2 pilot hangars - for Coffee																								
C132	Eco-friendly coffee drying units (3 units, including 1 parabolic drying structure) including demonstration cost																								
C13201	Build Hangars - for Tea	NAEB		hangars			0.00	26				26.00	4,016	0	104,415	104,415					104,415				
C13202	Investment in avocado grading line at NAEB packhouse - for Horticulture																			0					
C13203	Electronic weighing scales	NAEB		scales			0.00	11				11.00	360.5	0	3,966	3,966									

Activity No	Activity per component & sub-component	Implementing Agency	IFAD Cat	Unit	Quantity January 2023-								Quantity July 2023-June 2024								Total Price Frw '000	Total costs Jan 2023-June 2023 Frw '000	Total costs July 2023-June 2024 Frw '000	Amount (January 2023- June 2024) Frw'000						
					Q3		Q4		Total Quantity FY 2022/23	Q1	Q2	Q3	Q4	Total Quantity FY 2023/24	Q3	Q4	Q1	Q2	Q3	Q4				Q3	Q4	Q1	Q2	Q3	Q4	
	Sub total Improvement of rural Infrastructure activites																				0	695,441	695,441	0	0	0	695,441	0	0	
	Total production & productivity																				5,000	2,675,262	2,680,262	0	161,800	471,116	1,028,254	334,307	684,786	
C14	Investment Grants																													
C141	CAT 1 - small-scale investment grants																													
C14101	Protective agriculture at smallholder level (greenhouse, walk-in tunnel, shade net...)	BDF	facility	0	0	0	0	1	2	2	5	16,000	0	80,000	80,000	0	0	0	0	16,000	32,000	32,000								
C14102	Eco-friendly coffee drying structures for CWS led by women and youth (<30 years)										0																			
C14103	Eco friendly coffee drying structures for CWS led by men (>30 years)										0																			
	Sub total small-scale investment grants																				0	80,000	80,000	0	0	0	16,000	32,000	32,000	
C142	CAT 2 - Medium-scale investment grants for cooperatives																													
C14201	Compliance related support (Horticulture) - Basic facilities, tools and equipment to acquire certification at cooperative level	BDF	Coop/farm	0	0	0	0	0	1	0	1	8,000	0	8,000	8,000	0	0	0	0	0	0	0	0	0	8,000	0	0			
C14202	Protective agriculture at cooperative level (greenhouse, walk-in tunnel, shade net...)	BDF	facility	0	0	0	0	0	0	1	1	40,000	0	40,000	40,000	0	0	0	0	0	0	0	0	0	0	0	40,000			
C14203	Compliance related support (Coffee) -Basic facilities, tools and equipment to acquire certification at cooperative level										0									0	0	0	0	0	0	0	0			
C14204	Proper effluent and solid waste handling facilities at cooperative level (CWS, loading stations and processing plants for the various value chains)										0									0	0	0	0	0	0	0	0			
	Sub total Medium-scale investment grants for cooperatives																			0	48,000	48,000	0	0	0	0	0	8,000	40,000	
C143	CAT 3 - Medium-scale investment grants for exporters																													
C14301	Basic facilities, tools and equipment to acquire certification at exporter level		unit	0	0	0	0	0	0	1	1	40,000	0	40,000	40,000	0	0	0	0	0	0	0	0	0	0	0	40,000			
C14302	Protective agriculture at exporter level (greenhouse, walk in tunnel, shade net...)		unit	0	0	0	0	0	0	1	1	40,000	0	40,000	40,000	0	0	0	0	0	0	0	0	0	0	0	40,000			
C14303	Proper effluent and solid waste handling facilities at exporter level (CWS, loading stations and processing plants for the various value chains)																			0	0	0	0	0	0	0	0			
C14304	BDF Grant management fee (6.5%)																					0	0	0	0	0	0	0		
	Sub total Medium-scale investment grants for exporters																			0	80,000	80,000	0	0	0	0	0	80,000		
	Sub total A.2.2: Investment Grants																			0	208,000	208,000	0	0	0	0	16,000	40,000	152,000	
	Total Component 1																			5,000	2,883,262	2,888,262	0	161,800	471,116	1,044,254	374,307	836,786		
C2	Component 2 - Enabling business environment along selected export-driven value chains (
C21	Capacity building of producer organisations																													
C211	Organizational Capacity development for Cooperatives and functional groups (coffee)																													
C21101	Capacity building in climate smart agricultural practices in coffee for 50 co-operatives (1 training per co-operative)																													
C21102	Farmer Field School (FFS) approach, strengthened by proximity coaching, targeting 1300 FFS @30farmers	NAEB	Number of FFS	0	0	0	0	20	20	40	80	876	0	70,040	70,040	0	0	0	0	0	0	0	0	0	0	0	17,510	17,510	35,020	
C21103	Capacity building of Proximity coaches (PSAC approach, targeting, interventions and role of FFS (For FFS Coaches) - For 1300 FFS, about 120 FFS coaches @30 per batch	NAEB	Training	0	0	0	0	1	2	1	4	824	0	3,296	3,296	0	0	0	0	0	0	0	0	0	0	0	824	1,648	824	
C21104	Managing FFS: roles and responsibility, method of engagement and problem solving - Training and exposure visit (For 2600 Lead Farmers - 2 per FFS and 120 FFS coaches, 90 batches, 3 days	NAEB	Training	0	0	0	0	5	10	5	20	1,030	0	20,600	20,600	0	0	0	0	0	0	0	0	0	0	5,150	10,300	5,150		
C21105	Training in nursery raising and management (4 women per cooperative for 50 co-operatives i.e. 200 women(in eight batches) - 1 day	NAEB	Training	0	0	0	2	4	0	0	6	412	0	2,472	2,472	0	0	0	0	0	0	0	0	0	0	0	1,648	0	0	
	Sub total Organizational Capacity development for Cooperatives and functional groups (coffee)																			0	96,408	96,408	0	0	0	0	824	25,132	29,458	40,994
C212	Organizational Capacity development for Cooperatives, Ferwacothé and functional groups (Tea)																													
C21201	Support Focal Persons(FP) for infilling activities-FP																													

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					Q3	Q4	Total Quantity FY 2022/23	Q1	Q2	Q3					Q3	Q4	Q1	Q2	Q3	Q4		
C21202	Appoint & train Field Production Assistants -FPA																					
C21203	Train & deploy Common Services Champions -CSC																					
C21204	Train leadership & management on Common Services Indicators -CSI																					
C21205	Train Common Services Champions Committee through local benchmarking																					
C21206	Appoint/Elect, induct & deploy the Fertilizer Management Committee (FMC) for RFS																					
C21207	Contract a common Services Delivery Expert/Service Provider based at Ferwacotho																					
Sub total Organizational Capacity development for Cooperatives, Ferwacotho and functional groups (Tea)												0	0	0	0	0	0	0	0			
Organizational Capacity development for Cooperatives and functional groups (Horticulture)																						
C213	Capacity building of Proximity coaches/lead farmers (PSAC approach, targeting, interventions and role of FFS (For FFS Coaches)	NAEB	Person	0	0	0	0	10	10	10	30	250	0	7,500	7,500	0	0	0	2,500	2,500	2,500	
C21302	Communication and transport allowances for lead farmer to undertake the proximity extension	NAEB	Person	0	0	0	0	15	15	15	45	30	0	1,350	1,350	0	0	0	450	450	450	
C21303	Farmer Field School (FFS) approach, strengthened by proximity extension services at each beneficiary farm (2,500 farmers) coaching, targeting 225 FFS @30farmers	NAEB	Farmer	0	0	0	0	100	200	200	250	750	46.35	0	34,763	34,763	0	0	4,635	9,270	9,270	11,588
C21304	Training in nursery raising and management (2, 3, 1 training) - 3 days	NAEB	Farmer (ToTs)	0	0	0	0	60	0	0	0	60	150	0	9,000	9,000	0	0	9,000	0	0	0
C21305	Training to grafting technicians (1, 1 training) - 2 days		Farmer (ToTs)	0	0	0	0	0	60	0	60	100	0	6,000	6,000					6,000		
C21306	Managing FFS: roles and responsibility, method of engagement and problem solving - Training and exposure visit (For Lead Farmers and FFS coaches - 700 persons, 25 batches, 3 days																					
C21307	Capacity Building in strategies for Social inclusion - Targeting for PSAC, Gender and Youth in Horticulture value chain (Lead Farmers and FFS Coaches) - 750 persons, 25 batches, 3 days	NAEB	farmer	0	0	0	0	150	200	200	200	750	40	0	30,000	30,000	0	0	6,000	8,000	8,000	8,000
C21308	Capacity building of a)certification processes and compliance, b) climate smart agricultural practices (lead farmers and FFS coaches) - 700 persons, 25batches, 3 days,		Farmer	0	0	0	0	150	200	200	200	750	40	0	30,000	30,000	0	0	6,000	8,000	8,000	8,000
C21309	Organization of Private sector led innovative training (for Farmers)																					
C21310	Organization of Private sector led innovative training (for lead farmers and FFS coaches) Regular training in Yr. 1 &2 with refresher training in 3 &4																					
C21311	Engagement with the Horticulture Centre of Excellence (HCoE) for training of lead farmers and operators (Protective agriculture) and internship to young entrepreneurs	NAEB	Farmer/Internee	0	0	0	0	50	50	50	50	200	200	0	40,000	40,000	0	0	10,000	10,000	10,000	10,000
Sub total Organizational Capacity development for Cooperatives and functional groups (Horticulture)												0	158,613	158,613	0	0	35,635	38,220	44,220	40,538		
C214	Enhanced GALS through FFS																					
C21401	Contracting service provider for enhanced GALS																					
C21402	Training of the FFS coaches																					
C21403	Training of the FFS lead farmers																					
C21404	Upscaling GALS into FFS groups																					
Sub total Enhanced GALS through FFS												0	0	0	0	0	0	0	0	0	0	0
C215	Capacity building of producer organisations through CORDAID on Cross-cutting issues (governance, financial management, Farming as a business, BDS provision, gender and youth)																					
	Cooperative strengthening																					
C215101	Identification, capacity gap assessment, development of capacity development plan	Cordaid							25	25	50	464	0	23,175	23,175				11,588	11,588		
C215102	Developing capacity development plan								25	25	50	464		23,175	23,175				11,588	11,588		

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					Q3		Q4		Q1		Q2		Q3		Q4						Q1		Q2		Q3		Q4	
C215103	Internal management (governance, membership management, business planning, internal organization) trainings									10	10	20		464			9,270	9,270						4,635	4,635			
C215104	Operations (Production, storage, post-harvest handling, logistics, quality management) + Internal control manual																	0										
C215105	Formation of new cooperatives, coop principles, law , policies, relations with external stakeholders in horticulture value chain in																	0										
Sub total Cooperative strengthening																	0	55,620	55,620	0	0	0	27,810	27,810	0	0	0	
C2152	Financial management																											
C215201	Financial administration (accounting system, accounting policies, cash handling,																											
C215202	Financial planning (budgeting, external finance, finance strategy, membership contribution, savings)																											
C215203	Financial reporting and monitoring (financial reporting, costs & sales price, cash flow, income, expenditure, liquidity, transaction recording/record and bookkeeping, access and use of financial information)																											
Sub total Financial management																	0	0	0	0	0	0	0	0	0	0	0	
C2153	Innovative trainings & Interventions																											
C21531	a) Sustainable Business Development Service (BDS) provision																											
C2153101	Developing business development services provision business model																											
C2153102	Identifying, selecting youth for to become fee based business development service provider																											
C2153103	Identify potential services for BDS providers within value chains																											
C2153104	Coaching and mentoring BDS providers to ensure they provide value for money & demand driven BDS																											
C2153105	Facilitating BDS provision, create linkage with value chain actors to develop paid for services																											
C2153106	Develop sustainable training/service delivering model for BDS providers																											
C21532	b) Farming as a Business																											
C2153201	Developing farming as business module/curricular (FaaB)																											
C2153202	Incorporate FaaB into FFS approach & training and coaching FFS coaches on Farming as business module																											
C2153203	Training and coaching of farmers on FFS curricular through FFS groups																											
C2153204	Training smallholders on farming enterprise profitability & management for smallholders																											
C2153205	Financial Education - Farm business management-book keeping, etc																											
C21533	c) Mobilising youth for equipment maintenance																											
C2153301	Developing curricula & practical education trajectories around equipment maintenance																											
C2153302	Training trainers for youth as services providers on equipment maintenance																											
C2153303	Developing fee-based services model/paid for services for equipment maintenance																											
C2153304	Market sensitization farmers on the use of equipment / mechanization																											
C2153305	Advocate and implement adapted curriculum in vocational schools																											
Sub total Innovative trainings & Interventions																	0	0	0	0	0	0	0	0	0	0		
C216	Gender & youth in value chains and financial inclusion																											
C21601	Identify service categories oriented on youth and women																											
C21602	Promoting women / youth participation in VCs / farming as a business / business creation /link to challenge fund																											

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					Q3		Q4		Total Quantity FY 2022/23	Q1	Q2	Q3	Q4	Total Quantity FY 2023/24	Unit Price Frw '000	Q3	Q4	Q1	Q2	Q3	Q4			Q3		Q4					
C21603	Women / youth inclusion in leadership roles (Govt, FO, Pvt sector, ...)																														
C21604	Promoting access to finance for women / youth (through FI)																														
	Sub total Gender & youth in value chains and financial inclusion																														
C217	Access to markets																														
C21701	Develop access to market model																														
C21702	Linking farmer organizations to market (Supply contract)																														
C21703	Support/strengthen/train producer organization on quality improvement (aflatoxin control, proper post-harvest handling)																														
	Sub total Access to markets																														
	Sub total Skills improvement B.1.5																														
	Total B1 Capacity building of producer organizations																														
C218	Backward and forward market linkages																														
C2181	Backward and Forward linkages for Coffee development																														
C218101	Catalyse the private owned CWS to embrace Newly Created Coffee Zones by entering into MOUs with the farmers in the zones they operate in (Women and Youth Led)																														
C218102	Support for completion of coffee appellation activities: Patenting, Branding and designing of packaging materials (Lumpsum)																														
C218103	Hiring service provider for the appellation, patenting and promotion activities			L/S	0	0	0	0	1	0	0	1	20,600	0	20,600	20,600	0	0	0	6,180	8,240	6,180									
C218104	Support for development of promotional materials, Preparation of appellate coffee samples for promotion in diplomatic mission trade attach'es, and International trade fairs (Lumpsum)																														
C218105	Prorata support for implementation of E-Market Platform for all commodities																														
C218106	Regional and International Coffee events and Competitions																														
C218107	Support exporters with Booth payment and Airflight to participate in coffee exhibitions (SCAJ and SCA)								1	1		2	10,000		20,000	20,000			10,000		10,000										
C218108	Support coffee stake holders to attend under AFCA air ticket and attendance costs										1	1	1	10,000		10,000	10,000														
C218109	Participation into coffee cupping events and auction			#Persons	0	0	0	0	3	3	3	9	20,600	0	185,400	185,400	0	0	0	61,800	61,800	61,800									
	Sub total Backward and Forward linkages for Coffee development																														
C2182	Backward and Forward market linkages for Horticulture development																														
C218201	Capacity building of exporters in the international business, quality control and client req.																														
C218202	Participation in international horticultural promotional events																														
C218203	Support exporters to participate in horticulture events and exhibitions(World of perishables and Fruit logistica) with Air flight cost and booth payments								1	1		2	18,000		36,000	36,000				18,000	18,000										
C218204	Support exporters of Essential oils to attend Intenational exhibitions(Vivanes)										1	1	1	20,000		20,000	20,000														
C218205	Cost of market agents/facilitators based in a key diplomatic missions																														
C218206	Hiring Market facilitators for twelve months for middle East and Europe									2	2	4	75,000		300,000	300,000				150,000	150,000										
C218207	Additional investment to HEGF hosted by BRD																														
C218208	Technical Assistance for increased uptake of HEGF																														
	Sub total Backward and Forward market linkages for Horticulture development																														
C219	Support to Quality control and Market driven certifications																														
C2191	Support to producers / Cooperatives / exporters for Market driven certifications																														
C21901	Support for cost of market driven certifications (for Horticulture)																														

Activity No	Activity per component & sub-component	Implementing Agency	IFAD Cat																			
				Unit	Quantity January 2023-		Quantity July 2023-June 2024					Total Quantity FY 2023/24	Unit Price Frw '000	Total costs Jan 2023-June 2023 Frw '000	Total costs July 2023-June 2024 Frw '000	Total costs Jan 2023-June 2024 Frw '000	Amount (January 2023- June 2024) Frw'000					
					Q3	Q4	Q1	Q2	Q3	Q4	Q3					Q3	Q4	Q1	Q2	Q3	Q4	
C2190101	Support in gap assessment, system design and documentation development for market standard implementation, training and coaching for internal auditors, inspections, root cause analysis and corrective action towards readiness for certification (service provider)			Lumpsum	0	0	0	0	1	1	0	2	10,300	0	20,600	20,600	0	0	0	10,300	10,300	0
C2190102	Support costs of laboratory tests for products and environmental inspections by accredited Labs for certification (accredited Laboratories)			Lumpsum	0	0	0	0		1	1	2	5,150	0	10,300	20,600	0	0	0	0	5,150	5,150
C2190103	Support certification audit costs (accredited CBs)			Lumpsum	0	0	0	0	0	1	1	2	5,150	0	10,300	10,300	0	0	0	0	5,150	5,150
C21902	Support for cost of market driven certifications (for Coffee)			Lumpsum																		
C2190201	Support in gap assessment, system design and documentation development for market standard implementation, training and coaching for internal auditors, inspections, root cause analysis and corrective action towards readiness for certification (service provider)			#Certificates	0	0	0	0	1	1	0	2	10,300	0	20,600	20,600	0	0	0	10,300	10,300	0
C2190202	Support laboratory tests for products and environmental inspections by accredited Labs for certification (accredited Laboratories)			#Certificates	0	0	0	0		1	1	2	5,150	0	10,300	20,600	0	0	0	0	5,150	5,150
C2190203	Support certification audit costs (accredited CBs)			#Certificates	0	0	0	0	0	1	1	2	5,150	0	10,300	10,300	0	0	0	0	5,150	5,150
C21903	Cost of facilitation (identification of niche, identification of certification requirements, coaching exporters)																					
	Sub total Support to producers / Cooperatives / exporters for Market driven certifications																					
C2192	Creation of pool of internal inspectors / Accredited auditors /Quality specialist and Accreditation of laboratory																					
C219201	Training to selected youth on quality certification and internal audit (for 30 youth, 4 weeks)			#persons	0	0	0	0	0	0.50	0.50	1	41,200	0	41,200	41,200	0	0	0	0	0	20,600
C219202	Support for internship of selected 20 youth , for 2 months			#persons	0	0	0	0	0	-	0	0	0	0	0	0	0	0	0	0	0	
C219203	Support for examination fees for graduation as accredited auditors (for 10 persons)																					
C219204	Training of coffee liquorers and quality analysts/Q-graders- 1 from each of progressive cooperatives (Capacity Building for local coffee quality , barrister, coffee grading quality specialists)			#persons	0	0	0	20	20	0	0	40	824	0	32,960	32,960	0	0	16,480	16,480	0	0
C219205	Support to Agro-export quality specialized facility and services accreditation and international recognition (Technical Assistance and upgrading the observed gaps for compliance as per scoped accreditation)				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
C21920501	Hiring service provider for accreditation				0	0	0		0	0	0.20	0	103,000	0	20,600	20,600	0	0	0	0	0	20,600
C21920502	hiring service provider (for supply and commissioning, Maintenance)																					
	Sub total Creation of pool of internal inspectors / Accredited auditors /Quality specialist and Accreditation of laboratory																					
	Sub total B.2.3																					
C220	HEIFER																					
	Extension services for tomato, carrots, garlic and onions (partnership with HEIFER International)																					
C2201	Sustainable increase in quality production for domestic market																					
C220101	Identify and provide support to resource poor households to access quality inputs			Lumpsum					8,368	8,368	8,368	8,368	33,472	1.03	0	33,472	33,472			8,368	8,368	8,368
C220102	Mobilize and provide specialized training to smallholder farmers to engage in improved sustainable farming practices (irrigation, green houses and integrated farming)			Lumpsum					7,173	7,173	7,173	7,173	28,690	1.03		28,690	28,690			7,173	7,173	7,173
C220103	Raise awareness and increase adoption of relevant technologies (post-harvest handling, All-year round production techniques, climate risk management)			Lumpsum					4,782	4,782	4,782	4,782	19,127	1.03		19,127	19,127			4,782	4,782	4,782
	Sub total Sustainable increase in quality production for domestic market																					
	20,322																					

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					Q3	Q4	Q1	Q2	Q3	Q4					Q3	Q4	Q1	Q2	Q3	Q4		
C2202	Building capacity of co-operatives and increasing investment in value chain development																					
C220201	Organize into horticulture cooperatives and provide training/capacity building on good governance, business plans development, input supply, marketing and access to finance.			Lumpsum			8,368	8,368	8,368	8,368	33,472	1.03	0	33,472	33,472			8,368	8,368	8,368	8,368	
C220202	Develop and/or strengthen farmer's social capital through Heifer's "VBHCD" combining the Heifer's 12 Cornerstones for just and sustainable development and the community-led Participatory Self-Review and Planning.			Lumpsum			22,713	22,713	22,713	22,713	90,853	1.03	0	90,853	90,853			22,713	22,713	22,713	22,713	
C220203	Provide investments support to cooperatives aimed at increased mechanization at farm level and infrastructure development for processing, transport logistics and warehousing in order to reduce post-harvest losses.			Lumpsum			10,000	10,000	10,000	10,000	40,000	1.03	0	40,000	40,000			10,000	10,000	10,000	10,000	
	Sub total Building capacity of co-operatives and increasing investment in value chain development													0	164,325	164,325	0	0	41,081	41,081	41,081	41,081
C2203	Improving competitiveness of smallholders through product diversification and increased access to markets																					
C220301	Train smallholder farmers on post-harvest handling, preservation and value addition for horticulture products and create market linkage services.																					
C220302	Provide capital investments to youth engaged in value addition, marketing and horticulture product aggregation services to acquire processing equipment, packaging materials, compliance and certification for the domestic market.																					
C220303	Facilitate the establishment of Youth Agribusiness Hubs at identified central locations to improve farmer's access to inputs and relevant Business Development Services.																					
	Sub total Improving competitiveness of smallholders through product diversification and increased access to markets													0	0	0	0	0	0	0	0	0
	Project Management and Co-ordination (HEIFER)																					
	Sub total 2.4.4													0	0	0	0	0	0	0	0	0
	Sub total 2.4 (Heifer)													0	245,614	245,614	0	0	61,404	61,404	61,404	61,404
C223	Range of diversified financial products - CORDAID																					
C2231	Financial literacy and savings for resilience																					
	Financial education - introduction to financial education services and products																					
	Financial Education - Awareness on Climate change and agri-insurance																					
	Savings mobilization (VSLA) and linking to MFIs																					
	Sub total Financial literacy and savings for resilience													0	0	0	0	0	0	0	0	0
C2232	Leasing product development (asset loans) - CORDAID																					
	Developing the asset finance model																					
	Assist MFIs in developing the asset finance product																					
	Develop the official documents like MoU, Service level agreement for the parties agreements, etc.																					
	Introduction of equipment to Farmer Organizations (FOs) (e.g. field demonstrations)																					
	Linkage workshop and roundtable discussion between equipment supplier and FOs																					
	Connecting FOs to MFIs for equipment financing																					
	Sub total Leasing product development (asset loans) - CORDAID													0	0	0	0	0	0	0	0	0
C2233	Access to agricultural finance MFIs (agri-assessment tool coffee, tea, horti) - CORDAID																					
C223301	Agri-financing through the introduction of the digital credit assessment tool (Simbuka+)																					
C223302	Institutionalization of agri-assessment tool																					

Activity No	Activity per component & sub-component	Implementing Agency	IFAD Cat	Unit	Quantity January 2023-								Quantity July 2023-June 2024								Total Price Frw '000	Total costs Jan 2023-June 2023 Frw '000	Total costs July 2023-June 2024 Frw '000	Total costs Jan 2023-June 2024 Frw '000	Amount (January 2023- June 2024) Frw'000							
					Quantity January 2023-		Quantity July 2023-June 2024						Q3		Q4		Total Quantity FY 2022/23		Q1		Q2		Q3		Q4		Total Quantity FY 2023/24		Q3		Q4	
C223303	Training MFIs loan officers on the use of Simbuka+/agri-credit assessment tool																															
C223304	Capacity building needs assessment through ratings and microscore																															
C223305	Implementation of capacity building (Risk management, product development)																															
C223306	Agri-product developments, digital payments																															
C223307	Capital mobilisation; grow savings and broker international refinancing for agri loans																															
	Sub total Access to agricultural finance MFIs (agri-assessment tool coffee, tea, horti) - CORDAID																				0	0	0	0	0	0	0	0	0	0		
C2234	Access to agricultural finance (Umurenge) SACCOs - in partnership with AMIR - CORDAID																															
C223401	Align with national Umurenge SACCO restructuring plan (product offering, client orientation, loan assessment and automation (Ingabo CBS)																															
C223402	Intake assessment of (Umurenge) SACCO partners and repeat annual																															
C223403	TA plan with (Umurenge) SACCOs																															
C223404	Replicate Ingabo CBS implementation to other SACCOs																															
	Sub total Access to agricultural finance (Umurenge) SACCOs - in partnership with AMIR - CORDAID																															
	Sub total 2.5																			0	0	0	0	0	0	0	0	0	0	0		
C224	Climate resilience financial services - CORDAID																															
C2241	Capacity strengthening of FIs on climate resilient finance																															
C224101	Training of FI staff on climate resilience																															
C224102	Development of climate policies / frameworks (environmental policy, risk management strategy, etc.)																															
C224103	Assessment of opportunities / risk for FIs in relation to CSA(climate smart agriculture)																															
C224104	Linking FIs and impact investors for refinancing of CSA services / products																															
	Sub total 2.6.1																			0	0	0	0	0	0	0	0	0	0	0		
C2242	Integration of climate indicators in credit assessment																															
C224201	Selection of climate risks, indicators and data sources																															
C224202	Include indicators in credit assessment																															
C224203	Establish monitoring system to verify indicators																															
C224204	Digitalisation of climate sensitive credit assessment																															
	Sub total 2.6.2																			0	0	0	0	0	0	0	0	0	0	0		
C2243	Adaptation / development of financial products for climate-smart agriculture (CSA)																															
C224301	Screening products and services on climate risks / opportunities																															
C224302	Design products and services climate-smart agriculture																															
C224303	Approval of products and services CSA																															
C224304	Pilot testing and monitoring products CSA																															
C224305	Evaluation of financial CSA products and services																															
C224306	Upscaling of financial CSA products and services																															
	Sub total 2.6.3																			0	0	0	0	0	0	0	0	0	0	0		
C2244	ICT4D for value chain development and financial services																															

Activity No	Activity per component & sub-component	Implementing Agency	IFAD Cat	Unit	Quantity January 2023-								Quantity July 2023-June 2024								Total Price Frw '000	Total costs Jan 2023-June 2023 Frw '000	Total costs July 2023-June 2024 Frw '000	Amount (January 2023- June 2024) Frw'000								
					Q3		Q4		Total Quantity FY 2022/23	Q1	Q2	Q3	Q4	Total Quantity FY 2023/24	Q3	Q4	Q1	Q2	Q3	Q4				Amount (January 2023- June 2024) Frw'000								
																								Amount (January 2023- June 2024) Frw'000								
C224401	Piloting & scaling ICT for processors - creating Create comprehensive farmer profiles, (access to credit status of individual farmers, field data, supply contracts, GPS location)																															
C224402	Connecting FOs to ICT solutions - digital market inf, weather inf, digital market platform, supply mgt solutions, product traceability, mobile payments, etc																															
C224403	Connecting farmers data to Simbuka+ & MFIs																															
Sub total CT4D for value chain development and financial services																						0	0	0	0	0	0	0	0	0		
Sub total 2.6																																
C2245	Program Embedded Reflection & Learning (M&E) - CORDAID																															
C224501	Deep-dive case studies																															
C224502	Knowledge exchange (learning visits, development knowledge products such as factsheets, blogs, and documentary video, participation in webinar, conference)																															
C224503	Monitoring activities (field visit, quality data audits, quick assessments, human interest stories)																															
C224504	Maintaining MIS (management information system)																															
C224505	Quantified regular output monitoring																															
C224506	MFI annual microscore and one rating																															
Sub total Program Embedded Reflection & Learning (M&E) - CORDAID																						0	0	0	0	0	0	0	0	0		
Sub total Backward and forward linkages																						0	1,014,774	1,014,774	0	0	87,884	334,464	380,644	191,184		
Total component 2																						0	1,325,415	1,325,415	0	0	124,343	425,626	482,132	272,715		
C3	Component 3 - Policy support and coordination																															
C30	Investment costs																															
C31	Enabling Policy Environment																															
C311	Enabling policy environment - Coffee																															
C31101	Support for Public-Private Sector Roundtables to engage in coffee value chain policy research and development			Meeting	0	0	0	0	1	0	1	2	5,150	0	10,300	10,300	0	0	0	0	5,150	0	5,150									
Sub total Enabling policy environment - Coffee																						0	10,300	10,300	0	0	0	5,150	0	5,150		
C312	Enabling policy environment - Tea																															
C31201	Tea value addition policy & strategy (Develop and improve national tea marketing strategy in collaboration with RDB)																															
C31202	Cooperatives Common Services Policy & Strategy																					1	1	32,136	0	0	0	0				
Sub total Enabling policy environment - Tea																						0	0	0	0	0	0	0	0	0		
C313	Enabling policy environment - Horticulture																															
C31301	Development of policy briefs for advocacy on a) intercropping in coffee (banana, essential oil plants), b) packaging material and c) increasing airfreight capacity and maintaining affordable rates d) supply contact business models																															
C31302	Support to Rwanda Horticulture Working group for organization of annual multistakeholder meeting on addressing policy issues in horticulture Value chain and developing action plan			Lumpsum					1	1	0	2	5,150	0	10,300	10,300							5,150	5,150								
Sub total Enabling policy environment - Horticulture																						0	10,300	10,300	0	0	5,150	5,150	0	0		
C32	Specific support to VC platforms																															
C321	Specific support to VC platforms - Coffee																															
C32101	Capacity building for CEPAR in Public/private dialogue approach in advocacy			Meeting	0	0	0	0	1	0	1	2	2,575	0	5,150	5,150	0	0	0	0	2,575	0	2,575									
Sub total Specific support to VC platforms - Coffee																						0	5,150	5,150	0	0	2,575	0	2,575			
C322	Specific support to VC platforms - Tea																															
C32201	Review and completion of E-commerce platform			Lumpsum					1		1		103,000	0	103,000	103,000										20,600	41,200	41,200				
C32202	Review and completion of National tea register			Lumpsum					0		0		0	0	0	0																
C32203	Review and completion of Tea census			Lumpsum					1</td																							

Activity No	Activity per component & sub-component	Implementing Agency	IFAD Cat	Unit	Quantity January 2023-								Quantity July 2023-June 2024				Total Price Frw '000	Total costs Jan 2023-June 2023 Frw '000	Total costs July 2023-June 2024 Frw '000	Amount (January 2023- June 2024) Frw'000						
					Q3		Q4		Total Quantity FY 2022/23	Q1	Q2	Q3	Q4	Total Quantity FY 2023/24	Q3	Q4	Q1	Q2	Q3	Q4						
	Sub total Specific support to VC platforms - Tea																									
C323	Specific support to VC platforms - Horticulture																									
C32301	Cost of establishment of District level platform (one time office cost for PC and a table)	Platforms			4	4	4	2	14	721	0	10,094	10,094						2,884	2,884	2,884	1,442				
C32302	Cost of platform facilitator and contact person (local youth) - Honorarium and allowances	Platforms			4	4	4	2	14	824	0	11,536	11,536						3,296	3,296	3,296	1,648				
C32303	Biannual meetings of district level VC platforms	Meeting			8	8	8	4	28	618	0	17,304	17,304						4,944	4,944	4,944	2,472				
	Sub total Specific support to VC platforms - Horticulture																	0	11,124	11,124	11,124	5,562				
	Sub total Specific support to VC platforms																									
C33	Monitoring and Evaluation																									
C3301	Baseline survey	Lumpsum				1		0	1	40,000	0	40,000	40,000							8,000	16,000	16,000				
C3302	Set-up of electronic participatory M&E system and MIS	Lumpsum				1	1		2	5,000	0	10,000	10,000							5,000	5,000	5,000				
C3303	Knowledge management activities	Lumpsum			1	1	1	1	4	5,000	0	20,000	20,000							5,000	5,000	5,000				
	Sub total Monitoring and Evaluation																	0	5,000	18,000	26,000	21,000				
C34	Vehicles and motorcycles																									
C3401	Vehicles pick-up 4x4 for VCs (3)	Number					3		3	55,000	0	165,000	165,000								165,000					
C3402	Motorbikes for NAEB focal persons (14)	Number					14		14	4,960	0	69,446	69,446								69,446					
	Sub total C.4: Vehicles and Motorcycles																	0	0	0	234,446	0				
C35	Launching of Project																									
C3501	Recruitment of Project (Job postion published in the newspapers, written & oral results conducted)	SPIU-IFAD /NAEB		Lumpsum	1	1				0	2,000	2,000	0	2,000												
C3502	Organize a workshop for project startup	SPIU-IFAD /NAEB		Lumpsum	1	1				0	2,000	2,000	0	2,000												
C3503	Organize a workshop for official launching of project	SPIU-IFAD /NAEB		Lumpsum	1	1				0	30,000	30,000	0	30,000												
C3504	Workshop for Project launching at District levels	SPIU-IFAD /NAEB		Lumpsum	1	1	1	1		2	6,000	6,000	12,000	18,000						6,000	6,000	6,000				
	Total Lauching of Projects																	40,000	12,000	52,000	0	40,000	6,000	6,000	0	
C36	Office Furnitures and Equipments																									
C3601	Office equipment and furniture for NAEB Staff at HQ	SPIU-IFAD		Lumpsum			13			13	1,000	0	13,000	13,000								13,000				
C3602	Office equipment and furniture for NAEB Staff/Focal Points at District level	SPIU-IFAD		Lumpsum			14			14	1,000	0	14,000	14,000								14,000				
C3603	IT Equipments (Computers,Printer,Photocopier,Projector and Scanner) for NAEB Staff at HQ	SPIU-IFAD		Lumpsum			13			13	2,177	0	28,300	28,300								28,300				
C3604	IT Equipments (Computers and Printer)for NAEB Staff/Focal Points at District level	SPIU-IFAD		Lumpsum			14			14	1,600	0	22,400	22,400								22,400				
	Subtotal																	0	77,700	77,700	0	0	77,700	0	0	
	Total Investment costs																	40,000	695,730	735,730	0	40,000	34,999	174,624	361,695	124,412
C37	Recurrent costs																									
C371	Staff salaries									3	3	3	3	12	2,338	0	28,054	28,054				7,013	7,013	7,013	7,013	
C37101	Operations Manager			Pers.month			3	3	3	3	12	1,844		22,128	22,128						5,532	5,532	5,532	5,532		
C37102	M&E Specialist			Pers.month			3	3	3	3	12	1,844		22,128	22,128						5,532	5,532	5,532	5,532		
C37103	Gender & Social Inclusion Specialist			Pers.month			3	3	3	3	12	1,844		22,128	22,128						5,532	5,532	5,532	5,532		
C37104	KM Specialist			Pers.month			3	3	3	3	12	1,844		22,128	22,128						5,532	5,532	5,532	5,532		
C37105	Environment and Natural Resources Specialist			Pers.month			3	3	3	3	12	1,844		22,128	22,128						5,532	5,532	5,532	5,532		
C37106	Coffee Specialist			Pers.month			3	3	3	3	12	1,844		22,128	22,128						5,532	5,532	5,532	5,532		
C37107	Tea Specialist			Pers.month			3	3	3	3	12	1,844		22,128	22,128						5,532	5,532	5,532	5,532		
C37108	Horticulture Specialist			Pers.month			3	3	3	3	12	1,844		22,128	22,128						5,532	5,532	5,532	5,532		
C37109	Access to Finance Specialist			Pers.month			3	3	3	3	12	1,844		22,128	22,128						5,532	5,532	5,532	5,532		
C37110	Procurement Officer			Pers.month			3	3	3	3	12	1,653		19,837	19,837						4,959	4,959	4,959	4,959		
C37111																										

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					Q3		Q4		Total Quantity FY 2022/23	Q1	Q2	Q3	Q4	Total Quantity FY 2023/24	Q3	Q4	Q1				Q3	Q4	Q1	Q2	Q3	Q4	
C372110	Promotion materials (District)			Lumpsum						14				14	1,000	0	14,000	14,000			7,000		7,000				
C372111	Districts annual competition			Lumpsum						1				1	10,000	0	10,000	10,000			2,500		2,500		2,500		
	Sub total Districts														0	157,840	157,840	0	0	42,960		35,960		42,960		35,960	
C3722	NAEB																										
C372201	Office running costs			Lumpsum						3	3	3	3	12	1,500	0	18,000	18,000			4,500		4,500		4,500		
C372202	Steering/technical committee meetings			Lumpsum						1		1		2	500	0	1,000	1,000			500		500				
C372203	Communication fees			Lumpsum						3	3	3	3	12	850	0	10,200	10,200			2,550		2,550		2,550		
C372204	Promotion materials			Lumpsum						1	1	1	1	4	600	0	2,400	2,400			600		600		600		
C372205	Tender committee sitting allowance			Lumpsum						1	1	1	1	4	1,061	0	4,245	4,245			1,061		1,061		1,061		
C372206	Advertisement, publication, awareness campaign, mobilization through media including radio, TV			Lumpsum						1	1	1	1	4	1,000	0	4,000	4,000			1,000		1,000		1,000		
C372207	Refreshment service (different meetings& workshops)			Lumpsum						1	1	1	1	4	2,000	0	8,000	8,000			2,000		2,000		2,000		
C372208	Hiring a vehicle for field visits			Lumpsum						1	1	1	1	4	3,000	0	12,000	12,000			3,000		3,000		3,000		
	Subtotal														0	59,845	59,845	0	0	15,211		14,711		15,211		14,711	
C3723	Vehicles and motorcycle operation & Maintenance																										
C372301	Insurance for 4 WD Twin Cab pickups			Number						3				3	1,744	0	5,232	5,232								5,232	
C372302	Fuel for 4 WD Twin Cab pickups			Number						3		3		6	2,000	0	12,000	12,000								6,000	
C372303	Maintenance fees for 4 WD Twin Cab pickups			Number						3		3		1,300	0	3,900	3,900								1,950		
C372304	Maintenance fees for motorcycles			Number						14		14		150	0	2,100	2,100								1,050		
C372305	Tyre purchasing			Number						6		6		330	0	1,980	1,980								990		
	Subtotal Vehicle Operation & Maintenance														0	25,212	25,212	0	0	0		0			15,222		
C3724	Bank charges and commission																										
C372401	Bank charges			Number						1	1	1	1	4	42	0	169	169			42		42		42		
C372402	Purchase of Cheque and Op books			Number						1		1	2	11	0	21	21			5		5		5		5	
C372403	Bank statement fees			Number						4	4	4	4	16	4	0	61	61			15		15		15		
C372404	Money transfer fees			Number						1	1	1	1	4	250	0	1,000	1,000			250		250		250		
C372405	Loss on currency exchange and translations			Number						1	1	1	1	4	7,290	0	29,161	29,161			7,290		7,290		7,290		
C372406	Other commissions			Number						1			2	265	0	529	529			132		132		132			
	Subtotal														0	30,941	30,941	0	0	7,735		7,735		7,735		7,735	
	Sub total Recurrent Costs														0	773,875	773,875	0	0	190,916		183,416		206,138		193,406	
	Total component 3														40,000	1,469,605	1,509,605	0	40,000	225,915		358,040		567,833		317,818	
	Total costs														45,000	5,678,281	5,723,281	0	201,800	821,373		1,827,919		1,424,271		1,427,319	

		Exchange rate 1 USD = 1,024.83																			
Total Frw '000	Total USD '000	% Financing						Financiers Frw '000						Equivalent Financing in USD '000						Comments	
		IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.	IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.	IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.		
		1,025.00																			
13,000	12.68	100%	0%	0%	0%	0%	0%	13,000	0	0	0	0	0	12.68	0.00	0.00	0.00	0.00	0.00		
11,197	10.92	100%	0%	0%	0%	0%	0%	11,197	0	0	0	0	0	10.92	0.00	0.00	0.00	0.00	0.00		
0	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
70,000	68.29	100%	0%	0%	0%	0%	0%	70,000	0	0	0	0	0	68.29	0.00	0.00	0.00	0.00	0.00		
2,380	2.32	100%	0%	0%	0%	0%	0%	2,380	0	0	0	0	0	2.32	0.00	0.00	0.00	0.00	0.00		
19,635	19.16	100%	0%	0%	0%	0%	0%	19,635	0	0	0	0	0	19.16	0.00	0.00	0.00	0.00	0.00		
4,702	4.59	100%	0%	0%	0%	0%	0%	4,702	0	0	0	0	0	4.59	0.00	0.00	0.00	0.00	0.00		
57,269	55.87	100%	0%	0%	0%	0%	0%	57,269	0	0	0	0	0	55.87	0.00	0.00	0.00	0.00	0.00		
	0.00													0.00	0.00	0.00	0.00	0.00	0.00		
	100%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
34,800	33.95	100%	0%	0%	0%	0%	0%	34,800	0	0	0	0	0	33.95	0.00	0.00	0.00	0.00	0.00		
34,800	33.95	100%	0%	0%	0%	0%	0%	34,800	0	0	0	0	0	33.95	0.00	0.00	0.00	0.00	0.00		
15,463	15.09	100%	0%	0%	0%	0%	0%	15,463	0	0	0	0	0	15.09	0.00	0.00	0.00	0.00	0.00		
	0.00													0.00	0.00	0.00	0.00	0.00	0.00		
	100%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
10,800	10.54	100%	0%	0%	0%	0%	0%	10,800	0	0	0	0	0	10.54	0.00	0.00	0.00	0.00	0.00		
15,463	15.09	100%	0%	0%	0%	0%	0%	15,463	0	0	0	0	0	15.09	0.00	0.00	0.00	0.00	0.00		
0	0.00													0.00	0.00	0.00	0.00	0.00	0.00		
0	0.00																				
	0.00																				
15,463	15.09	100%	0%	0%	0%	0%	0%	15,463	0	0	0	0	0	15.09	0.00	0.00	0.00	0.00	0.00		
0	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
	0.00																				
0	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
32,400	31.61	100%	0%	0%	0%	0%	0%	32,400	0	0	0	0	0	31.61	0.00	0.00	0.00	0.00	0.00		
37,800	36.88	100%	0%	0%	0%	0%	0%	37,800	0	0	0	0	0	36.88	0.00	0.00	0.00	0.00	0.00		
	0.00													0.00	0.00	0.00	0.00	0.00	0.00		
	100%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
350	0.34	100%	0%	0%	0%	0%	0%	350	0	0	0	0	0	0.34	0.00	0.00	0.00	0.00	0.00		
1,500	1.46	100%	0%	0%	0%	0%	0%	1,500	0	0	0	0	0	1.46	0.00	0.00	0.00	0.00	0.00		
0	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
69,600	67.90	100%	0%	0%	0%	0%	0%	69,600	0	0	0	0	0	67.90	0.00	0.00	0.00	0.00	0.00		

Total Frw '000	Total USD '000	% Financing						Financiers Frw '000						Equivalent Financing in USD '000							
																				Comments	
		IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.	IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.	IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.		
215,064	209.82	100%	0%	0%	0%	0%	0%	215,064	0	0	0	0	0	209.82	0.00	0.00	0.00	0.00	0.00		
661,686	646	29	0	0	0	0	0	661,686	0	0	0	0	0	646	0	0	0	0	0		
2,560	2.50	100%	0%	0%	0%	0%	0%	2,560	0	0	0	0	0	2.50	0.00	0.00	0.00	0.00	0.00		
417,440	407.26	100%	0%	0%	0%	0%	0%	417,440	0	0	0	0	0	407.26	0.00	0.00	0.00	0.00	0.00		
206,745	201.70	100%	0%	0%	0%	0%	0%	206,745	0	0	0	0	0	201.70	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
1,500	1.46	100%	0%	0%	0%	0%	0%	1,500	0	0	0	0	0	1.46	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
1,771	1.73	100%	0%	0%	0%	0%	0%	1,771	0	0	0	0	0	1.73	0.00	0.00	0.00	0.00	0.00		
2,560	2.50	100%	0%	0%	0%	0%	0%	2,560	0	0	0	0	0	2.50	0.00	0.00	0.00	0.00	0.00		
0	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
632,576	617	10	0	0	0	0	0	632,576	0	0	0	0	0	617	0	0	0	0	0		
45,000	43.90	100%	0%	0%	0%	0%	0%	45,000	0	0	0	0	0	43.90	0.00	0.00	0.00	0.00	0.00		
90,000	87.80	100%	0%	0%	0%	0%	0%	90,000	0	0	0	0	0	87.80	0.00	0.00	0.00	0.00	0.00		
510,000	497.56	100%	0%	0%	0%	0%	0%	510,000	0	0	0	0	0	497.56	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
43,680	42.61	100%	0%	0%	0%	0%	0%	43,680	0	0	0	0	0	42.61	0.00	0.00	0.00	0.00	0.00		
1,000	0.98	100%	0%	0%	0%	0%	0%	1,000	0	0	0	0	0	0.98	0.00	0.00	0.00	0.00	0.00		
480	0.47	100%	0%	0%	0%	0%	0%	480	0	0	0	0	0	0.47	0.00	0.00	0.00	0.00	0.00		
400	0.39	100%	0%	0%	0%	0%	0%	400	0	0	0	0	0	0.39	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
	0.00	100%	0%	0%	0%	0%	0%	0	0</												

Total Frw '000	Total USD '000	% Financing						Financiers Frw '000						Equivalent Financing in USD '000								
																				Comments		
		IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.	IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.	IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.			
695,441	678	9	0	0	0	0	0	695,441	0	0	0	0	0	678	0	0	0	0	0			
2,680,262	2,615	66	0	0	0	0	0	2,680,262	0	0	0	0	0	2,615	0	0	0	0	0			
80,000	78.05	100%	0%	0%	0%	0%	0%	80,000	0	0	0	0	0	78.05	0.00	0.00	0.00	0.00	0.00			
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			
80,000	78	3	0	0	0	0	0	80,000	0	0	0	0	0	78	0	0	0	0	0			
8,000	7.80	100%	0%	0%	0%	0%	0%	8,000	0	0	0	0	0	7.80	0.00	0.00	0.00	0.00	0.00			
40,000	39.02	100%	0%	0%	0%	0%	0%	40,000	0	0	0	0	0	39.02	0.00	0.00	0.00	0.00	0.00			
0	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			
0	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			
48,000	47	4	0	0	0	0	0	48,000	0	0	0	0	0	47	0	0	0	0	0			
40,000	39.02	100%	0%	0%	0%	0%	0%	40,000	0	0	0	0	0	39.02	0.00	0.00	0.00	0.00	0.00			
40,000	39.02	100%	0%	0%	0%	0%	0%	40,000	0	0	0	0	0	39.02	0.00	0.00	0.00	0.00	0.00			
0	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			
0	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			
80,000	78	4	0	0	0	0	0	80,000	0	0	0	0	0	78	0	0	0	0	0			
208,000	203	11	0	0	0	0	0	208,000	0	0	0	0	0	0	203	0	0	0	0	0		
2,888,262	2,818	77	0	0	0	0	0	2,888,262	0	0	0	0	0	2,818	0	0	0	0	0			
70,040	68.33	100%	0%	0%	0%	0%	0%	70,040	0	0	0	0	0	68.33	0.00	0.00	0.00	0.00	0.00			
3,296	3.22	100%	0%	0%	0%	0%	0%	3,296	0	0	0	0	0	3.22	0.00	0.00	0.00	0.00	0.00			
20,600	20.10	100%	0%	0%	0%	0%	0%	20,600	0	0	0	0	0	20.10	0.00	0.00	0.00	0.00	0.00			
2,472	2.41	100%	0%	0%	0%	0%	0%	2,472	0	0	0	0	0	2.41	0.00	0.00	0.00	0.00	0.00			
96,408	94	4						96,408	0	0	0	0	0	94	0	0	0	0	0			
	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			

Total Frw '000	Total USD '000	% Financing						Financiers Frw '000						Equivalent Financing in USD '000							
																				Comments	
		IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.	IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.	IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.		
0.00	100%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0.00	100%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0.00	100%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0.00	100%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0.00	100%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0.00	100%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
0.00																					
7,500	7.32	100%	0%	0%	0%	0%	0%	7,500	0	0	0	0	0	7.32	0.00	0.00	0.00	0.00	0.00		
1,350	1.32	100%	0%	0%	0%	0%	0%	1,350	0	0	0	0	0	1.32	0.00	0.00	0.00	0.00	0.00		
34,763	33.91	100%	0%	0%	0%	0%	0%	34,763	0	0	0	0	0	33.91	0.00	0.00	0.00	0.00	0.00		
9,000	8.78	100%	0%	0%	0%	0%	0%	9,000	0	0	0	0	0	8.78	0.00	0.00	0.00	0.00	0.00		
6,000	5.85	100%	0%	0%	0%	0%	0%	6,000	0	0	0	0	0	5.85	0.00	0.00	0.00	0.00	0.00		
0	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
30,000	29.27	100%	0%	0%	0%	0%	0%	30,000	0	0	0	0	0	29.27	0.00	0.00	0.00	0.00	0.00		
30,000	29.27	100%	0%	0%	0%	0%	0%	30,000	0	0	0	0	0	29.27	0.00	0.00	0.00	0.00	0.00		
0.00	100%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0.00	100%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
40,000	39.02	100%	0%	0%	0%	0%	0%	40,000	0	0	0	0	0	39.02	0.00	0.00	0.00	0.00	0.00		
158,613	154.74	0.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
0.00																					
0.00	100%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0.00	100%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0.00	100%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0.00	100%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
23,175	22.61	100%	0%	0%	0%	0%	0%	23,175	0	0	0	0	0	22.61	0.00	0.00	0.00	0.00	0.00		
23,175	22.61	100%	0%	0%	0%	0%	0%	23,175	0	0	0	0	0	22.61	0.00	0.00	0.00	0.00	0.00		

Total Frw '000	Total USD '000	% Financing						Financiers Frw '000						Equivalent Financing in USD '000								
		IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.	IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.	IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.	Comments		
		0.00	100%	0%	0%	0%	0%	0.00	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			
		0.00	100%	0%	0%	0%	0%	0.00	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			
0	0	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
		0.00																				
		0.00																				
		0.00	100%	0%	0%	0%	0%	0.00	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			
		0.00	100%	0%	0%	0%	0%	0.00	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			
0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			
0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			
310,641	303	29	0	0	0	0	0	152,028	0	0	0	0	0	0	148	0	0	0	0	0		
		0.00																				
		0.00	100%	0%	0%	0%	0%	0.00	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			
		0.00	100%	0%	0%	0%	0%	0.00	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			
20,600	20.10	100%	0%	0%	0%	0%	0%	20,600	0	0	0	0	0	20.10	0.00	0.00	0.00	0.00	0.00			
		0.00	100%	0%	0%	0%	0%	0.00	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			
		0.00	100%	0%	0%	0%	0%	0.00	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			
		0.00	100%	0%	0%	0%	0%	0.00	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			
20,000	19.51	100%	0%	0%	0%	0%	0%	20,000	0	0	0	0	0	19.51	0.00	0.00	0.00	0.00	0.00			
10,000	9.76	100%	0%	0%	0%	0%	0%	10,000	0	0	0	0	0	9.76	0.00	0.00	0.00	0.00	0.00			
185,400	180.88	100%	0%	0%	0%	0%	0%	185,400	0	0	0	0	0	180.88	0.00	0.00	0.00	0.00	0.00			
236,000	230	9	0	0	0	0	0	236,000	0	0	0	0	0	230	0	0	0	0	0			
0	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			
0	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			
		36,000	35.12	100%	0%	0%	0%	0%	36,000	0	0	0	0	0	35.12	0.00	0.00	0.00	0.00	0.00		
		20,000	19.51	100%	0%	0%	0%	0%	20,000	0	0	0	0	0	19.51	0.00	0.00	0.00	0.00	0.00		
0	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			
300,000	292.68	100%	0%	0%	0%	0%	0%	300,000	0	0	0	0	0	292.68	0.00	0.00	0.00	0.00	0.00			
0	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			
0	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			
356,000	347	8	0	0	0	0	0	356,000	0	0	0	0	0	347	0	0	0	0	0			
0	0.00																					
0	0.00																					
0	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00			

Total Frw '000	Total USD '000	% Financing						Financiers Frw '000						Equivalent Financing in USD '000							
		IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.	IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.	IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.	Comments	
20,600	20.10	100%	0%	0%	0%	0%	0%	20,600	0	0	0	0	0	20.10	0.00	0.00	0.00	0.00	0.00		
10,300	10.05	100%	0%	0%	0%	0%	0%	10,300	0	0	0	0	0	10.05	0.00	0.00	0.00	0.00	0.00		
10,300	10.05	100%	0%	0%	0%	0%	0%	10,300	0	0	0	0	0	10.05	0.00	0.00	0.00	0.00	0.00		
20,600	20.10	100%	0%	0%	0%	0%	0%	20,600	0	0	0	0	0	20.10	0.00	0.00	0.00	0.00	0.00		
10,300	10.05	100%	0%	0%	0%	0%	0%	10,300	0	0	0	0	0	10.05	0.00	0.00	0.00	0.00	0.00		
10,300	10.05	100%	0%	0%	0%	0%	0%	10,300	0	0	0	0	0	10.05	0.00	0.00	0.00	0.00	0.00		
0	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
82,400	80	8	0	0	0	0	0	82,400	0	0	0	0	0	80	0	0	0	0	0		
0	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
20,600	20.10	100%	0%	0%	0%	0%	0%	20,600	0	0	0	0	0	20.10	0.00	0.00	0.00	0.00	0.00		
0	0.00	100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
32,960	32.16	100%	0%	0%	0%	0%	0%	32,960	0	0	0	0	0	32.16	0.00	0.00	0.00	0.00	0.00		
0.00	100%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
20,600																					
74,160	52	6	0	0	0	0	0	53,560	0	0	0	0	0	52	0	0	0	0	0		
33,472	32.66	75%	0%	0%	25%	0%	0%	25,104	0	0	8,368	0	0	24.49	0.00	0.00	8.16	0.00	0.00		
28,690	27.99	75%	0%	0%	25%	0%	0%	21,518	0	0	7,173	0	0	20.99	0.00	0.00	7.00	0.00	0.00		
19,127	18.66	75%	0%	0%	25%	0%	0%	14,345	0	0	4,782	0	0	14.00	0.00	0.00	4.67	0.00	0.00		
81,289	79							60,967	0	0	20,322	0	0	59	0	0	20	0	0		

Total Frw '000	Total USD '000	% Financing						Financiers Frw '000						Equivalent Financing in USD '000						Comments	
		IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.	IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.	IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.		
0																					
33,472	32.66	75%	0%	0%	25%	0%	0%	25,104	0	0	8,368	0	0	24.49	0.00	0.00	8.16	0.00	0.00		
90,853	88.64	75%	0%	0%	25%	0%	0%	68,140	0	0	22,713	0	0	66.48	0.00	0.00	22.16	0.00	0.00		
40,000	39.02	75%	0%	0%	25%	0%	0%	30,000	0	0	10,000	0	0	29.27	0.00	0.00	9.76	0.00	0.00		
164,325	160							123,244	0	0	41,081	0	0	120	0	0	40	0	0		
0																					
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0	0	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
245,614	240	3	0	0	0	0	0	184,211	0	0	61,404	0	0	180	0	0	60	0	0		
0																					
0																					
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00		
0		100%	0%	0%	0%	0%	0%														

Total Frw '000	Total USD '000	% Financing						Financiers Frw '000						Equivalent Financing in USD '000						Comments	
		IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.	IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.	IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.		
		236,900	231																		
10,094	9.85	100%	0%	0%	0%	0%	0%	10,094	0	0	0	0	0	9.85	0.00	0.00	0.00	0.00	0.00		
11,536	11.25	100%	0%	0%	0%	0%	0%	11,536	0	0	0	0	0	11.25	0.00	0.00	0.00	0.00	0.00		
17,304	16.88	100%	0%	0%	0%	0%	0%	17,304	0	0	0	0	0	16.88	0.00	0.00	0.00	0.00	0.00		
38,934	38																				
0																					
40,000	39.02	82%	0%	18%	0%	0%	0%	32,800	0	7,200	0	0	0	32.00	0.00	7.02	0.00	0.00	0.00		
10,000	9.76	100%	0%	0%	0%	0%	0%	10,000	0	0	0	0	0	9.76	0.00	0.00	0.00	0.00	0.00		
20,000	19.51	100%	0%	0%	0%	0%	0%	20,000	0	0	0	0	0	19.51	0.00	0.00	0.00	0.00	0.00		
70,000	68																				
0	0.00																				
165,000	160.98	82%	0%	18%	0%	0%	0%	135,300	0	29,700	0	0	0	132.00	0.00	28.98	0.00	0.00	0.00		
69,446	67.75	82%	0%	18%	0%	0%	0%	56,946	0	12,500	0	0	0	55.56	0.00	12.20	0.00	0.00	0.00		
234,446	229																				
2,000	1.95	100%	0%	0%	0%	0%	0%	2,000	0	0	0	0	0	1.95	0.00	0.00	0.00	0.00	0.00		
2,000	1.95	100%	0%	0%	0%	0%	0%	2,000	0	0	0	0	0	1.95	0.00	0.00	0.00	0.00	0.00		
30,000	29.27	100%	0%	0%	0%	0%	0%	30,000	0	0	0	0	0	29.27	0.00	0.00	0.00	0.00	0.00		
18,000	17.56	100%	0%	0%	0%	0%	0%	18,000	0	0	0	0	0	17.56	0.00	0.00	0.00	0.00	0.00		
52,000	51	4	0	0	0	0	0	52,000	0	0	0	0	0	51	0	0	0	0	0	0	0
13,000	12.68	82%	0%	18%	0%	0%	0%	10,660	0	2,340	0	0	0	10.40	0.00	2.28	0.00	0.00	0.00		
14,000	13.66	82%	0%	18%	0%	0%	0%	11,480	0	2,520	0	0	0	11.20	0.00	2.46	0.00	0.00	0.00		
28,300	27.61	82%	0%	18%	0%	0%	0%	23,206	0	5,094	0	0	0	22.64	0.00	4.97	0.00	0.00	0.00		
22,400	21.85	82%	0%	18%	0%	0%	0%	18,368	0	4,032	0	0	0	17.92	0.00	3.93	0.00	0.00	0.00		
77,700	76	3						63,714	0	13,986	0	0	0	62	0	14	0	0	0		
735,730	718	10						136,314	0	13,986	0	0	0	133	0	14	0	0	0		
28,054	27.37	100%	0%	0%	0%	0%	0%	28,054	0	0	0	0	0	27.37	0.00	0.00	0.00	0.00	0.00		
22,128	21.59	100%	0%	0%	0%	0%	0%	22,128	0	0	0	0	0	21.59	0.00	0.00	0.00	0.00	0.00		
22,128	21.59	100%	0%	0%	0%	0%	0%	22,128	0	0	0	0	0	21.59	0.00	0.00	0.00	0.00	0.00		
22,128	21.59	100%	0%	0%	0%	0%	0%	22,128	0	0	0	0	0	21.59	0.00	0.00	0.00	0.00	0.00		
22,128	21.59	100%	0%	0%	0%	0%	0%	22,128	0	0	0	0	0	21.59	0.00	0.00	0.00	0.00	0.00		
22,128	21.59	100%	0%	0%	0%	0%	0%	22,128	0	0	0	0	0	21.59	0.00	0.00	0.00	0.00	0.00		
22,128	21.59	100%	0%	0%	0%	0%	0%	22,128	0	0	0	0	0	21.59	0.00	0.00	0.00	0.00	0.00		
22,128	21.59	100%	0%	0%	0%	0%	0%	22,128	0	0	0	0	0	21.59	0.00	0.00	0.00	0.00	0.00		
22,128	21.59	100%	0%	0%	0%	0%	0%	22,128	0	0	0	0	0	21.59	0.00	0.00	0.00	0.00	0.00		
22,128	21.59	100%	0%	0%	0%	0%	0%	22,128	0	0	0	0	0	21.59	0.00	0.00	0.00	0.00	0.00		
19,837	19.35	100%	0%	0%	0%	0%	0%	19,837	0	0	0	0	0	19.35	0.00	0.00	0.00	0.00	0.00		
30,320	29.58	100%	0%	0%	0%	0%	0%	30,320	0	0	0	0	0	29.58	0.00	0.00	0.00	0.00	0.00		
7,980	7.78	100%	0%	0%	0%	0%	0%	7,980	0	0	0	0	0	7.78	0.00	0.00	0.00	0.00	0.00		
11,737	11.45	100%	0%	0%	0%	0%	0%	11,737	0	0	0	0	0	11.45	0.00	0.00	0.00	0.00	0.00		
231,007	225.37	100%	0%	0%	0%	0%	0%	231,007	0	0	0	0	0	225.37	0.00	0.00	0.00	0.00	0.00		
500,036	488							500,036	0	0	0	0	0	488	0	0	0	0</			

Total Frw '000	Total USD '000	% Financing						Financiers Frw '000						Equivalent Financing in USD '000						Comments	
		IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.	IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.	IFAD Loan	GoS Loan	GOR	HPI	CORDAID	Benef.		
		14,000	13.66	100%	0%	0%	0%	14,000	0	0	0	0	0	13.66	0.00	0.00	0.00	0.00	0.00		
10,000	9.76	100%	0%	0%	0%	0%	0%	10,000	0	0	0	0	0	9.76	0.00	0.00	0.00	0.00	0.00		
157,840	154							157,840	0	0	0	0	0	154	0	0	0	0	0		
0	0.00																				
18,000	17.56	100%	0%	0%	0%	0%	0%	18,000	0	0	0	0	0	17.56	0.00	0.00	0.00	0.00	0.00		
1,000	0.98	100%	0%	0%	0%	0%	0%	1,000	0	0	0	0	0	0.98	0.00	0.00	0.00	0.00	0.00		
10,200	9.95	100%	0%	0%	0%	0%	0%	10,200	0	0	0	0	0	9.95	0.00	0.00	0.00	0.00	0.00		
2,400	2.34	100%	0%	0%	0%	0%	0%	2,400	0	0	0	0	0	2.34	0.00	0.00	0.00	0.00	0.00		
4,245	4.14	100%	0%	0%	0%	0%	0%	4,245	0	0	0	0	0	4.14	0.00	0.00	0.00	0.00	0.00		
4,000	3.90	100%	0%	0%	0%	0%	0%	4,000	0	0	0	0	0	3.90	0.00	0.00	0.00	0.00	0.00		
8,000	7.80	82%	0%	18%	0%	0%	0%	6,560	0	1,440	0	0	0	6.40	0.00	1.40	0.00	0.00	0.00		
12,000	11.71	82%	0%	18%	0%	0%	0%	9,840	0	2,160	0	0	0	9.60	0.00	2.11	0.00	0.00	0.00		
59,845	58							56,245	0	3,600	0	0	0	55	0	4	0	0	0		
5,232	5.10	82%	0%	18%	0%	0%	0%	4,290	0	942	0	0	0	4.19	0.00	0.92	0.00	0.00	0.00		
12,000	11.71	82%	0%	18%	0%	0%	0%	9,840	0	2,160	0	0	0	9.60	0.00	2.11	0.00	0.00	0.00		
3,900	3.80	82%	0%	18%	0%	0%	0%	3,198	0	702	0	0	0	3.12	0.00	0.68	0.00	0.00	0.00		
2,100	2.05	82%	0%	18%	0%	0%	0%	1,722	0	378	0	0	0	1.68	0.00	0.37	0.00	0.00	0.00		
1,980	1.93	82%	0%	18%	0%	0%	0%	1,624	0	356	0	0	0	1.58	0.00	0.35	0.00	0.00	0.00		
25,212	25							20,674	0	4,538	0	0	0	20	0	4	0	0	0		
169	0.16	100%	0%	0%	0%	0%	0%	169	0	0	0	0	0	0.16	0.00	0.00	0.00	0.00	0.00		
21	0.02	100%	0%	0%	0%	0%	0%	21	0	0	0	0	0	0.02	0.00	0.00	0.00	0.00	0.00		
61	0.06	100%	0%	0%	0%	0%	0%	61	0	0	0	0	0	0.06	0.00	0.00	0.00	0.00	0.00		
1,000	0.98	100%	0%	0%	0%	0%	0%	1,000	0	0	0	0	0	0.98	0.00	0.00	0.00	0.00	0.00		
29,161	28.45	100%	0%	0%	0%	0%	0%	29,161	0	0	0	0	0	28.45	0.00	0.00	0.00	0.00	0.00		
529	0.52	100%	0%	0%	0%	0%	0%	529	0	0	0	0	0	0.52	0.00	0.00	0.00	0.00	0.00		
30,941	30							30,941	0	0	0	0	0	30	0	0	0	0	0		
773,875	755							765,736	0	8,138	0	0	0	747	0	8	0	0	0		
1,509,605	1,473	10	0	0	0	0	0	902,050	0	22,124	0	0	0	880	0	22	0	0	0		
5,702,681	5,543							4,854,511	0	22,124	61,404	0	0	4,736	0	22	60	0	0		

Rwanda

Promoting Smallholder Agro-Export Competitiveness Project Project Design Report

Annex 7: Procurement Plan for first 18 months

Mission Dates: 09-27 May 2022

Document Date: 14/12/2022

Project No. 2000003934

Report No. 6186-RW

East and Southern Africa Division
Programme Management Department

Guidance Note

Overview of the template

The template provides excel worksheets for (i) Guidance, timelines and (ii) the actual Procurement Plan

Worksheets for the Procurement Plan

SUMMARY	GOODS	WORKS	CONSULTING
---------	-------	-------	------------

- Goods, Works, Consulting:** used to enter procurement plan data.
Note: Non-consulting services should be inserted in any of the categories for Goods, Works and Consulting depending on the nature of the services.
- Summary:** displays a summary of amounts by category, and procurement thresholds.

Worksheets for Guidance and timelines

- Guidance:** quick reference guidance on how to use the template.
- Time Estimation:** estimated timelines by procurement methods, based on experience and guidance in the Procurement Handbook where specified.

Procurement Summary

The Summary worksheet displays basic information, total amounts and procurement thresholds for the project.

Populating the Procurement Plan Summary

Procurement Plan SUMMARY						
Country:	Wakanda					
Project Name:	Community Livestock and Agriculture Project (CLAP)					
Project ID:	2000001234					
Version	1.0					
Version Date	01-Jan-20					
Prepared by:						
Approved by:						
Procurement Category	Plan		Actual			
Currenty	USD	LCU	USD	LCU		
Goods	-	-	-	-		
Works	-	-	-	-		
Consulting Services	-	-	-	-		
TOTAL	-	-	-	-		

STEP 1: Enter the Country, Project Name, Project ID, Version, Version Date and Name(s) of the person(s) preparing and/or approving the Plan.

Managing versions, updates and upgrades

The Version of the Procurement Plan (and the version date) must be updated for every **Update** and **Upgrade** to the Plan. This version update shall be made to the summary sheet only. It will be automatically populated to the other sheets. The first digit (1.0) should be kept for the entire 18 or 12 months period that represents the Plan's duration and changed in the next period/year (for example, Year/Period 1: 1.0. Year/Period 2: 2.0). The second digit represents updates and upgrades.

An **Update** is the filling in the contents of the **Actual** rows in the Procurement Plan

All other changes are **Upgrades**. For Prior Review, upgrades require an IFAD NO

Do not populate this section. Total amounts are automatically calculated from the Procurement Plan Sheets for each category.

Prior Review Thresholds						
Thresholds		Goods	Works	Non-Consulting Services	Firms - Consulting Services	Individuals - Consulting Services
Prior Review		≥ US\$ 0.00	≥ US\$ 0.00	≥ US\$ 0.00	≥ US\$ 0.00	≥ US\$ 0.00
<i>All Direct Contracting and Single-Source Procurements are Prior Review (in alignment with IFAD Procurement Handbook).</i>						
Procurement Method Thresholds						
	Shopping	NCB	ICB			
Goods	< US\$ 0.00	≥ US\$ 0.00 to ≤ US\$ 0.00	> US\$ 0.00			
Works	< US\$ 0.00	≥ US\$ 0.00 to ≤ US\$ 0.00	> US\$ 0.00			
Non-Consulting Services	< US\$ 0.00	≥ US\$ 0.00 to ≤ US\$ 0.00	> US\$ 0.00			
	ICS/CQS	LCS	QCBS			
Individuals	< US\$ 0.00	≥ US\$ 0.00 to ≤ US\$ 0.00	> US\$ 0.00			
Firms	< US\$ 0.00	≥ US\$ 0.00 to ≤ US\$ 0.00	> US\$ 0.00			

STEP 2: Enter the Prior Review Thresholds and Procurement Method Thresholds for the project. These are defined in the Letter to the Borrower.

Goods, Works and Consulting Worksheets

Planning and Actual data on each procurement item is entered in these worksheets, by category. All worksheets are generally structured the same way.

Overall Structure of the Worksheets

The basic information is automatically populated from the Summary table.

Plan and Actual total amounts are calculated automatically.

A Procurement item should be expressed in a **Planned Row** and an **Actual Row**, with a blank row at the bottom.

Adding a New Procurement Item

STEP 1: To add a new procurement where rows are still available, fill out all the items in the Plan until you get to the date. This is the “Basic Data” section, and reference to the corresponding AWPB, Procurement No., Description, Funding, Number of Lots, Project Area (where applicable), Procurement/selection methods and the Planned Amount in USD or Local Currency. *The date cells for Goods and Works start with the cell directly under Submission of PreQual docs, and for the Consulting Services worksheet, the cell directly under Submission of REOI.*

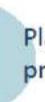
Submission of REOI **No Objection Date** **REOI Launch Date**

Enter Date

STEP 2: Based on the selected criteria, you will be prompted to Enter the first date of the process in the relevant field.

Planned dates are calculated using formulas, from start to finish. Note: If you enter a Procurement Method that is not listed in the dropdown, the formulas will not work, however you may proceed with manual entry.

Modifying Planned Dates



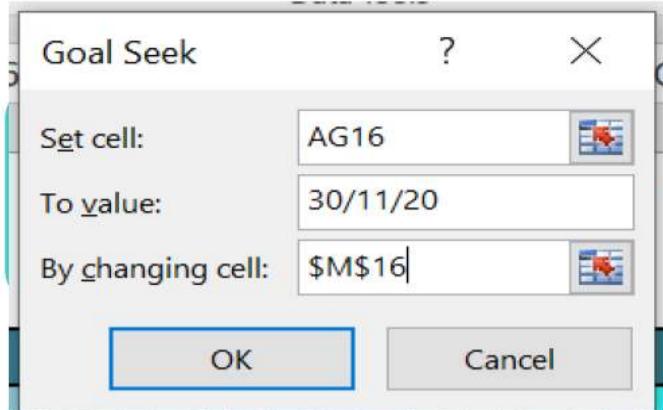
Planned dates provided by the formulas are not prescriptive and may be modified as needed.

- **Planning from Finish to Start:** As long as no manual entries have been made to the planned dates and the formulas are still in place, you can **adjust the timeline based on an END DATE** as follows:

STEP 1: Follow steps 1 and 2 in the previous section, entering a start date. Once you have planned dates in the cells based on the formulas, select the cell that contains the last/finish date.



STEP 2: Click Data and select the dropdown menu on the button called **What-If Analysis**. Select the **Goal Seek** feature from the dropdown.



- STEP 3: Fill in the popup box as indicated below:**
- Set cell: this is already selected from step 1. If not, click the field and select the cell containing the last/finish date.
 - To value: enter the target finish date for the procurement.
 - By changing cell: click the field and select the cell containing the first/start date.
 - Click OK, and then click OK again on the following popup.

The timeline will be adjusted, with a new calculated start date.

➤ **Modifying the number of days in the timeline:** This can be done in two ways:

- **Using the Time Estimation worksheet:** Modifying the approximate (Approx) number of days for specific processes (by procurement methods) within the Time Estimation worksheet. **Note:** this timeline applies to all items in the procurement worksheet using that method.
- **Directly modifying planned dates** for a procurement item within the procurement plan worksheet.
Note: modifying dates in the worksheets should be done from earliest to latest date, to ensure remaining dates are adjusted accordingly by the formulas.

Using the Time Estimation Sheet to modify timelines by procurement method

This spreadsheet provides estimated timelines by procurement methods, for each step of the procurement process based on experience and guidance in the Procurement Handbook where specified.

Goods & Works	Procurement Method						Sub Total
	Bid Invitation Date			Bid Closing-Opening			
	Min	Max	Approx	Min	Max	Approx	Min
Single Envelope							
RFQ/Shopping (NS/IS)	1	3	1	5	21	14	0
NCB (no PreQual)	1	3	2	30	45	45	0
ICB (no PreQual)	1	3	2	45	70	45	0
LIB (no PreQual)	1	3	2	45	70	45	0
NCB (with PreQual)	1	3	2	30	45	45	0
ICB (with PreQual)	1	3	2	45	70	30	0
LIB (with PreQual)	1	3	2	45	70	45	0
Direct Contracting	1	3	1	7	30	14	0
Two Envelope							
NCB (no PreQual)	1	3	2	30	45	45	3
ICB (no PreQual)	1	3	2	45	70	45	3

ACTION: Identify the Approx cell value for the step in the process, and procurement method for which you wish to modify the timeline, and change the number of days.

Note: Cells will be highlighted for your attention if the value entered is below the Minimum number of days (as shown in this example).

Zero indicates steps that are not applicable to the method, and are indicated as N/A in the Formulas.

Directly modifying planned dates

ACTION: Simply enter new dates manually.

Note: Start editing from earliest to latest to ensure that the following dates are adjusted by the formulas.

Note: If you need to restore one or more planned date formulas, you can do so by copying and pasting the corresponding cell (in the same column) from the upper most row in the worksheet.

Plan	Actual			
EOI Shortlist Procedure				
Plan vs. Actual	Submission of RFP	No Objection Date	REOI Launch Date	EOI Submission Deadline
Plan	1-Feb-20	8-Feb-20	10-Feb-20	2-Mar-20

Entering Actual Dates and Information

AWPB/Component Ref	No	Description*	Funding	Project Area	Plan vs. Actual	Shortlist (Yes No)	Prior or Post Review	Procurement Method	Amount (USD)	Amount (LCU)	Plan vs. Actual
RRB.CS.01	1	Climate Vulnerability Assessment	IFAD	All targeted districts	Plan	Yes	Prior Review	QCBS	64 000.00	-	Plan

Submission of REOI	No Objection Date	REOI Launch Date	EOI Submission Deadline	Submission of Shortlist Report	No Objection Date
1-Feb-20	8-Feb-20	10-Feb-20	2-Mar-20	16-Mar-20	23-Mar-20
3-Feb-20	9-Feb-20	11-Feb-20	3-Mar-20	16-Mar-20	23-Mar-20

ACTION: As the procurement processes are implemented, update the Actual Rows for the Basic Data, Actual Dates and finally, the Actual Amount at the end of the worksheet.

This cell contains a formula
Actual amounts can be entered at the end of the spreadsheet.

Note: Enter the Actual Amount at the end of the worksheet.

Date Contract Award	Date Contract Signature	Amount (USD)
24-Aug-20	31-Aug-20	64 000.00
30-Aug-20	10-Sep-20	60 000.00

Entering Actual Data and Information for Multiple LOTS

In cases of multiple LOTS, insert a new Actual Row for each LOT. The Actual Dates will likely be the same until the Submission of Technical Evaluation Report.

AWPB/Component Ref	No	Description	Funding	Lot No./Description	Project Area
RRB.CS.01	1	Computer Hardware	IFAD	2 Lots	N/A

STEP 1: Select an Actual Row, Right Click and Insert a new row. Insert as many rows as needed.

STEP 2: In the Lot No./Description section of the Planned Row, indicate the number of LOTS

Lot No./Description	Project Area	Plan vs. Actual	Pre-or Post Qualification	Prior or Post Review	Procurement Method	Envelopes	Amount (USD)
2 Lots	N/A	Plan	Post-Qual	Post Review	NS	1	25 000.00
1. Desktops	N/A		Post-Qual	Post Review	NS	1	15 000.00
2. Monitors	N/A	Actual	Post-Qual	Post Review	NS	1	10 000.00

Total Amount		
USD	LCU	
25 000.00	0.00	Plan
25 000.00	0.00	Actual
Amount (USD)	Amount (LCU)	Plan vs. Actual
25 000.00	-	Plan
15 000.00	-	Actual
10 000.00	-	Actual

STEP 4: Fill in the information in the Actual Row as shown above.

IMPORTANT: Remember to type "Actual" in the corresponding label cells to ensure that all actual amounts are included in the Total Actual Amount.

Adding Rows for New Procurement Items

The 3 rows above are not part of the Plan and must not be modified. Copy these rows to create new procurement items or retrieve Plan Dates Formulae if needed.

Procurement Plan - WORKS

AWPB/Component Ref	No	Description*	Funding	Plan	Actual

For all worksheets (Goods, Works, Consulting), 3 rows (Planned row, Actual row, and the blank row) are provided at the top of the worksheet, before the start of the Procurement Plan.

! Do not modify or delete these rows. They are not part of the Plan and serve only to create new procurement items or retrieve formulas if needed.

To add rows for a new procurement item

- 1 Scroll to the top of the worksheet and select the first 3 rows.
Quick tip:
Hover the mouse over the first row number until you see a small black arrow, then click and drag down to the 3rd row.
- 2 Copy the selected rows
Right click anywhere within the selected area and select **Copy** on the dropdown menu.
OR press **CTRL + C** on the keyboard.
- 3 Paste the rows at the end of the Plan
Select the first cell right underneath the last row in the worksheet, and press **CTRL + V**
- 4 Click **OK** on the following popup.

Microsoft Excel
The data you copied has merged cells that will be pasted into the table in their unmerged form. The source cells will stay merged.
OK

Things to Note

- ✗ Do not insert or delete a column in the Time Estimation worksheet;
- ✗ Users are advised against inserting or deleting columns in the worksheets for Goods, Works, Consulting. If this is necessary, please note that the automation will be lost and manual entry will be required;
- ✗ Do not copy rows and columns from other Plan worksheets to paste in a worksheet;
- ✗ Users of the Plan are advised not to change any of the formulas in the document, with the exception of changing dates (a copy of the formulas are provided at the top of every worksheet for new rows or inadvertent deletions).

Procurement Plan SUMMARY				
Country:	Rwanda			
Project Name:	Promoting Smallholder Agro-Export Competitiveness (PSAC)			
Project ID:	2000003934			
Version	1.0			
Version Date	11-Jul-22			
Prepared by:	Murwanashyaka Janvier			
Approved by:	Rwamulangwa Stephen			
Procurement Category	Plan		Actual	
Currency	USD	LCU	USD	LCU
Goods	-	2,592,131,700.00	-	-
Works	-	104,415,000.00	-	-
Consulting Services	-	577,547,000.00	-	-
TOTAL	-	3,274,093,700.00	-	-

Prior Review Thresholds							
Thresholds		Goods		Works	Non-Consulting Services	Firms - Consulting Services	Individuals - Consulting Services
Prior Review		> US\$ 100.000		> US\$ 200.000	> US\$100.000	> US\$ 100.000	> US\$ 100.000

All Direct Contracting and Single-Source Procurements are **Prior Review** (in alignment with IFAD Procurement Handbook).

Procurement Method Thresholds					
		Shopping		NCB	ICB
Goods		< US\$ 100.000		> US\$ 100.000 to < US\$ 250.000	> US\$ 250.000
Works		< US\$ 200.000		> US\$ 200.000 to < US\$ 1.000.000	> US\$ 1.000.000
Non-Consulting Services		< US\$ 200.000		> US\$ 100.000 to < US\$ 200.000	> US\$ 200.000
	ICS/CQS			LCS	QCBS
Individuals		< US\$ 100.000		> US\$ 100.000 to < US\$ 200.000	> US\$ 200.000
Firms		< US\$ 100.000		> US\$ 100.000 to < US\$ 200.000	> US\$ 200.000

Procurement Plan - Consulting

Promoting Smallholder Agro-Export Competitiveness (PSAC)

Project ID:

Approved by: Rwamulangwa Stephen

Prepared by: Murwanashyaka Janvier

Total Amount

USD LCU

0.00	577,547,000	Plan
0.00	0.00	Actual

Version	1.0	11-Jul-22	Basic Data										EOI Shortlist Procedure						Proposal Process				Evaluation	
AWPB/Component Ref	No	Description*	Non Consulting	Funding	Project Area	Plan vs. Actual	Shortlist (Yes No)	Prior or Post Review	Procurement Method	Amount (USD)	Amount (LCU)	Plan vs. Actual	Submission of REOI	No Objection Date	REOI Launch Date	EOI Submission Deadline	Submission of Shortlist Report	No Objection Date	Submission of RFP/RCQ	No-objection Date	RFP/RCQ Launch Date	Proposal submission deadline	Submission of TER	No-objection Date
C11115 C11201	1	Recruitment of an individual consultant for the identification and mapping of old coffee trees to be replaced and coffee trees to be rehabilitated		IFAD		Plan	No	Post Review	ICS		30,926,000	Plan	N/A	N/A	N/A	N/A	N/A	15-Apr-23	N/A	17-Apr-23	8-May-23	22-May-23	N/A	
						Actual				-		Actual												
C12106	2	Recruitment of an individual consultant to conduct of a performance review on fertilizer Revolving Scheme		IFAD		Plan	No	Post Review	ICS		15,000,000	Plan	N/A	N/A	N/A	N/A	N/A	22-Apr-23	N/A	24-Apr-23	15-May-23	29-May-23	N/A	
						Actual						Actual												
C21102 C21103 C21104 C21105	3	Recruitment of a consulting company to provide qualified Farmer Field School master trainers specialized in coffee		IFAD		Plan	Yes	Post Review	QCBS		96,408,000	Plan	14-Apr-23	N/A	16-Apr-23	7-May-23	28-May-23	N/A	1-Jun-23	N/A	3-Jun-23	3-Jul-23	24-Jul-23	N/A
						Actual				-		Actual												
C21301 C21302 C21303 C21304 C21305 C21306 C21307 C21308 C21309 C21310 C21311	4	Recruitment of a consulting company to provide qualified Farmer Field School master trainers specialized in horticulture		IFAD		Plan	Yes	Prior Review	QCBS		158,613,000	Plan	14-Jan-23	28-Jan-23	30-Jan-23	20-Feb-23	13-Mar-23	27-Mar-23	31-Mar-23	7-Apr-23	9-Apr-23	9-May-23	30-May-23	6-Jun-23
						Actual				-		Actual												
C218103	5	Recruitment of an individual consultant for the appellation, patenting and promotion activities		IFAD		Plan	No	Post Review	ICS		20,600,000	Plan	N/A	N/A	N/A	N/A	N/A	27-Apr-23	N/A	29-Apr-23	20-May-23	3-Jun-23	N/A	
						Actual				-		Actual												
C32201	6	Recruitment of a consulting firm for review and completion of E-commerce platform		IFAD		Plan	Yes	Prior Review	QCBS		103,000,000	Plan	1-Mar-23	15-Mar-23	17-Mar-23	7-Apr-23	28-Apr-23	12-May-23	16-May-23	23-May-23	25-May-23	24-Jun-23	15-Jul-23	22-Jul-23
						Actual						Actual												
C32203	7	Recruitment of a consulting firm for review and completion of Tea census		IFAD		Plan	Yes	Prior Review	QCBS		103,000,000	Plan	23-Feb-23	9-Mar-23	11-Mar-23	1-Apr-23	22-Apr-23	6-May-23	10-May-23	17-May-23	19-May-23	18-Jun-23	9-Jul-23	16-Jul-23
						Actual				-	-	Actual												
C3301	8	Recruitment of a consulting firm for PSAC baseline survey		IFAD		Plan	No	Post Review	QCBS		40,000,000	Plan	N/A	N/A	N/A	N/A	N/A	5-Jun-23	N/A	7-Jun-23	7-Jul-23	28-Jul-23	N/A	
						Actual						Actual												
C218103	9	Recruitment of an individual consultant for setting-up the electronic participatory M&E system and MIS		IFAD		Plan	No	Post Review	ICS		10,000,000	Plan	N/A	N/A	N/A	N/A	N/A	27-Jul-23	N/A	29-Jul-23	19-Aug-23	2-Sep-23	N/A	
						Actual				-		Actual												

Procurement Plan - Consulting
Promoting Smallholder Agro-Export Competitiveness (PSAC)
Project ID:
Approved by:Rwamulangwa Stephen
Prepared by: Murwanashyaka Janvier

Selection Methods
 QCBS: Quality and Cost-Based Selection
 QBS: Quality-Based Selection
 CQS: Selection by Consultants' Qualifications
 LCS: Least-Cost Selection
 FBS Fixed Budget Selection
 ICS: Individual Consultants Selection
 SSS: Sole Source Selection

Version	1.0	11-Jul-22	Contract Award & Signature															
AWPB/Component Ref	No	Description*	Submission of CER	No-objection Date	Plan vs. Actual	Issue of NOITA&Standstill	Negotiations completed	Submission of Draft Contract and MoN	No-objection Date	Date Contract Award	Date Contract Signature	Contract No.	Vendor Name/ID	Amount (USD)	Amount (LCU)	Date Contract Completion	Remarks	
C11115 C11201	1	Recruitment of an individual consultant for the identification and mapping of old coffee trees to be replaced and coffee trees to be rehabilitated	N/A	N/A	Plan	3-Jun-23	17-Jun-23	21-Jun-23	N/A	23-Jun-23	30-Jun-23			-	30,926,000	20-Jun-24		
					Actual													
C12106	2	Recruitment of an individual consultant to conduct of a performance review on fertilizer Revolving Scheme	N/A	N/A	Plan	10-Jun-23	24-Jun-23	28-Jun-23	N/A	30-Jun-23	7-Jul-23			-	15,000,000	3-Oct-23		
					Actual													
C21102 C21103 C21104 C21105	3	Recruitment of a consulting company to provide qualified Farmer Field School master trainers specialized in coffee	7-Aug-23	N/A	Plan	21-Aug-23	4-Sep-23	8-Sep-23	N/A	10-Sep-23	17-Sep-23			-	96,408,000	17-Sep-24		
					Actual													
C21301 C21302 C21303 C21304 C21305 C21306 C21307 C21308 C21309 C21310 C21311	4	Recruitment of a consulting company to provide qualified Farmer Field School master trainers specialized in horticulture	20-Jun-23	4-Jul-23	Plan	18-Jul-23	1-Aug-23	5-Aug-23	19-Aug-23	21-Aug-23	28-Aug-23			-	158,613,000	28-Aug-24		
					Actual													
C218103	5	Recruitment of an individual consultant for the appellation, patenting and promotion activities	N/A	N/A	Plan	15-Jun-23	29-Jun-23	3-Jul-23	N/A	5-Jul-23	12-Jul-23			-	20,600,000	12-Oct-23		
					Actual													
C32201	6	Recruitment of a consulting firm for review and completion of E-commerce platform	5-Aug-23	19-Aug-23	Plan	2-Sep-23	16-Sep-23	20-Sep-23	4-Oct-23	6-Oct-23	13-Oct-23			-	103,000,000	13-Jan-24		
					Actual													
C32203	7	Recruitment of a consulting firm for review and completion of Tea census	30-Jul-23	13-Aug-23	Plan	27-Aug-23	10-Sep-23	14-Sep-23	28-Sep-23	30-Sep-23	7-Oct-23			-	103,000,000	7-Oct-24		
					Actual													
C3301	8	Recruitment of a consulting firm for PSAC baseline survey	11-Aug-23	N/A	Plan	25-Aug-23	8-Sep-23	12-Sep-23	N/A	14-Sep-23	21-Sep-23			-	40,000,000	21-Dec-23		
					Actual													
C218103	9	Recruitment of an individual consultant for setting-up the electronic participatory M&E system and MIS	N/A	N/A	Plan	14-Sep-23	28-Sep-23	2-Oct-23	N/A	4-Oct-23	11-Oct-23			-	10,000,000	11-Mar-24		
					Actual													

Version	1.0	11-Jul-22				Bid Evaluation					Contract Award & Signature								
AWPB/Component Ref	Ns	Description	No-objection Date	Bid Invitation Date	Bid Closing-Opening	Submission Tech Eval Rpt	No-objection Date	Submission Combined Eval Rpt*	No-objection Date	Plan vs. Actual	Issue of NOITA&Standstill	Date Contract Award	Date Contract Signature	Contract No.	Vendor Name/ID	Amount (USD)	Amount (LCU)	Date Contract Completion	Remarks
C11104 C11105 C11106 C11107 C11301 C11302 C11401 C12102 C12201 C12402 C12402	1	Acquisition of tubings,urea, fungicides,watering cans,pruning saws,pruning shears (secateurs), tubings for coffee replacement and rehabilitation; nursery material (tubings and sheetings) for tea plantation;manure/organic fertilizer and pesticides (AgroPy product) for essential oil	3-Apr-23	5-Apr-23	20-May-23	N/A	N/A	10-Jun-23	24-Jun-23	Plan	1-Jul-23	15-Jul-23	20-Jul-23			-	587,588,200	20-Jul-24	
										Actual									
C11108	2	Maintanance of coffee seedlings in nurseries	N/A	23-Jul-23	30-Jul-23	N/A	N/A	6-Aug-23	N/A	Plan	20-Aug-23	27-Aug-23	2-Sep-23					2-Sep-24	
										Actual									
C11402	3	Maintanance of agroforestry seedlings in nurseries	N/A	30-Oct-23	6-Nov-23	N/A	N/A	13-Nov-23	N/A	Plan	27-Nov-23	2-Dec-23	9-Dec-23					9-Dec-24	
										Actual									
C12103	4	Preparation and their maintenance of tea seedlings	N/A	16-Oct-23	23-Oct-23	N/A	N/A	30-Oct-23	N/A	Plan	14-Nov-23	27-Nov-23	2-Dec-23					2-Dec-24	
										Actual									
C12301 C12302	5	Mango and avocado plantation	N/A	16-Apr-23	23-Apr-23	N/A	N/A	30-Apr-23	N/A	Plan	14-May-23	27-May-23	2-Jun-23					2-Jun-24	
										Actual									
C12303	6	Macadamia plantation	N/A	22-Mar-23	6-May-23	N/A	N/A	27-May-23	N/A	Plan	3-Jun-23	17-Jun-23	22-Jun-23			-	510,000,000	22-Jun-24	
										Actual									
C13203	7	Acquisition of electronic weighing scales	N/A	21-Aug-23	4-Sep-23	N/A	N/A	4-Sep-23	N/A	Plan	4-Sep-23	6-Sep-23	8-Sep-23			-	3,966,000	8-Oct-23	
										Actual									
C13204	8	Acquisition of Green leaf server (software based database of farmers' green leaves collection and revenue)	N/A	22-May-23	21-Jun-23	N/A	N/A	12-Jul-23	N/A	Plan	19-Jul-23	2-Aug-23	7-Aug-23			-	90,126,000	7-Oct-23	
										Actual									
C13205 C13206 C3401	9	Acquisition of 1 pick up truck for Ferwacothé/cooperative common services, 11 green leaves transportation trucks, and 3 vehicles pick-up 4x4 for VCs	N/A	22-Apr-23	6-Jun-23	N/A	N/A	27-Jun-23	N/A	Plan	4-Jul-23	18-Jul-23	23-Jul-23			-	700,559,000	23-Oct-23	
										Actual									

Version	1.0	11-Jul-22		Basic Data												Pre-Qualification							Bidding Process
AWPB/Component Ref	No	Description	Non Consulting	Funding	Lot No/Description	Project Area	Plan vs. Actual	Pre-or Post Qualification	Prior or Post Review	Procurement Method	Envelopes	Amount (USD)	Amount (LCU)	Plan vs. Actual	Submission of PreQual Docs	No Objection Date	PreQual Invitation Date	PreQual Closing Date	Submission of PreQual Report	No Objection Date	Submission of BD		
C3402	10	Acquisition of 14 motorbikes for NAEB focal persons	IFAD	N/A		Plan	Post-Qual	Post Review	NCB		1		69,466,000	Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	20-Jul-23	
						Actual								Actual									
C3502 C3503 C3504 C37210 C372204	11	Acquisition of promotional materials	IFAD	N/A		Plan	Post-Qual	Post Review	NCB		1		32,900,500	Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	20-Sep-23	
						Actual								Actual									
C3601 C3602	12	Office equipment and furniture for NAEB Staff at HQ	IFAD	N/A		Plan	Post-Qual	Post Review	NCB		1		27,000,000	Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	29-Jun-23	
						Actual								Actual									
C3603 C3604	13	IT Equipments (Computers,Printer,Photocopier,Projector and Scanner) for NAEB Staff at HQ and for NAEB Staff/Focal Points at District level	IFAD	N/A		Plan	Post-Qual	Post Review	Use of RISA framework contracts upon request		1		50,700,000	Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
						Actual								Actual									
C11110 C11111 C11112 C32301 C32302 C32303 C3502 C3503 C3504 C372207	14	Refreshment service (different meetings& workshops)	Yes	IFAD	N/A	Plan	Post-Qual	Post Review	NCB		1		69,500,000	Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	10-May-23	
						Actual								Actual									
C372301	15	Insurance for 4 WD Twin Cab pickups	Yes	IFAD	N/A	Plan	Post-Qual	Post Review	NS		1		5,232,000	Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	27-Jun-23	
						Actual								Actual									
C372302	16	Supply of fuel for 4 WD Twin Cab pickups		IFAD	N/A	Plan	Post-Qual	Post Review	NCB		1		12,000,000	Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2-Aug-23	
						Actual								Actual									
C372304	17	Maintenance of motorcycles	Yes	N/A		Plan	Post-Qual	Post Review	NS		1		2,100,000	Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	20-Jul-23	
						Actual								Actual									
C372305	18	Supply of tyres	IFAD	N/A		Plan	Post-Qual	Post Review	NS		1		1,980,000	Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	20-Oct-23	
						Actual								Actual									

Version	1.0	11-Jul-22				Bid Evaluation						Contract Award & Signature							
AWPB/Component Ref	No.	Description	No-objection Date	Bid Invitation Date	Bid Closing-Opening	Submission Tech Eval Rpt	No-objection Date	Submission Combined Eval Rpt*	No-objection Date	Plan vs. Actual	Issue of NOITA&Standstill	Date Contract Award	Date Contract Signature	Contract No.	Vendor Name/ID	Amount (USD)	Amount (LCU)	Date Contract Completion	Remarks
C3402	10	Acquisition of 14 motorbikes for NAEB focal persons	N/A	22-Jul-23	21-Aug-23	N/A	N/A	11-Sep-23	N/A	Plan	18-Sep-23	2-Oct-23	7-Oct-23			-	69,466,000	7-Jan-24	
										Actual									
C3502 C3503 C3504 C372110 C372204	11	Acquisition of promotional materials	N/A	22-Sep-23	22-Oct-23	N/A	N/A	12-Nov-23	N/A	Plan	19-Nov-23	3-Dec-23	8-Dec-23			-	32,900,500	8-Dec-24	
										Actual									
C3601 C3602	12	Office equipment and furniture for NAEB Staff at HQ	N/A	1-Jul-23	31-Jul-23	N/A	N/A	21-Aug-23	N/A	Plan	28-Aug-23	11-Sep-23	16-Sep-23			-	27,000,000	16-Sep-24	
										Actual									
C3603 C3604	13	IT Equipments (Computers,Printer,Photocopier,Projector and Scanner) for NAEB Staff at HQ and for NAEB Staff/Focal Points at District level	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Plan	N/A	N/A	N/A			-	50,700,000		
										Actual									
C11110 C11111 C11112 C11112 C32301 C32302 C32303 C3502 C3503 C3504 C372207	14	Refreshment service (different meetings & workshops)	N/A	12-May-23	30-Apr-23	N/A	N/A	21-May-23	N/A	Plan	28-May-23	11-Jun-23	16-Jun-23			-	69,500,000	16-Jun-24	
										Actual									
C372301	15	Insurance for 4 WD Twin Cab pickups	N/A	28-Jun-23	12-Jul-23	N/A	N/A	19-Jul-23	N/A	Plan	19-Jul-23	21-Jul-23	23-Jul-23			-	5,232,000	23-Jul-24	
										Actual									
C372302	16	Supply of fuel for 4 WD Twin Cab pickups	N/A	4-Aug-23	18-Sep-23	N/A	N/A	2-Oct-23	N/A	Plan	14-Oct-23	21-Oct-23	23-Oct-23			-	12,000,000	23-Oct-24	
										Actual									
C372304	17	Maintenance of motorcycles	N/A	21-Jul-23	4-Aug-23	N/A	N/A	4-Aug-23	N/A	Plan	4-Aug-23	6-Aug-23	8-Aug-23			-	2,100,000	8-Aug-24	
										Actual									
C372305	18	Supply of tyres	N/A	21-Oct-23	4-Nov-23	N/A	N/A	4-Nov-23	N/A	Plan	4-Nov-23	6-Nov-23	8-Nov-23			-	1,980,000	8-Nov-24	
										Actual									

Procurement Plan - Goods

Promoting Smallholder Agro-Export Competitiveness (PSAC)

Project ID:

Prepared by: Murwanashyaka Janvier

Approved by: Rwamulangwa Stephen

Total Amount

USD

LCU

0.00	2,592,131,700	Plan
0.00	0.00	Actual

Version	1.0	11-Jul-22	Basic Data												Pre-Qualification							Bidding Process	
AWPB/Component Ref	No	Description	Non Consulting	Funding	Lot No	Description	Project Area	Plan vs. Actual	Pre-or Post Qualification	Prior or Post Review	Procurement Method	Envelopes	Amount (USD)	Amount (LCU)	Plan vs. Actual	Submission of PreQual Docs	No Objection Date	PreQual Invitation Date	PreQual Closing Date	Submission of PreQual Report	No Objection Date	Submission of BD	
C11104 C11105 C11106 C11107 C11301 C11302 C11401 C12102 C12201 C12402	1	Acquisition of tubings,urea, fungicides,watering cans,pruning saws,pruning shears (secateurs), tubings for coffee replacement and rehabilitation; nursery material (tubings and sheetings) for tea plantation;manure/organic fertilizer and pesticides (AgroPy product) for essential oil	IFAD	Lot 1: Tubings,urea, fungicides,watering cans,pruning saws,pruning shears (secateurs), tubings for coffee replacement and rehabilitation; nursery material (tubings and sheetings) for tea plantation Lot 2:Nursery material (tubings and sheetings) for tea plantation Lot 3:manure/organic fertilizer and pesticides (AgroPy product) for agroforestry and fruit plantation		Plan	Post-Qual	Prior Review	ICB	1		587,588,200		Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	20-Mar-23	
															Actual								
C11108	2	Maintainance of coffee seedlings in nurseries	Yes	IFAD	N/A		Plan	Post-Qual	Post Review	Community Participation Approach	1		57,269,000		Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
			Yes												Actual								
C11402	3	Maintainance of agroforestry seedlings in nurries	Yes	IFAD	N/A		Plan	Post-Qual	Post Review	Community Participation Approach	1		30,000,000		Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
			Yes												Actual								
C12103	4	Preparation and their maintenance of tea seedlings	Yes	IFAD	N/A		Plan	Post-Qual	Post Review	Community Participation Approach	1		206,745,000		Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
			Yes												Actual								
C12301 C12302	5	Mango and avocado plantation	Yes	IFAD	N/A		Plan	Post-Qual	Post Review	Community Participation Approach	1		135,000,000		Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
			Yes												Actual								
C12303	6	Macadamia plantation	Yes	IFAD	N/A		Plan	Post-Qual	Post Review	ICB	1		510,000,000		Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	20-Mar-23
			Yes												Actual								
C13203	7	Acquisition of electronic weighing scales		IFAD	N/A		Plan	Post-Qual	Post Review	NS	1		3,966,000		Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	20-Aug-23
															Actual								
C13204	8	Acquisition of Green leaf server (software based database of farmers' green leaves collection and revenue)		IFAD	N/A		Plan	Post-Qual	Post Review	NCB	1		90,126,000		Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	20-May-23
															Actual								
C13205 C13206 C3401	9	Acquisition of 1 pick up truck for Ferwacothé/cooperative common services, 11 green leaves transportation trucks, and 3 vehicles pick-up 4x4 for VCs		IFAD	N/A		Plan	Post-Qual	Post Review	ICB	1		700,559,000		Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	20-Apr-23
															Actual								

Procurement Plan -Works

Promoting Smallholder Agro-Export Competitiveness (PSAC)

Project ID:.....

Approved by: Rwamulangwa Stephen

Prepared by:Murwanashyaka Janvier

Total Amount

USD LCU

0.00	104,415,000	Plan
0.00	0.00	Actual

Version	1.0	11-Jul-22		Basic Data													Pre-Qualification								Bidding Process
				Non Consulting	Funding	Lot No/Description	Project Area	Plan vs. Actual	Pre-or Post Qualification	Prior or Post Review	Procurement Method	Envelopes	Amount (USD)	Amount (LCU)		Plan vs. Actual	Submission of PreQual Docs	No Objection Date	PreQual Invitation Date	PreQual Closing Date	Submission of PreQual Report	No Objection Date	Submission of BD		
C13201	1	Construction of hangars for Tea		IFAD				Plan	Post-Qual	Post Review	NCB	1		104,415,000	Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	20-May-23		
								Actual						-		Actual									

Procurement Plan -Works
Promoting Smallholder Agro-Export Competitiveness (PSAC)
Project ID:.....
Approved by: Rwamulangwa Stephen
Prepared by:Murwanashyaka Janvier

Procurement Methods
 NS: National Shopping
 IS: International Shopping
 NCB: National Competitive Bidding
 ICB: International Competitive Bidding
 LIB: Limited (International) Bidding
 DC: Direct Contracting

Version	1.0	11-Jul-22				Bid Evaluation						Contract Award & Signature							
AWPB/Component Ref	Nº	Description	No-objection Date	Bid Invitation Date	Bid Closing-Opening	Submission Tech Eval Rpt	No-objection Date	Submission Combined Eval Rpt*	No-objection Date	Plan vs. Actual	Issue of NOITA&Standstill	Date Contract Award	Date Contract Signature	Contract No.	Vendor Name/ID	Amount (USD)	Amount (LCU)	Date Contract Completion	Remarks
C13201	1	Construction of hangars for Tea	N/A	22-May-23	21-Jun-23	N/A	N/A	12-Jul-23	N/A	Plan	19-Jul-23	2-Aug-23	7-Aug-23					7-Nov-23	
										Actual									

Day Ranges These tables provide estimated timelines by procurement methods, based on experience and guidance in the Procurement Handbook where specified.

The approximate number of days are used in the default Procurement Plan Formulas. Timelines in the Approx fields/Formulas are not prescriptive, and may be modified by the project.

Approx figures entered will be highlighted flagged, if below the Minimum number of days. Zero indicates steps that are not applicable to the method, and are indicated as N/A in the Formulas.

Goods & Works

Procurement Method	Submission of PreQual docs			No Objection Date			PreQual Invitation Date			PreQual Closing Date			Submission of PreQual Report			No Objection Date			Submission of BD			No-objection Date			Bid Invitation Date			Bid Closing-Opening			
	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	
Single Envelope																															
RFQ/Shopping (NS/IS)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	3	N/A-Start Date	7	10	7	1	3	1	5	21	14	0
NCB (no PreQual)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	7	7	21	14	1	3	2	21	30	30	7	
ICB (no PreQual)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	7	7	21	14	1	3	2	30	45	45	7	
LIB (no PreQual)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	7	N/A-Start Date	7	10	7	1	3	2	45	70	45	0
NCB (with PreQual)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	7	10	21	7	1	3	2	21	30	45	0	
ICB (with PreQual)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	14	10	7	10	7	1	3	2	30	45	45	0
LIB (with PreQual)	1	4	N/A-Start Date	5	10	7	1	3	2	14	30	30	14	21	14	7	10	7	1	14	10	7	10	7	1	3	2	45	70	45	0
Direct Contracting	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	3	3	7	10	14	1	3	1	7	14	7	0
Two Envelope																															
NCB (no PreQual)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	7	N/A-Start Date	7	10	7	1	3	2	30	45	45	3
ICB (no PreQual)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	7	N/A-Start Date	7	10	7	1	3	2	45	70	45	3
LIB (no PreQual)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	7	N/A-Start Date	7	10	7	1	3	2	45	70	45	3
NCB (with PreQual)	1	4	N/A-Start Date	7	10	7	1	3	2	14	30	30	14	21	14	7	10	7	1	14	10	7	10	7	1	3	2	30	45	45	7
ICB (with PreQual)	1	4	N/A-Start Date	7	10	7	1	3	2	14	30	30	14	21	14	7	10	7	1	14	10	7	10	7	1	2	2	45	70	45	7
LIB (with PreQual)	1	4	N/A-Start Date	7	10	7	1	3	2	14	30	30	14	21	14	7	10	7	1	14	10	7	10	7	1	2	2	45	70	45	7

Services

Selection Method	Submission of REOI			No Objection Date			REOI Launch Date			EOI Submission Deadline			Submission of Shortlist Report			No Objection Date			Submission of RFP/RCQ			No-objection Date			RFP/RCQ Launch Date			Proposal submission deadline			S
	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	
QCBS (w/Shortlist)																															
QCBS (w/Shortlist)	1	4	N/A-Start Date	7	10	14	1	3	2	14	21	21	14	21	21	7	10	14	1	7	4	7	10	7	1	3	2	30	45	14	
FBS (w/Shortlist)	1	4	N/A-Start Date	7	10	7	1	3	2	14	30	21	14	21	14	7	10	7	1	7	4	7	10	7	1	3	2	45	60	45	14
LCS (w/Shortlist)	1	4	N/A-Start Date	7	10	7	1	3	2	14	30	21	14	21	14	7	10	7	1	7	4	7	10	7	1	3	2	45	60	45	14
QBS (w/Shortlist)	1	4	N/A-Start Date	7	10	7	1	3	2	14	30	21	14	21	14	7	10	7	1	7	4	7	10	7	1	3	2	21	60	45	14
CQS (w/Shortlist)	1	4	N/A-Start Date	7	10	7	1	3	2	14	30	21	14	21	14	7	10	7	1	5	4	7	10	7	1	3	2	14	30	21	14
ICS (w/Shortlist)	1	4	N/A-Start Date	7	10	0	1	3	2	14	30	21	14	21	14	7	10	0	1	5	4	7	10	0	1	3	2	14	30	30	14
QCBS (noShortlist)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	7	4	7	10	7	1	3	2	30	45	30	14
FBS (noShortlist)</																															

Performance Metrics Report - Q3 2023

Submission Tech Eval Rpt		No-objection Date			Submission Combined Eval Rpt/Bid Evaluation Report			No-objection Date			Issue of NOITA & Standstill			Date Contract Award			Date Contract Signature			Totals												
Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Approx Months/Days									
0	0	0	0	0	0	0	0	0	0	0	1	3	2	1	3	2	16	43	26	0m 26d												
21	21	7	21	14	0	0	21	0	0	14	7	7	7	7	15	14	1	3	5	59	128	149	4m 28d									
21	21	7	21	14	0	0	21	0	0	14	7	7	7	7	15	14	1	3	5	68	143	164	5m 12d									
0	0	0	0	0	3	21	21	7	10	7	11	15	12	7	14	7	1	5	2	83	155	103	3m 12d									
0	0	0	0	0	0	0	0	0	0	0	7	7	12	7	15	5	1	3	2	45	86	83	2m 23d									
0	0	0	0	0	0	0	0	0	0	7	7	12	7	15	5	1	3	2	54	97	90	2m 30d										
0	0	0	0	0	7	21	21	7	10	7	11	15	12	1	5	5	1	5	2	123	231	171	5m 19d									
0	0	0	0	0	3	14	7	7	10	7	0	0	0	7	14	7	1	5	2	34	73	48	1m 17d									
21	3	7	10	7	3	7	7	7	10	7	11	15	12	7	14	7	1	5	2	78	147	99	3m 8d									
21	21	7	10	7	3	7	7	7	10	7	11	15	12	7	14	7	1	5	2	93	172	117	3m 26d									
21	21	7	10	7	3	7	7	7	10	7	11	15	12	7	14	7	1	5	2	93	172	117	3m 26d									
21	14	7	10	7	3	7	7	7	10	7	11	15	12	1	5	5	1	5	2	120	223	178	5m 26d									
21	21	7	10	7	3	7	7	7	10	7	11	15	12	1	5	5	1	5	2	135	247	185	6m 3d									
21	21	7	10	7	3	7	7	7	10	7	11	15	12	1	5	5	1	5	2	135	247	185	6m 3d									
Submission of TER		No-objection Date			Submission of CER			No-objection Date			Issue of NOITA & Standstill			Negotiations completed			Submission of Draft Contract and MoN			No-objection Date			Date Contract Award			Date Contract Signature		Totals				
Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Approx Months/Days						
21	21	7	10	7	7	14	14	7	10	14	11	15	14	14	21	14	3	14	4	7	10	14	1	3	2	1	7	7	155	268	226	7m 13d
21	14	7	10	7	7	14	14	7	10	7	11	15	12	14	21	21	3	14	4	7	10	7	1	3	2	1	7	7	170	283	204	6m 22d
21	14	7	10	7	7	14	14	7	10	7	11	15	12	14	21	21	3	14	4	7	10	7	1	3	2	1	7	7	170	283	204	6m 22d
21	14	7	10	7	0	0	0	0	0	0	11	15	12	14	21	21	3	14	4	7	10	7	1	3	2	1	7	7	132	259	183	6m 1d
21	14	7	10	7	0	0	0	0	0	0	11	15	12	14	14	14	3	14	4	7	10	7	1	3	2	1	7	7	118	220	152	4m 31d
21	14	7	10	0	0	14	0	0	0	0	11	15	14	14	14	14	3	14	4	7	10	0	1	3	2	1	7	7	118	234	128	4m 7d
21	21	7	10	7	7	14	14	7	10	7	11	15	14	14	21	14	3	14	4	7	10	14	1	3	2	1	7	7	111	190	147	4m 26d
21	14	7	10	7	7	14	14	7	10	7	11	15	12	14	21	21	3	14	4	7	10	7	1	3	2	1	7	7	88	173	125	4m 4d
21	14	7	10	7	7	14	14	7	10	7	11	15	12	14	21	21	3	14	4	7	10	7	1	3	2	1	7	7	95	175	129	4m 8d
21	14	7	10	7	0	0	0	0	0	0	11	15	12	14	21	21	3	14	4	7	10	7	1	3	2	1	7	7	88	181	128	4m 7d
21	14	7	10	7	0	0	0	0	0	0	11	15	12	14	14	14	3	14	4	7	10	7	1	3	2	1	7	7	74	142	97	3m 6d
21	14	7	10	0	0	0	0	0	0	0	11	15	14	14	14	14	3	14	4	7	10	0	1	3	2	1	7	7	74	142	82	2m 22d
0	0	0	0	0	7	21	14	7	10	7	0	0	0	7	21	21	3	14	4	7	10	7	1	3	2	1	7	7	49	136	101	3m 10d

Rwanda

Promoting Smallholder Agro-Export Competitiveness Project Project Design Report

Annex 8: Project Implementation Manual (PIM)

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Annex 8: Project Implementation Manual (PIM)

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PART I: FRAMEWORK AND RESPONSIBILITIES

I.1: DEFINITIONS

1. **Climate Smart Agriculture (CSA)** comprises the actions needed to transform and reorient agricultural systems to effectively support development and ensure food security under a changing climate. It aims at sustainably increasing agricultural productivity and incomes and adapting and building resilience to climate change. The term covers practices such as Conservation Agriculture, water and soil management, integrated production systems with efficient use of resources and less external inputs, diversification to increase resilience, etc.
2. **Cooperative**¹ is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise, according to internationally recognized co-operative values and principles. A cooperative:
 - fulfils a social or environmental objective, or is formed to fulfil its members' needs;
 - has democratic ownership and control;
 - has a different way of working and unique legal structure that differentiates it from a conventional business.
3. **Farmer Field School (FFS)** approach is a methodology originally developed by the Food and Agriculture Organization (FAO) as a participatory approach for people-centered leading. Practical field exercises using direct observation, discussion and decision making encourage learning-by-doing and participants can exchange knowledge in a risk-free environment. Local knowledge and outside scientific insights are tested, validated and integrated directly in farmers' gardens, under their localized ecosystems and socio-economic settings.
4. **Food insecurity** is the inability to obtain sufficient food (in terms of calories) and other essential goods and services to lead a healthy life.
5. **Partners of the Project** are strategic agencies, entities or organizations who support the achievement of Project objectives, either national, regional or international. While these may be paid for undertaking specific activities or supplying specific services, they differ from implementing agencies in the modalities in which these activities are planned and executed. Financing may not be involved at all.
6. **Project Implementation Manual (PIM)** is an annex to the Project Design Report (PDR) provides practical guidance to Project implementers on key implementation aspects. It describes in detail how the programme components and activities outlined in the PDR are intended to be implemented. The PIM outlines the detailed mechanisms, processes and procedures, formats, eligibility criteria etc. which will ensure efficient programme implementation and achievement of the envisaged programme results. The PIM is a living document and may be updated at any time, as needs arise, during implementation.

¹ Rwanda Cooperative Agency (RCA) definition.

7. **Time and Labor Saving Technologies (TLST)** are tools and equipment which reduce the drudgery and/or improve the efficiency of performing various farming, off-farm and household activities, such as the use of draught animals for land preparation, planting, weeding and rural transport, cooking on fuel efficient stoves, harvesting roof water for domestic purposes, agro processing and value addition.

8. **Performance based grant facility (PBGF)** is the facility aimed at increasing the availability of term funding to finance agriculture investments. This model will involve the compulsory matching of the grant to a loan. The beneficiary avails the grant benefit after complete repayment of loan along with interest on full amount (loan + grant component).

I.2: TARGETING STRATEGIES

9. **Project's goal and outreach.** The overall project goal is 'to increase incomes of the rural poor, by supporting inclusive and sustainable agri-exports' value chains'. The project development objective is 'to support the inclusion of rural poor in targeted export-driven value chains, by increasing their climate resilient productive capacity and market access'.

10. **Targeting approach.** PSAC will use a variety of targeting mechanisms to implement the project in a manner that is sensitive to the various needs and constraints of smallholder women and men farmers, as well as youth and specific vulnerable groups.

11. **Geographical targeting.** The project will target a total of fourteen (14) districts distributed across Rwanda, with a particular emphasis on the Western and Southern regions, that are also including some of the most vulnerable rural population. These will be: Nyamasheke, Rutsiro, Karongi, Nyabihu and Rusizi in Western Province; Huye, Nyaruguru, Nyamagabe, Ruhango and Nyanza in Southern Province; Rulindo and Musanze in Northern Province and Rwamagana and Bugesera in Eastern Province. In addition to these, Kayonza district will be targeted solely for the purpose of conducting trials on new improved essential oils varieties.

12. The final selection of the districts and their respective sectors has been based on the following criteria: (i) high poverty rates and high rates of food insecurity; (ii) comparative advantage for the development of targeted export-driven value chains, such as the existence of a traditional production basin, the proximity of a strong market, and favourable agro-climatic conditions; and (iii) alignment and development of strategic partnerships with other development partners in Rwanda to avoid the duplication of investments and to seek complementarity among the proposed interventions.

13. The fifteen targeted districts, including Kayonza for essential oil trials, account for a total of 1,405,814 households, of which 32 per cent are women-headed. Youth (between 16 and 30 years old) represent around 29 per cent of the population in the Project intervention area² as presented in Table 1.

² Source: Rwanda SPIU

Table 1 Targeted households in the Project districts

District	Number of households	Number of households headed by Female	% households headed by Female	Total Population	Total Number of Female	% of Female	Young people aged from 16 up to 30 years old	% of young people aged from 16 up to 30 years old
BUGESERA	119 842	39 308	33%	487 711	255 561	52%	131 200	27%
KAYONZA	92 889	30 189	33%	404 585	211 193	52%	94 468	23%
RWAMAGANA	97 673	32 330	33%	394 956	207 747	53%	108 993	28%
MUSANZE	108 645	30 747	28%	441 393	232 173	53%	135 825	31%
RULINDO	86 414	26 529	31%	357 902	187 899	53%	82 832	23%
HUYE	93 668	36 624	39%	378 836	201 920	53%	106 849	28%
NYAMAGABE	92 221	29 234	32%	376 864	198 230	53%	118 246	31%
NYANZA	86 932	32 860	38%	358 282	189 173	53%	103 406	29%
NYARUGURU	75 491	24 535	33%	343 927	179 530	52%	107 064	31%
RUHANGO	89 422	31 208	35%	366 456	192 756	53%	106 150	29%
KARONGI	87 690	28 762	33%	376 524	197 675	53%	113 582	30%
NYABIHU	82 779	26 489	32%	339 801	179 755	53%	107 542	32%
NYAMASHEKE	98 698	30 004	30%	473 279	248 471	53%	137 120	29%
RUSIZI	103 542	29 924	29%	489 022	254 291	52%	142 518	29%
RUTSIRO	89 908	26 972	30%	385 972	203 021	53%	121 993	32%
Total	1 405 814	455 715	32%	5 975 510	3 139 395	53%	1 717 788	29%

14. Of the total households in the project districts, around 18 percent are categorised as Ubudehe Category 1, around 42 percent as category 2 and 40 percent are category 3³.

Table 2 Targeted households in the Project districts, Ubudehe categorization

District	Number of households	Number of households under Ubudehe category 1	Percentage	Number of households under Ubudehe category 2	Percentage	Number of households under Ubudehe category 3	Percentage
BUGESERA	119 842	20 538	17%	52 176	44%	47 128	39%
KAYONZA	92 889	12 648	14%	40 074	43%	40 167	43%
RWAMAGANA	97 673	10 062	10%	43 330	44%	44 281	46%
MUSANZE	108 645	15 640	14%	52 365	48%	40 640	38%
RULINDO	86 414	13 908	16%	35 403	41%	37 103	43%
HUYE	93 668	16 828	18%	26 914	29%	49 926	53%
NYAMAGABE	92 221	17 112	19%	39 042	42%	36 067	39%
NYANZA	86 932	15 412	18%	35 414	41%	36 106	41%
NYARUGURU	75 491	22 698	30%	35 004	46%	17 789	24%
RUHANGO	89 422	17 817	20%	39 537	44%	32 068	36%
KARONGI	87 690	14 205	16%	32 182	37%	41 303	47%
NYABIHU	82 779	11 823	14%	42 792	52%	28 164	34%
NYAMASHEKE	98 698	35 523	36%	36 294	37%	26 881	27%
RUSIZI	103 542	13 211	13%	41 315	40%	49 016	47%
RUTSIRO	89 908	18 368	20%	38 448	43%	33 092	37%
Total	1 405 814	255 793	18%	590 290	42%	559 731	40%

15. **Description of the target groups.** In the selection of beneficiaries, PSAC will adopt eligibility criteria, already in use by other IFAD-funded projects in Rwanda, that take into account both social and economic profile of the target groups. The revised estimation indicates that the main direct beneficiary group will be composed of 56,695 households (approximately 255,128 household members⁴). Beneficiaries are distributed over three value chains as follows:

- Coffee: 37,570 households
- Tea: 11,625 households
- Horticulture: 7,500 households

³ Ibid.

⁴ Current ratio is 1 household has average 4.5 members

16. When looking at the distribution of consumption quintiles and ubudehe categories amongst tea/coffee producers and total rural population (see Figure 1), the tea/coffee producers are slightly more likely to be in better-off quintiles, and the same with Ubudehe category.

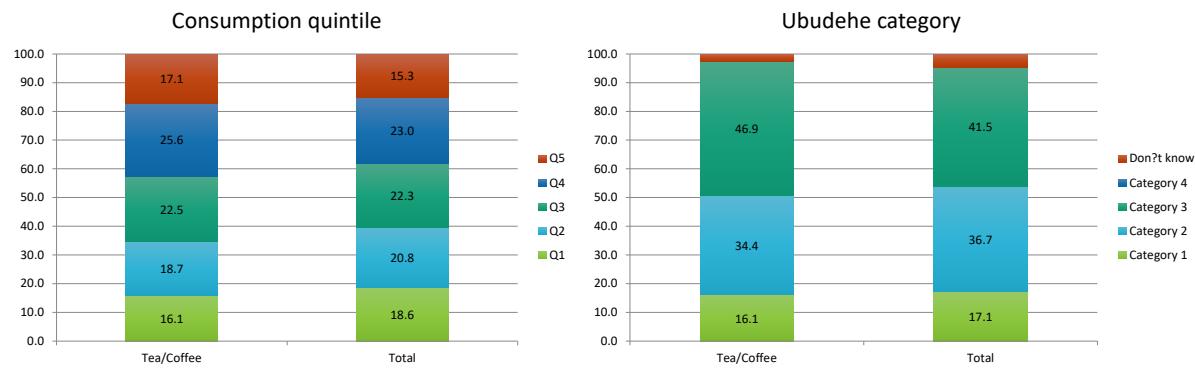


Figure 1 Distribution of consumption quintiles and ubudehe categories amongst tea/coffee producers and total rural population⁵

17. Furthermore, those participating from poorer quintiles tend to have much larger asset bases than those who do not produce tea or coffee (see Figure 2)

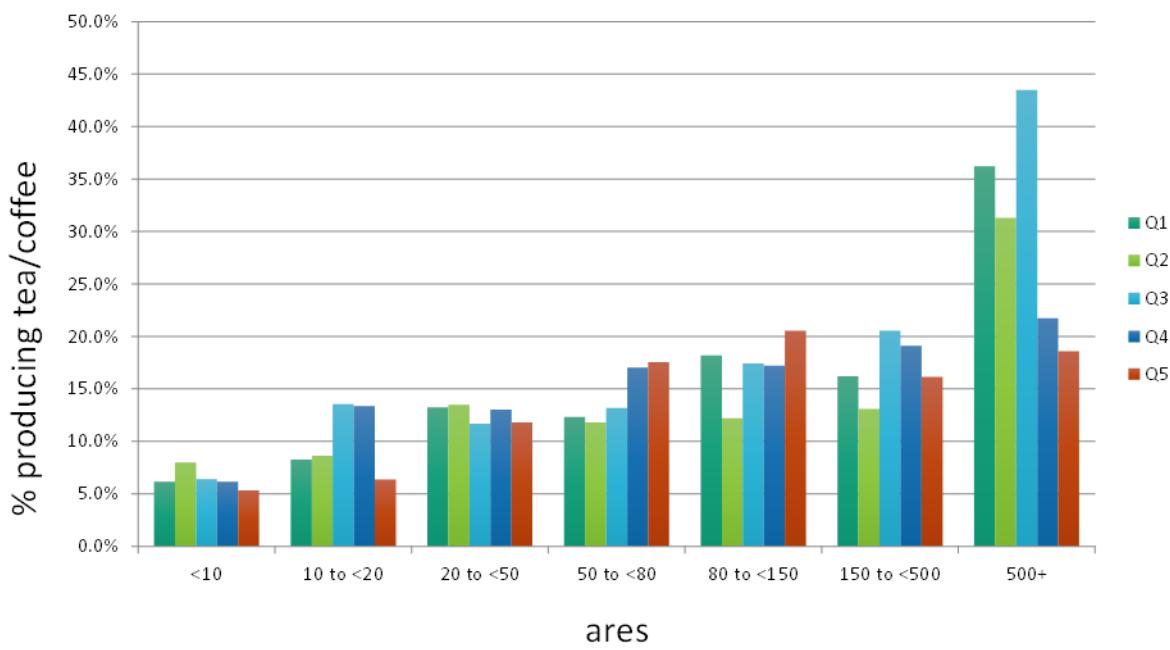


Figure 2 % of rural households with any cultivation who are producing tea/coffee, by land size (areas) and consumption quintile⁶

⁵ The Fifth Integrated Household Living Conditions Survey

⁶ Ibid.

18. Direct and self-targeting. Consistent with the national wealth ranking system (Ubudehe)⁷ PSAC will directly target three different categories of beneficiaries, applying complementary approaches aimed at enabling poor farmers to graduate from poverty. For HHs in Ubudehe category 1 and with less than 0.3 ha land, PSAC will identify employment opportunities under the horticulture component (e.g. pit digging for plantation, aggregation of produce and nursery-raising activities). In addition, through the support of Heifer International 2,000 farmers targeted from Ubudehe categories 1 and 2 will be involved in the cultivation of tomato, onion, garlic and carrot, etc., mainly focusing on domestic and regional (cross border) market. PSAC will also develop specific interventions to support elderly in the rejuvenation processes of plantations⁸ and strive to work with persons with disabilities who have the potential to take advantage of improved access to assets and opportunities for agricultural production and income generating activities.

19. In line with Ubudehe category 2, PSAC will specifically target small-scale farmers who are subsistence and vulnerable poor, have limited access to resources, less than 0.5 ha of land, and depend on crop production, seasonal labour or external support. Specific products (such as small-scale investments for climate-resilient technologies) and activities (FFS training) are developed for the targeted HHs.

20. Ubudehe category 3 includes market-oriented producers, who have on average 0.5 ha or more, and have moved beyond subsistence farming, or are owners of small and medium-scale enterprises. PSAC will engage with these groups to promote entrepreneurship.

21. At start-up, PSAC will further identify activities to ensure also the participation by the poorest tea/coffee producers. This will require addressing their barriers to participation in value chains and adapting the programme to their smaller land size and asset bases. Furthermore, special attention will be given to outreach to poorer households with both younger and older heads and women-headed households. Those groups are likely to have higher care burdens and therefore participation (e.g. community meetings, trainings, etc) must accommodate timing and, ideally, childcare needs. Older producers and those with disabilities may have mobility issues that will need to be considered.

22. In terms of access to financing, instruments, such as waiving of co-financing requirements subsidising any inputs required, and addressing risk through fall-back mechanisms, for example an index-based insurance, if profits decrease, to protect the incomes of the poorest farmers will be considered.

23. Furthermore, the PSAC targeting strategy will describe mechanisms for monitoring targeting effectiveness and for engaging target groups and key stakeholders in the monitoring of intervention outcomes, including forms of organization that will facilitate the participation of different target groups in the monitoring process. To avoid elite capture and to foster inclusive participation, PSAC will involve Umudugudu committees in the beneficiary selection whenever appropriate. Individual farmers may also be considered on a case-by-case basis according to their role in the target value chains and the services they can offer to the community.

24. Empowering measures. PSAC will adopt empowering measures to encourage targeted households to participate actively in the planning, implementation, and decision-making processes of the project initiatives by: i) utilizing gender-sensitive and participatory appraisal methodologies in the planning, implementation and monitoring of project

⁷ In June 2020, the Ubudehe categorization underwent a reform with new suggested categories Category A, B, C, D & E (Special Category). As the full implementation of this categorization has not yet been completed, PSAC will rely on the old categories 1-4.

⁸ E.g., by mobilizing youth groups in the process of uprooting coffee trees and replanting new ones

interventions to ensure that the differential experiences and intersecting vulnerabilities of both women and men are captured; ii) setting up a formal stakeholder feedback mechanism; (iii) using minimum participation quotas to ensure women (at least 40% and 20% women-headed households) and youth (at least 30%) participation; and (iv) using quotas to ensure minimum levels of women's representation in consultation and decision-making processes related to the project.

25. Enabling measures. PSAC will adopt enabling measures to help create and sustain a policy and operational environment favourable to poverty targeting, gender equality, women's and youth's empowerment. This will include: (i) discussing targeting and gender issues at the launch seminars/workshops; (ii) building the capacity of PSAC project management and service providers; (iii) building the capacity of those involved in the community social mobilization and other service providers through trainings, and integrating GEWE considerations into this training; and iv) including targeting and social inclusion aspects in the ToRs of the PSAC project management team.

26. Embedding social inclusion in PMU. A strong emphasis should be put on the capacity of the SPIU to deliver gender-and youth-sensitive programming. The SPIU will also benefit from gender parity among staff. The M&E system will be gender responsive and sex- and age-disaggregated to track progress and provide nuanced insights into the project impacts on women, youth, and vulnerable groups. A dedicated officer in NAEB will be responsible for implementation of the project's targeting and social inclusion strategy, which will address all targeting, youth and GEWE considerations.

I.2.1: GENDER EQUALITY AND WOMEN'S EMPOWERMENT

27. The latest Gender Inequality Index (GII), which reflects gender-based inequalities in health, empowerment and economic dimensions, ranks Rwanda 92nd out of 162 countries. According to the national Women's Empowerment in Agriculture Index Study from 2020, the largest contributor to women's disempowerment in Rwanda is workloads. Access to credit, decisions on credit, and difficulty speaking publicly also are important contributors to disempowerment. Among the three PSAC target provinces (Southern, Western and Eastern), additional constraints to empowerment for women include also the purchase, sale and transfer of assets⁹.

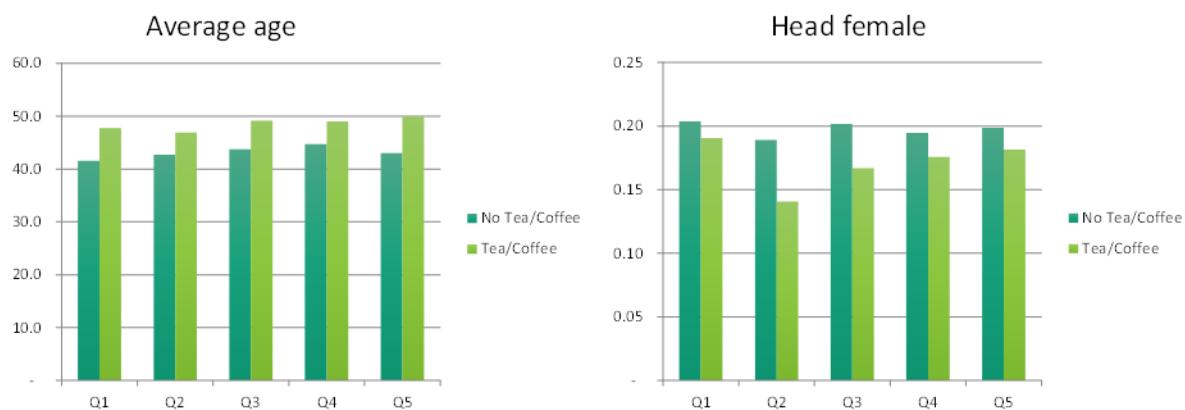
⁹ As rural women are not a homogenous group, all the issues and constraints mentioned also have varying impacts on different social groups depending on intersecting forms of marginalization that go beyond gender (e.g. age, race, disability, sexual orientation, wealth and/or class).

Table 3 Percentage of disempowered rural women and men who have inadequate achievement by indicator, by province¹⁰

Province		Production	Resources			Income	Leadership		Time
		Input in productive decisions	Ownership of assets	Purchase, sale, or transfer of assets	Access to and decisions on credit	Control over use of income	Group membership	Speaking in public	Workload
Kigali City	Men	5%	0%	8%	7%	1%	5%	2%	10%
	Women	1%	1%	9%	17%	2%	5%	8%	23%
Northern	Men	2%	2%	7%	13%	1%	6%	2%	10%
	Women	2%	1%	5%	13%	1%	8%	8%	15%
Southern	Men	1%	3%	7%	16%	2%	9%	3%	17%
	Women	1%	1%	10%	16%	2%	9%	16%	22%
Western	Men	1%	1%	4%	10%	1%	7%	1%	12%
	Women	1%	1%	7%	15%	1%	5%	15%	23%
Eastern	Men	3%	2%	8%	11%	3%	4%	4%	10%
	Women	4%	6%	21%	24%	4%	10%	16%	21%

28. In terms of economic opportunities, both men and women in Rwanda face constraints in accessing markets and finance. However, men have more access and control over agriculture resources at household level compared with women¹¹. The Revised National Gender Policy from 2021¹², notes that women remain present at the subsistence level of agricultural value chain-production due to inadequate access to agricultural inputs and extension services among others. When looking at the PSAC VCs (see Table 4), tea/coffee producers are older on average, and less likely to be female-headed households, reflecting barriers to entry amongst younger households and women.

Table 4 Average age and gender of coffee/tea farmers¹³



¹⁰ Ibid.

¹¹ NpM, 2020, Financial services for women. Case studies on women's participation in the maize and bean value chains in Rwanda.

¹² MIGEPROF, Revised National Gender Policy, Accelerating the Effectiveness of Gender Mainstreaming and Accountability for National Transformation 2021

¹³ The Fifth Integrated Household Living Conditions Survey

29. In addition, while women have equal access to and ownership of land as men¹⁴, this does not necessarily translate into equal access to assets, decision making and control over income resulting from the agricultural production. Gender disparities are also evident in the value addition and marketing of agricultural commodities where more economic commodities are controlled by men. In general, women are associated with marketing small quantities of production while larger quantities are marketed by men who also control the income from the sales.

30. With low education level and lack of financial literacy, women have also less access to financial services, which, in turn, limits their opportunity to engage in income-generating activities. Lack of assets challenges women to access financial services and products, as they are often not able to satisfy collateral requirements needed, for example, to receive a loan and start a new business.

31. In terms of unequal workloads, gender disparities exist at household level in time use for domestic and care activities. In male-headed households, women work for more hours (15.5 hours) than men (7 hours), spending over three hours more on farming activities than the seven hours worked by men, in addition to five hours on unpaid reproductive and household work¹⁵. In addition, men report having between 50 and 75 percent more leisure time than women¹⁶.

32. Women are also under-represented in leadership positions in cooperatives and other decision-making bodies and they tend to take up subordinate and stereotyped posts such as the vice presidency, secretariat and treasury, which have limited advantages in terms of decision-making and access to opportunities, information and training¹⁷.

33. While Rwanda is internationally recognized for its achievements in gender-equal parliamentary representation, health, and education¹⁸, persisting discriminatory social norms, which negatively affect women's decision-making power and opportunities for economic participation, remain in place. The 2020 UN gender social norms index¹⁹, which looks at four dimensions (political, educational, economic and physical integrity) and captures how social beliefs can obstruct gender equality notes that in Rwanda almost 90% of people hold some kind of bias against women. These biases are especially related to physical integrity including intimate partner violence and reproductive rights. This is particularly significant given that in Rwanda, among women age 15-49, 37% have experienced physical violence since age 15 and 23% have ever experienced sexual violence. The corresponding proportions among men are 30% and 6%²⁰.

34. Furthermore, the Rwandan agricultural sector and its related policies often construct gendered inequality as an 'add-on problem' to key action areas such as farmers' market integration, agricultural productivity, technology adoption, and innovation²¹ and notions of

¹⁴ In Rwanda, the land registration policy and the inheritance law favor equal access to and ownership of land. According to the State of gender equality in Rwanda Report, (2019) women had significant access to land in the country. According to that source, 58.3 percent of land was owned by spouses, 24 percent by only women and 14 by only men (2 percent by others).

¹⁵ MINAGRI, Agriculture Gender Strategy, 2012

¹⁶ FAO (2016) Research on rural women's economic empowerment and social protection - The impacts of Rwanda's Vision 2020 Umurenge Programme (VUP)

¹⁷ MINAGRI (2019) Gender and youth mainstreaming strategy

¹⁸ WEF, 2019. Global gender gap report 2020. Cologny/Geneva: World Economic Forum

¹⁹ UNDP (2020) Tackling Social Norms - A Game Changer for Gender Inequalities: 2020 Human Development Perspectives

https://hdr.undp.org/sites/default/files/hd_perspectives_gsni.pdf

²⁰ Rwanda Demographic and Health Survey 2019-20

²¹ Andersson, K., Pettersson, K. & Lodin, J.B.(2022) Window dressing inequalities and constructing women farmers as problematic—gender in Rwanda's agriculture policy

gender as a system of power relations that form specific norms and practices in agriculture remain silent.

35. Gender strategy. PSAC has a clear theory of change (see Figure 3) for promoting gender equality and women's empowerment and addressing systemic inequities through the enhanced inclusion of women into the selected value chains. Generating gender transformative change requires a focus on a broader set of factors with direct or indirect influence on women's opportunities to engage in and benefit from value chains. Five different pathways for women's empowerment and gender transformative outcomes are included in the PSAC ToC. Firstly, the project will create economic opportunities (e.g. community-based nurseries), expand plantation areas dedicated specifically to women and improve women's access to finance. These interventions will improve women's access to and control over productive assets, inputs, produce, financing and capacity building opportunities. Secondly, PSAC will enhance women's professional confidence through trainings, create spaces for collective agency and strengthen business management capacity of Rural Producer Organizations, all of which are expected to improve women's positioning and bargaining power within the selected value chains and increase their representation and leadership in producer organizations. Thirdly, the introduction of gender sensitive and climate smart productivity enhancing technologies will address women's time poverty and enable their enhanced participation in productive activities. Fourthly, the enhanced Gender Action Learning System (GALS+) will be implemented to tackle discriminatory social norms and to generate gender transformative changes and improved intra-household gender relations. GALS+ will be also used to strengthen the agency of youth (especially young women), with a particular focus on aspirations, influencing household decision-making, rights awareness, self-esteem, group membership and leadership skills as well as to address livelihood challenges related to nutrition and climate adaptation. Lastly, promoting an inclusive policy environment in cooperation with MIGEPROF in the coffee, tea, and horticulture sector will aim to tackle structural gender inequality on an institutional level.

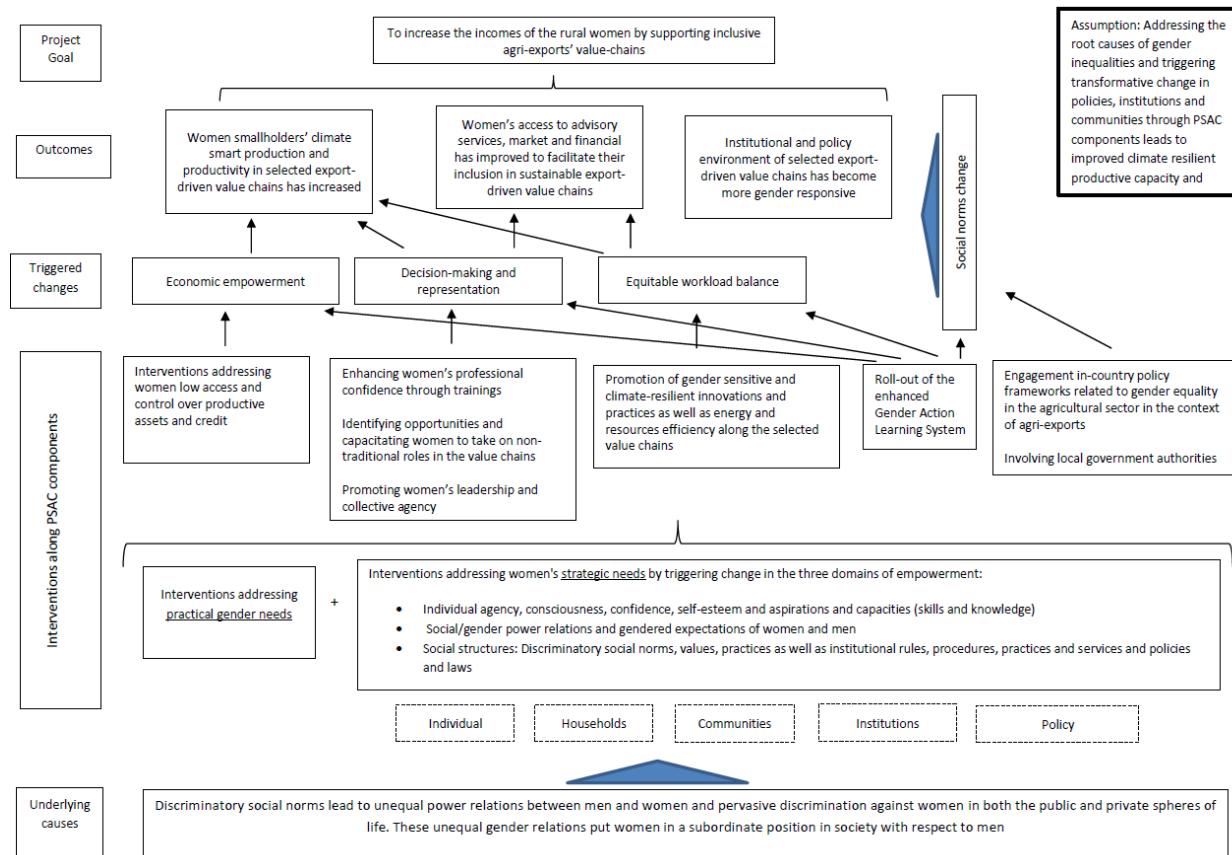


Figure 3 The Theory of Change (ToC) for gender transformative programming under PSAC

Table 5 Example of how GEWE issues are addressed throughout the project.

N.b. This needs to be complemented by gender value chain assessments in the start-up phase

Gender issues and their integration in project components	Actions to close the gender gap, and indicators Note: Some of the indicators listed here are captured (directly/indirectly) in the main results framework for the project, whereas others (the majority) are not integrated in the framework, as they refer exclusively to activity/output-based indicators to monitor gender-specific actions
Issue: Low outreach to women in PRICE To ensure 40% women are targeted as direct beneficiaries the project will:	Number of women receiving services promoted or supported by the project

Gender issues and their integration in project components	Actions to close the gender gap, and indicators Note: Some of the indicators listed here are captured (directly/indirectly) in the main results framework for the project, whereas others (the majority) are not integrated in the framework, as they refer exclusively to activity/output-based indicators to monitor gender-specific actions
<ol style="list-style-type: none"> 1. Set quotas for women's access to services and activities supported by actions that facilitate their participation such as reserving a percentage of leadership position to women 2. Create separate women's association and mobilise actively women to become members of the cooperatives²² 	
Issue: Women have low access and control over productive assets and credit <p>Component A - Investments to enhance climate smart production and productivity of selected export-driven value chains</p> <p>This component will support the intensification and improve the competitiveness of the production levels of the selected export-driven value chains through support to smallholder farmers' production and productivity and through the improvement of rural infrastructure facilities. The component A will address women's low access and control over productive assets and credit through:</p> <ul style="list-style-type: none"> • The expansion and rehabilitation of coffee plantation areas dedicated to specifically to women or where the cooperatives have bought land for women groups 	Indicators: <p>Women-Headed households that report an increase in income as a result of PSAC assistance number</p> <p>Women-headed households reporting an increase in production</p> <p>Women-headed households reporting improved physical access to markets, processing and storage facilities</p> <p>Women in rural areas accessing financial services</p>

²² Under PRICE the cooperative KOPAKAKI Dutegere, who participated in the TAP created a separate women's association, mobilised actively women to become members of the cooperative, and also reduced the membership fees for women to encourage them to join the cooperative

Gender issues and their integration in project components	Actions to close the gender gap, and indicators Note: Some of the indicators listed here are captured (directly/indirectly) in the main results framework for the project, whereas others (the majority) are not integrated in the framework, as they refer exclusively to activity/output-based indicators to monitor gender-specific actions
<ul style="list-style-type: none">• Exploring the possibility of engaging women in tree crops with the establishment of new farms. The project will encourage their access to land through community based sensitization and, where communal / state land is available, requiring that small adequate plots be attributed to these groups. Women headed households with proved lack of male labour power will be supported in clearing their plots.• Under the coffee value chain, the Performance Based Grant Facility (PBGF) will be provided with an improved benefit package for women (70% compared to 50% men)• Use of community-based nurseries to create employment opportunities for women• Increased access to fertilizer through the Revolving Fertilizer Scheme (RFS)• Ensuring additional VC-specific studies undertaken at project inception are gender responsive (value chain risk assessment, coffee study etc.)• Utilize best practices and south-south learning from the first phase of the Joint Programme on Accelerating Progress towards the Economic Empowerment of Rural Women (JP RWEE), which was implemented in Rwanda, Ethiopia, Guatemala, Kyrgyzstan, Liberia, Nepal, and Niger (e.g. addressing gender-specific constraints that rural women face in accessing resources)	
Component B - Enabling business environment along selected export-driven value chains)	

Gender issues and their integration in project components	Actions to close the gender gap, and indicators Note: Some of the indicators listed here are captured (directly/indirectly) in the main results framework for the project, whereas others (the majority) are not integrated in the framework, as they refer exclusively to activity/output-based indicators to monitor gender-specific actions
<p>This component will enhance the competitiveness and sustainability of the targeted value chains by improving smallholder value chain actors' access to advisory services, sustainable markets and financial services. Component B will address women's low access and control over productive assets and credit through:</p> <ul style="list-style-type: none"> • Strengthening the financial literacy skills of women through a FFS module for financial literacy for smallholder households • Developing a cross-cutting women and youth inclusivity approach with Coraid to ensure their participation in the value chains and in accessing finance. Coraid will identify new opportunities for women and youth in agricultural services, develop tailored financial products and impart appropriate trainings. The efforts will help women and youth to emerge as proximity business service providers (e.g. equipment maintenance, business planning, market linkages, filing taxes etc.) and entrepreneurs (see further details in section B.1.5.4) 	
<p>Issue: Unequal workloads</p> <p>Component A will promote the more equitable balance in workloads among men and women through:</p> <ul style="list-style-type: none"> • Promotion of gender sensitive and climate-resilient innovations and practices as well as energy and resources efficiency along the selected value chains. 	<p>Women-Headed households reporting adoption of environmentally sustainable and climate-resilient technologies and practices</p> <p>Women trained in production practices and/or technologies</p>

Gender issues and their integration in project components	Actions to close the gender gap, and indicators Note: Some of the indicators listed here are captured (directly/indirectly) in the main results framework for the project, whereas others (the majority) are not integrated in the framework, as they refer exclusively to activity/output-based indicators to monitor gender-specific actions
Component B will address this gender gap through <ul style="list-style-type: none"> Implementation of GALS+ 	Individuals demonstrating an improvement in empowerment (IFAD empowerment index)
Issue: Lack of representation and equal role in decision-making <p>Component A will address this gender gap through:</p> <ul style="list-style-type: none"> Enhancing women's professional confidence through trainings. PSAC will focus on capacity building of women and through specific skills and knowledge-based trainings so that they can play a key role in VC development. PSAC will engage with experienced agencies / SPs to avail the required services. The specific interventions include - i) Training of selected lead farmers and operators of protective agriculture units through the Horticulture Center of Excellence (HCoE)²³; ii) Training women in nursery raising and grafting techniques to ensure access to good quality seedlings locally through RAB and district teams; and c) <p>Component B will address this gender gap through:</p> <ul style="list-style-type: none"> Promoting women's leadership and collective agency through facilitating spaces for sharing information and building collective agency in the 	<p>Women-headed households reporting they can influence decision-making of local authorities and project-supported service providers</p> <p>Women trained in production practices and/or technologies</p> <p>Individuals demonstrating an improvement in empowerment (IFAD empowerment index)</p>

²³ HCoE shares the technical know-how about modern technologies related to irrigation, green houses and high yielding fruits and vegetable seedlings. It is established through collaboration between MINAGRI and the MASHAV, Israel's Agency for International Development cooperation

Gender issues and their integration in project components	Actions to close the gender gap, and indicators Note: Some of the indicators listed here are captured (directly/indirectly) in the main results framework for the project, whereas others (the majority) are not integrated in the framework, as they refer exclusively to activity/output-based indicators to monitor gender-specific actions
<ul style="list-style-type: none"> cooperatives and FFS groups. Each FFS will have 2 lead farmers of which at least 1 will be a woman Increasing women's representation in decision-making bodies, coordination and steering committees created by the project through setting up quotas Implementation of GALS+ <p>Component C will address this gender gap through:</p> <ul style="list-style-type: none"> Involving women and youth representatives in the district level horticulture value chain platforms 	
<p>Issue: Discriminatory social norms, attitudes and behaviors</p> <p>Component A will address this gender gap through:</p> <ul style="list-style-type: none"> Identifying opportunities and capacitating women to take on non-traditional roles in the value chains (e.g. nursery operators, grafting of fruit trees) Implementation of Heifer International's Value Based Holistic Community Development (VBHCD) model, which includes a focus on joint decision-making, animal ownership, labor and benefits as well as emphasis on women's empowerment and leadership <p>Component B will address this gender gap through</p> <ul style="list-style-type: none"> Cooperative training on GEWE. 	<p>Individuals demonstrating an improvement in empowerment (IFAD empowerment index)</p>

Gender issues and their integration in project components	Actions to close the gender gap, and indicators Note: Some of the indicators listed here are captured (directly/indirectly) in the main results framework for the project, whereas others (the majority) are not integrated in the framework, as they refer exclusively to activity/output-based indicators to monitor gender-specific actions
<ul style="list-style-type: none">• Implementation of GALS+ Component C will address this gender gap through<ul style="list-style-type: none">• Involving MIGEPROF to identify possible entry points for engagement in-country policy frameworks related to gender equality in the agricultural sector (e.g. support in GBV mitigation, ensuring new agro-export policies are gender responsive based on lessons learned from PSAC and other projects)• Involving local government authorities and in particular, the Gender and Family Promotion Officers to synchronise PACT activities with on-going activities on carried out at the district levels	

36. **Enhanced Gender Action Learning System (GALS+).** IFAD has supported the implementation of the Gender Action Learning System (GALS) in Rwanda since 2011 and currently two projects, the dairy development project (RDDP) and the Kayonza Irrigation and Integrated Watershed Management - Phase II (KIIWP2) have included GALS in their activities. In addition, GALS is being promoted by IFAD in Rwanda in the context of the Joint Programme on Accelerating Progress towards the Economic Empowerment of Rural Women (JP-RWEE).

37. GALS is a behavioural change methodology, which offers a framework to implement a gender transformative approach (GTA) by: challenging the root causes of inequalities between women and men; promoting positions of social and political influence for women in communities; and addressing power inequities between women and men. In addition, under the Joint Programme on Accelerating Progress Towards the Economic Empowerment of Rural Women (JP RWEE) in Rwanda, aspects of youth inclusion, improved nutrition outcomes as well as climate adaptation have been incorporated into the methodology. This 'Enhanced Gender Action Learning System (GALS+)' has been also recently implemented under RDDP.

38. Use of the enhanced GALS in PSAC will be rolled out through the FFS model and used to tackle discriminatory social norms and to generate gender transformative changes and improved intra-household gender relations (see annex 1 for the full TORs). GALS+ will also be used to address livelihood challenges related to nutrition, climate adaptation and youth inclusion. Recommendation and lessons learned from a recent Outcome Assessment of the GALS+ in the JPRWEE will be used to inform the implementation of GALS+ for PSAC.

Table 6 Gender activities implementation flowchart

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Start-up phase: recruitment processes, setup of technical assistance and roll-out plan	NAEB, SPIU	x						Service provider for enhanced GALS contracted Roll-out plan revised and finalised
Kick-off GALS+ activities (year 2 and 3)	NAEB, service provider		x	x				Inception meeting held Induction and introduction workshop to the facilitators and the core team held Identification of FFS groups and GALS champions finalised 100 FFS coaches trained 750 FFS lead farmers trained Upscaling GALS into FFS groups (4000 HHs) finalised
Replication and scaling up (year 3 and 4)	NAEB, Service provider			x	x			150 FFS coaches trained 3000 FFS lead farmers trained Upscaling GALS into FFS groups (17000 HHs) finalised
Consolidation and sustainability phase, with GALS+ (year 5 and 6)	NAEB, Service provider					x	x	849 FFS lead farmers trained Upscaling GALS into FFS groups (3490 HHs) finalised Sustainability plan, exit strategy finalised

I.2.2: YOUTH AND NUTRITION STRATEGY

39. **Youth target group information.** Rwanda is a youthful country, where working age youth (16 to 30 years old) represent 77 percent of the rural population. Yet, the involvement of youth in agriculture is low, only a quarter of farmers (26.6%) are between 16 and 30 years old. Young people are also amongst the most vulnerable sectors of the population: in Rwanda, almost 30 per cent of young people live in households that are below the poverty line. Gender disparities also exist, with more young women extremely poor (12 per cent) compared to men (10.4 per cent) in 2016/2017.

40. Young rural people are mostly literate (83 per cent, with no significant difference between males and females); however, the level of education is low and the percentage of young people attending tertiary education and technical or vocational schools is extremely limited (only 2.8 per cent of the rural youth population) which challenges their involvement in the formal labour market. Indeed, precarious forms of employment with low level of earning is the main employment problem for the youth.

41. Root causes of rural youth unemployment in agriculture are mostly related to lack of access to productive assets and natural resources, goods and services; lack of knowledge and technical and business skills; a negative perception of agriculture among youth and a non-conducive environment for youth involvement in agriculture and agribusinesses. Youth perceive agriculture as associated to mere subsistence and poverty and seek other options; however, these are not accessible for them due to lack of skills, assets and services.

42. **Youth strategy.** Providing the right incentives and support to rural youth to engage in commercially oriented agricultures will be critical to spearhead youth entrepreneurship, accelerate adoption of new technologies and provide the labour market with the skilled youth it requires to drive Rwanda's agri-export capacity. The project will ensure that at least 30% of the beneficiaries are youth. Key areas for the PSAC youth engagement include: i) developing youth entrepreneurs and supporting existing youth enterprises; ii) fostering access for young people to wage employment opportunities; iii) targeting youth groups to engage in specific opportunities suited for them across target value chains; iv) creating more favourable conditions for youth in order to alleviate the usual barriers they are facing when seeking loans, and v) ensuring that youth voices are captured and considered in all relevant spaces across the project cycle.

43. During the project start-up, the specific challenges of the different age sub-groups (their level of education, past work experience, collaterals, members of producers groups/cooperatives, etc.) will be further analysed. This is particularly relevant since i) the project is also targeting young people aged 16-18, which is a particularly vulnerable age group that will require specific attention and complemented activities for their full socio-economic empowerment; ii) the project target group includes youth up to 30 years old, with therefore higher level of heterogeneity. Further assessment of youth socio-economic traits to take into duly consideration their heterogeneity and ensure that equal attention is provided to younger youth (16-18 / 19-24) and older youth (25-30) will be conducted design skill enhancement and financial packages that are tailored to the socio-economic profiles, challenges, and aspirations of the different age sub-groups within the youth project cohort.

44. The project will capitalize on the youth employment ecosystem created by IFAD's agribusiness hub grants in Rwanda by engaging with the stakeholders involved in that programme to upgrade youth skills to meet the development of the coffee, tea and horticulture value chains. PASC will tap into the agribusiness hubs dual training (on irrigation, horticulture, mechanization, etc.); "matching services" (matching skilled unemployed youth with potential employers) and entrepreneurship supportive interventions. In these cases, the project will finance youth participation in these ecosystem services. The project will utilize existing labour market assessments (or undertake new ones if necessary for coffee and tea commodities, as necessary), to understand the job opportunities available to youth of different ages and gender. If necessary, it will also develop specific courses to be administered in TVETs and / or IPRCs specifically catered for the coffee and tea value chains.

45. Specific activities to be developed into a full youth strategy and action plan at start-up include:

- a. Investing in both youth agripreneurship (start-ups and business acceleration) and youth access to wage employment;
- b. Capitalizing on the youth employment ecosystem created by IFAD's agribusiness hub grant in Rwanda;
- c. Tapping into the agribusiness hubs dual training (on irrigation, horticulture, mechanisation, etc.) and "matching services" (matching skilled unemployed youth with potential employers).
- d. Facilitating young entrepreneurs' access to financial products through partnership with BDF as part of the existing agribusiness hub ecosystem.
- e. Promoting inclusion of youth indirectly by making their participation a criterion of granting priority access project support, closely monitoring of group memberships and the quality of young members' involvement, both as members (attendance at meetings) and as leaders (positions occupied)
- f. Among the capacity building modules for the cooperatives, including training targeting older members to sensitise them to the fact that younger farmers (in some cases also their children) will take over family farms and that membership can provide their family members with support - the expected outcome would be to create more space and opportunities for young people and to better understand the mechanisms that come into play in the early stages of non-traditional intergenerational collaboration.
- g. Including youth in activities that will require expansion of new cultivations/varieties (such as in the case of the macadamia orchards or the essential oils plantations) on land offered by the government or other institutions provided that relevant approaches and methodologies are adopted (with particular regard to youth access to land)

46. Key partners will include Kilimo Trust, the Rwanda Youth in Agribusiness Forum (RYAF), Rwanda Polytechnic (RP) with its Integrated Polytechnic Regional Colleges (IPRCs) and Rwanda TVET Board (RTB) with its Technical, Vocational, Education and Training Institutes (TVETs), together with Rwanda's Skills Development Fund (SDF), Business Development Fund (BDF) and FONERWA Rwanda Green Fund (RGF), among others.

Furthermore, additional partnerships will be explored with multiple employers from the private sector, particularly with companies in select VCs that are growth oriented and short of labour demand. In addition, potential entry points for rural youth groups may include community-based nurseries, organized groups of pluckers and certification trainers. PSAC will also provide internship opportunities for youth (72 students during the project period) to learn about value chains, follow-up with farmers, quality control aspects for international markets, role of financial institutions etc. while engaging value chain actors. Finally, the project intends to hire young women and men graduates for the positions of NAEB focal persons in each district.

47. Nutrition strategy. Despite impressive economic growth, the progress on reducing the level of stunting in smallholder rural children continues to be a serious concern. The country face triple burden of malnutrition (undernutrition, micronutrient deficiencies and overweight/obesity). Making value chains more nutrition-sensitive can help improve the quality, variety and more diversity of the foods that are available, affordable and acceptable and can contribute to dietary diversity. The introduction of improved processing and packaging of horticulture produce will help in addressing the access, acceptability and nutritional quality of what the consumer eats. A substantial part of value chain actors (producers, processors, retailors and etc.) lack knowledge of nutritional value of produce, importance of quality and safety of different products, including choosing products that are safe and nutritious, at the same time environmentally sustainable and eco-friendly, including proper food preparation and waste management.

48. Eighty percent of all households are food secure, which corresponds to about 1,963,975 households. However, 979,045 (40%) of these households are considered marginally food secure, meaning they are at high risk of becoming food insecure. Of the 473,847 (17%) households considered food insecure, 63,696 (3%) are severely food insecure. The level of food insecurity is particularly high in the western and northern parts of the country, especially in the livelihood zones of Western Congo Nile Crest Tea Zone (49%), Lake Kivu Coffee Zone (37%), and the Northern Highland Beans and Wheat Zone (32%). At the provincial level, the Western Province is most concerning, with over 35% of its households considered food insecure. Although the Western Province holds 22% of the country's households, 42% of all severely food insecure households in Rwanda are found there. At the district level, Rutsiro (57%), Nyamagabe (42%), Nyabihu (39%), Nyaruguru (37%), Rusizi (36%), Karongi (35%), and Nyamasheke (35%) have the highest percentages of households classified as food insecure²⁴.

49. PSAC will mainstream three specific nutrition related approaches into the value chain activities. PSAC has selected districts from Southern and Western province which constitute 50.4% food insecure population as against Northern and Southern provinces having 34% food insecure population. The smallholders in selected districts are predominantly cultivating selected export VC crops. Thus, PSAC is not promoting change in the cultivation of main crops of the smallholders but will focus on strengthening the productive capacity and quality so that they increase their income to meet households' needs. Therefore, the first approach builds on increased income to be associated with nutrition education and Social and Behaviour Change Communication (SBCC) activities implement through for example through GALS+. In addition, along with selected horticulture VC crops, PSAC's partner agency Heifer International will

²⁴ WFP, MINAGRI and NISR (2015). Comprehensive Food Security and Vulnerability Analysis Report (CFSVA). Kigali, Rwanda.

focus on tomato, onion, carrot and garlic as complementary crops to enhance food security and nutrition. These crops have good local and regional market demand, can be cultivated as intercrops in orchards as well as are useful for crop rotation. The second approach relates to women's empowerment in ways that improve nutrition. This consists of different interrelated elements, such as women's use of income for food and non-food expenditures (e.g. education and health expenditures), the ability of women to care for themselves and their families, and women's energy expenditure.

50. Lastly, PSAC plans to establish linkages between horticulture cooperatives and WFP HGSF programme. Partnership with WFP is expected to address nutrition enhancement in project target districts and catchment areas, but also to create stable markets, boost local agriculture, impact rural transformation and strengthen local food systems.

I.2.3: SOCIAL INCLUSION

51. **Other vulnerable groups.** Vulnerable groups targeted by the project include households with older people aged above 65 years and persons with disabilities (PWD).

52. Households with older people aged above 65 years, have a poverty rate 5.7 percent higher than the national average with 79.1 percent regarded as poor or vulnerable to falling into poverty. There are 511,738 older persons (60 and above) living in Rwanda out of a total population of 10,515,973 inhabitants. The older Persons are composed of 207,239 older men and 304,499 older women. Thus, older Persons represent 4.9% of the total resident population. Around 7.4% of the older persons receive formal pension from the Social Security Fund for Rwanda (SSFR), since in the context of high levels of poverty and the lack of formal employment, only a fraction of older people will have contributed to a pension²⁵. The households with older people are particularly vulnerable in the absence of assistance from Government.

53. **Inclusion of persons with disabilities.** According to the National Census, among those aged over 5 years, there were almost 450,000 persons with disabilities in Rwanda, which corresponds to around 4.3 percent of the total population above the age of 5²⁶.

54. Persons with disabilities in Rwanda face significant challenges across the lifecycle. An estimated 41 percent of persons with disabilities have had no education and around 52 percent of persons disabilities aged over 16 years are in employment compared to 71 percent of the national population.

55. In line with IFAD targeting guidelines, PSAC has to ensure that persons with disabilities who have the potential to take advantage of improved access to assets and opportunities for agricultural production and income generating activities are targeted by the project. Actions to improve accessibility of the services promoted or supported by the project to persons with

²⁵ Republic of Rwanda, NISR, Fourth Population and Housing Census 2012, Thematic Report, Socio-Economic Status of Older people, January 2014

²⁶ Between October 2015 and September 2016, Rwanda undertook a large-scale national categorization of persons with disabilities, under the leadership of the National Council for Persons with Disability (NCPD), an organ of MINALOC. The disability classification comprised the following categories: 1) physically disabled persons; 2) sight-impaired persons; 3) deaf-and-dumb persons or persons with either of these disabilities; 4) mentally disabled persons; and 5) persons with disabilities not specified in the above categories approved by the medical committee

disabilities will be explored. Before setting a quota for persons with disabilities, the project will include the Washington Group Short Set on Functioning in the COI to determine a baseline for the targeting of PWD and after that determine an appropriate percentage. The project will also build on the just released GESI Assessment and Strategy that informed integration of GESI perspectives into the USAID-funded "Kungahara Wagura Amasoko" interventions and will help to ensure that women, youth, and persons with disabilities have equal opportunities and are empowered to participate in export of high-value agricultural products²⁷. In addition, engagement with organizations of persons with disabilities (OPDs) and support the IFAD grant programme "Sparking Disability Inclusive Rural Transformation" (SPARK) can be utilized to further strengthen the inclusion of persons with disabilities in PSAC.

56. **Indigenous peoples.**

The "Twa" are the only minority group in Rwanda classified as historically marginalized people. It is hard to get exact data and figures on the economic-situation faced by the Twa due to the lack of disaggregate data in the country. However in 2019, a large-scale assessment was carried out by Twa-supporting organizations African Initiative for Mankind Progress (AIMPO), Women's Organization for Promoting Unity (WOPU), and Minority Rights Group International (MRG), with funding from the European Union, in order to understand the inclusion and involvement of Twa in various socio-economic and political programs and to gauge their understanding of human rights. In the event that during implementation, the Twa communities are identified in the PSAC project area, the project should follow the steps to seek their free, prior and informed consent (FPIC) outlined in Section 11 of the SECAP review Note. Furthermore, the project will include Twa as part of a target group under the social inclusion strategy. Several entry points are identified based on the previous Indigenous Peoples Assistance Facility (IPAF) projects in Rwanda. These include targeting the Twa as part of the vulnerable households and especially ensuring that Twa women can benefit from the interventions focused on empowerment. PSAC will also strive to account for the local traditional knowledge of the Twa where relevant, and specifically engage the Twa on their food systems (recognizing if they make use of indigenous seeds for instance, traditional practices that can be blended according to their needs and aspirations). Lastly, if deemed relevant, agro-forestry systems within the Twas can be identified, which improve biodiversity and food security and that offer opportunities to shape food systems to be more nutrition-sensitive, and ensure that nutritious, diverse and safe foods are accessible to consumers.

I.3: INSTITUTIONAL ARRANGEMENTS AND RESPONSIBILITIES

I.3.1: CONTEXT AND RATIONALE

57. The institutional arrangements for the Promoting Smallholder Agro-Export Competitiveness Project (PSAC) are fully aligned with the current implementation framework of IFAD-funded projects in Rwanda. This framework rests upon the below principles and operational modalities.

58. **Single Project Implementation Units (SPIU)** were created in every line Ministry and Public Agency, with the overall objective of creating an effective institutional framework, which will guide the process of designing and implementing projects that are earmarked to

²⁷ https://pdf.usaid.gov/pdf_docs/PA00Z8HC.pdf

fast track realization of development targets envisaged in the various sector strategic plans, the Seven Year Government Program and the EDPRS, all drawn from the Rwanda's Vision 2020.

59. The SPIUs are strategically positioned to manage the ongoing and planned as well as future projects identified in the course of translating sector strategic plans into development results. It further serves as repository of knowledge on lessons of experience accumulated in the course of implementing and closing the completed projects. The benefits to be derived from the established SPIUs include among others: (i) realization of economies of scale and reduction of transaction costs; (ii) improved coordination and creation of synergy; (iii) efficiency and effectiveness in project implementation oversight through improved M&E; (iv) improved staff retention leading to reduction in staff turnover and increase in institutional memory, and (v) increased knowledge and expertise as well as best practices in project management.

60. From the previous project (PRICE) lesson learned, the Lead Project Agency²⁸ has been shifted from the Ministry of Agriculture and Animal Resources (MINAGRI) to Rwanda Agriculture Board (RAB) under the supervision of MINAGRI for the implementation of RDDP and PASP, and to National Agricultural and Export Development Board (NAEB) for the implementation of PRICE. Effective from July 2017 and following the official letter from MINECOFIN to IFAD dated 27 March 2017, it was decided that the MINAGRI will have the role of making policies while implementation, management and monitoring of projects and programs will be transferred to the implementation agencies such as RAB and NAEB.

61. The Rwanda Agriculture Board (RAB) is an autonomous body established by LAW N°38/2010 of 25/11/2010. The law specifies that: RAB has the general mission of championing the agriculture sector development into a knowledge-based; technology-driven and market-oriented industry, using modern methods in crop, animal, fisheries, forestry and soil and water management in food, fibre and fuel wood production and processing.

62. The National Agricultural Export Development Board (NAEB) is registered under the MINAGRI. Rwanda Tea Development Authority (OCIR THE), Rwanda Coffee Development Authority (OCIR CAFE) and Rwanda Horticulture Development Authority (RHODA) were merged in 2011 to form NAEB. The formation of the NAEB aims to improve the balance of payment of the Rwandan economy, through increased agricultural exports and import substitution. NAEB was set up by bringing together three government agencies responsible for the entire Agriculture Export and cash crop base under one management as a commercial public institution established by the law N°13/2017 of 14/04/2017.

I.3.2: LEAD AGENCY AND PROJECT COORDINATION

63. The PSAC implementation arrangements are expected to ensure optimal use of human resources and smooth coordination between MINAGRI's institutions²⁹.

64. **NAEB.** The Lead Implementation Agency will be NAEB, under the responsibility of its Chief Executive Officer (CEO)³⁰. NAEB will host the following key positions, that will be recruited on a competitive basis:

²⁸ Lead Project Agency means the entity designated as such in an Agreement, which has overall responsibility for the execution of a Project

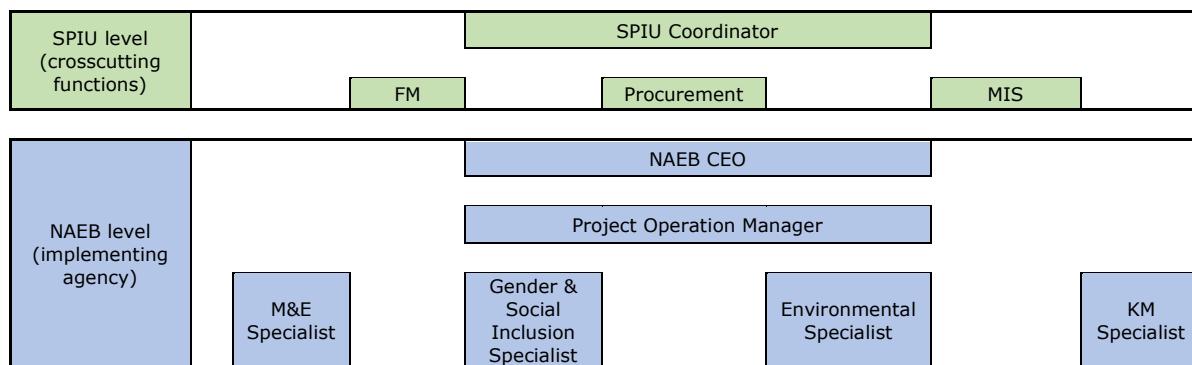
²⁹ See also PSAC organigram in figure 1

³⁰ NAEB is the Government authority that is in charge of developing and implementing policies and strategies for expanding exports of agricultural products meeting international market requirements. NAEB has the appropriate structure to implement PSAC

- 1 Project Operation Manager;
- 3 Value Chain Specialists (coffee, tea, horticulture);
- 1 Access to Finance (A2F) Specialist;
- 1 Monitoring and Evaluation (M&E) Specialist;
- 1 Gender and Social Inclusion Specialist;
- 1 Environmental Specialist;
- 1 Knowledge Management (KM) & Communication Specialist;
- 1 Administrative Assistant;
- 2 Accountants (reporting to Financial Manager of SPIU for IFAD-funded projects);
- 1 Procurement Officer (reporting to Sr. Procurement Officer of SPIU for IFAD-funded projects);
- 3 drivers (one for each value chain);
- 1 NAEB Focal Person (young graduates, men and women) will be posted in *each* target district to ensure smooth coordination at field level.

65. SPIU for IFAD-funded projects. Under the overall supervision of the SPIU Coordinator, the SPIU will retain the core functions of financial management, procurement and Management Information System (MIS), for which, and it has a long-standing experience with IFAD, as they have been key element contributing to the good performance of the IFAD portfolio in Rwanda.

66. District Authorities. In addition, the project acknowledges the key role of the district authorities and will allocate necessary resources to ensure smooth implementation, monitoring and coordination of PSAC interventions at field level³¹. Bringing in the district and sector agriculture staff under the authority of MINALOC will be particularly important to ensure continuous and sustainable extension services that will further protect the project's investments.



interventions through its Traditional Commodities Division (for tea and coffee), Emerging Commodities Division (for horticulture), Quality Assurance and Regulatory Division and Export Services Division. NAEB has also gained relevant expertise and capacity to lead the implementation of large projects and programmes, including the 9-year IFAD-funded PRICE project.

³¹ One of the lessons learned in PRICE is that agricultural extension services are difficult to mobilize when they are not placed under the mandate of the Ministry that is implementing IFAD projects. In Rwanda the district and sector agronomists are not employed by MINAGRI: all of them are put on the payroll of the district authorities, themselves depending on the MINALOC

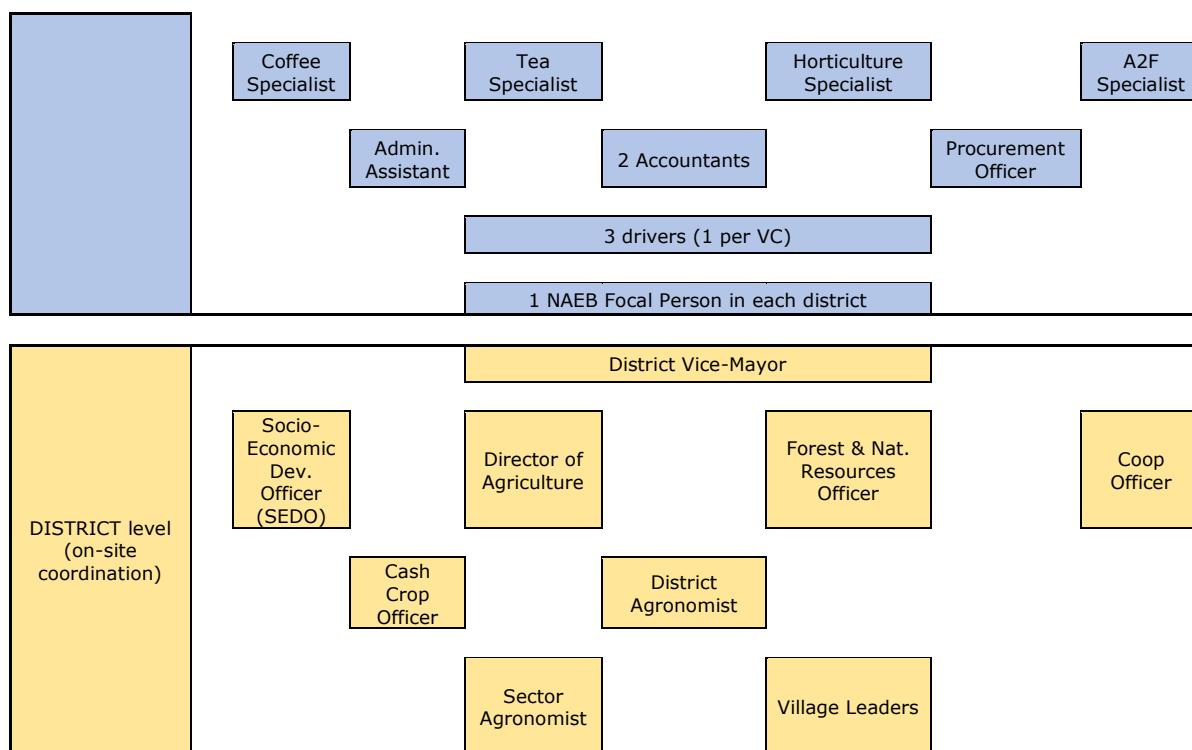


Figure 4 Project Organigram

I.3.3: PROJECT GOVERNANCE STRUCTURE

67. **The Project Steering Committee (PSC).** In line with the practice for IFAD-funded projects in Rwanda, a PSC will be established for PSAC. The Committee will be made up of representatives of MINAGRI and other relevant ministries such as MINALOC, MINAFFET, MIGEPROF etc; relevant government institutions RAB, BDF, RCA, BRD etc; as well as representatives of the target District Councils, members representing the POs and local institutions from the public and private sectors participating in the Project. It will be chaired by the Permanent Secretary of the Ministry of Agriculture and Animal Resources. The Committee is due to meet at least twice yearly, once to review the draft Annual Work Plan and Budget (AWPB) and again at mid-year to review the implementation progress. It will be responsible for the technical oversight of the implementation of the AWPB, as well as will approve the AWPB before sending it to IFAD for the No-Objection.

68. The PSC will be also active during the year and will invite members of the District Council, members representing the farmers, cooperatives, Producers' Organizations (POs), and local institutions from the public and private sectors' participating. The committee will be responsible for the technical oversight of the Project's integration into the district structure, as well as ensuring also sectoral and implementation coordination.

I.3.4: POSSIBLE IMPLEMENTING ENTITIES AND SERVICE PROVIDERS

69. **MINAGRI** will maintain an oversight role and lead the policy interventions and dialogue for the sector in general and for PSAC implementation in particular. The Permanent secretary in MINAGRI will maintain the role of Chair within the steering committee of PSAC.

70. The **NAEB** will establish partnerships and service provision agreements through Memorandums of Understanding (MoU) with partners that will include budget allocations, activities and responsibilities on the project of each entity.

71. Different types of partnerships to facilitate PSAC project are categorized as pre-identified (see I.3.5.) partners during the design stage, partners for synergizing PSAC efforts, potential service providers and further partnerships to be explored during the project implementation.

I.3.5: PARTNERSHIPS

72. **Cordaid.** A partnership with Cordaid, as a co-financier of PSAC, would mainly engage in implementation of Component B. The key areas of PSAC collaboration with Cordaid are -a) A Farming as a Business (Faab) training module to be incorporated in FFS curriculum, including financial literacy for smallholder HH across all three sectors and b) Support PFIs to develop and strengthen innovative client-oriented agri-finance products for MSMEs and smallholders, also to access existing credit lines for on-lending to PSAC targeted value chains.

73. Cordaid has participated in the design of PSAC with their proposed interventions - (i) value chain development, including capacity building of producers' organizations and business development service; (ii) mobilizing youth for equipment maintenance; (iii) development of range of financial products considering smallholder needs and FIs constraints; (iv) access to agricultural finance with a focus on digital agri-credit assessment tool and capacity building of financial institutions; (v) digital solutions for agriculture; (vi) programme embedded reflection and learning to influence policies and practices. Cordaid has confirmed to co-finance PSAC for an amount of USD 750,000

74. **Heifer International (HI).** HI plans to work with smallholder farmers, women and youth to engage them in horticultural interventions such as vegetable cultivation (e.g. tomato, garlic, onion, carrot, etc.) linked with domestic and regional markets. It aims to improve food security, nutrition, income for farmers and aid to create local jobs. Heifer believes in capacity building of smallholder farmers to graduate them to commercial agriculture. While PSAC focusing on export driven value chains, some resource poor farmers and smallholders may get left out, PSAC's engagement with HI will ensure participation of smallholders under Ubudehe 1, 2. The major interventions proposed by Heifer are – (i) Climate Smart and resilient horticulture production (ii) Capacity building for smallholder farmers (Value based holistic community development model to be adopted) (iii) Product diversification and access to markets (iv) To mobilize funds (approx. 1 million USD) through impact capital facility to provide access to affordable finance (v) influence policies and practices of government and institutions to support smallholders. HI has confirmed that it will co-finance PSAC with USD 1.25 million, in addition to its capital investment fund of USD 1 million.

75. **Business Development Fund (BDF).** Established in 2011 as a wholly owned subsidiary of the Development Bank of Rwanda (BRD), BDF has the objective of assisting SMEs to access finance, particularly those without sufficient collateral to obtain credit from traditional financial institutions at reasonable rates. For PSAC implementation, collaboration with BDF will be established for the Guarantee Fund and matching grant schemes, given its thorough experience (of managing the similar funds financed by PASP, PRICE and RDDP), outreach capacity (through district offices) and recently digitalized application process.

76. **Development Bank of Rwanda (BRD).** It is a development bank in Rwanda. Since 2001, the bank has increased its focus on financing rural development projects. BRD has been managing HEGF initiated through PRICE. It has made it as a part of its product range. Recently it has undertaken review of lower uptake of funds through survey of exporters engaged in Horticulture and initiated a capacity-building programme. through its own resources. PSAC plans to work with BRD further on expanding HEGF fund (with an additional USD 500,000) to incorporate CAPEX requirements also and complement exporters capacity building process initiated by BRD by helping them in developing better market linkages.

77. **Commercialization and De-risking for Agricultural Transformation (CDAT).** The proposed World Bank supported project, CDAT will be implemented for a period of 5 years starting from 2022/23. Its objectives are to increase the use of irrigation and commercialization among producers and agribusiness firms in supported value chains and to increase access to agriculture finance. The project has initially prioritized six value chains: horticulture, beans, maize, cassava, Irish potatoes and rice and will invest in other value chains based on clear evidence. Its target beneficiaries will be farmers' cooperatives, commercial farmers and small and medium sized agri-enterprises (agri-SMEs). While designing the PSAC project, proposed interventions of CDAT have been taken into consideration to develop synergies between the projects. Accordingly, NAEB will ensure support of CDAT activities viz. irrigation, post-harvest equipment (solar chili dryers, small cold storage units, protective agriculture units etc.) for PSAC participants, thus the PSAC has left out some of the budget allocation to avoid duplications. So, if both the projects are operated in tandem (as alliance partners at implementation level), it is envisaged to maximize the synergies and the impacts.

78. **Rwanda Cooperative Agency (RCA)** promotes, regulates and supervises the grouping of a large number of smallholders into more effective market-oriented cooperative organizations. RCA was created through Law n° 16/2008 of 11.06.2008, which is strongly related with Law n° 50/2007 of 18.09.2007, adopted by the Parliament, to determine the establishment, organization and functioning of Cooperative Organizations in Rwanda. RCA is in charge of several activities connected with the creation and supervision of cooperatives including: registering, regulating and supervising cooperatives; setting standards and formulating professional ethics for prudent management; assisting with capacity building through training and seminars; encouraging the cooperative movement to take advantage of investment opportunities at national, regional and international levels; carrying out research and studies; advising the Government; and developing good relations and collaborating with other agencies carrying out similar missions.

79. With respect to PSAC implementation, the RCA will be responsible for several activities connected with the creation and supervision of cooperatives including: registering, regulating and supervising cooperatives; assisting with capacity building through training and seminars.

80. **Partnership for synergies.** Synergies will be sought with other ongoing or upcoming programmes such as the just launched USAID KWA project, the upcoming project from the Belgian Development Agency (ENABEL), and the 'Smart Food Value Chain Management Project (SFVCM) funded by KOICA', etc. Also, PSAC should explore the access to credit lines of ABC Fund, BRD, ARCAFIM, etc. to strengthen investment opportunities in PSAC Value Chains during the implementation.

81. **World Food Program (WFP).** A partnership with WFP will be explored under the ongoing Project 'Sustainable Market Alliance and Assets creation for Resilient Communities and Gender Transformation (SMART)'. Over 180,000 people will benefit from the project throughout 2020-2023 in Karongi, Rutsiro, Nyamagabe, Nyaruguru and Kayonza districts. Except Kayonza, other districts are common in PSAC and SMART, thus a partnership with WFP can be explored in relation to access to savings, credit and insurance, as well as capacity building of cooperatives, post-harvest capacity, linkages with buyers/financial sector. Potential synergies could be linking financial products of MFIs and SACCOs with Village Savings and Loan Associations (VSLAs) within the targeted cooperatives, facilitated by WFP, as well as creating links between SMEs crowded into the Farm-to-Market-Alliance (FtMA)³² and matching-grants under PSAC. Other possible partnership areas include Nutrition sensitive and climate smart practices, promotion of nutritious foods and market linkages through the HGSFP. However, it is to be noted that SMART project is expected to end by 2023.

82. **Access to Finance Rwanda (AFR).** AFR has the core objective of stimulating the development of the financial sector in Rwanda. AFR's intention is to remove the systemic barriers that hinder access to financial services by putting the low-income people particularly the rural poor and women at the center of its interventions. AFR supports the development and provision of financial services including savings, credit, insurance, payments and remittances. AFR is funded by FCO, Sweden, USAID, the MasterCard Foundation and KfW. For PSAC implementation, collaboration with AFR would be explored in policy dialogue in rural finance and for specific instruments that are relevant for PSAC implementation.

83. **Alliance for a Green Revolution in Africa (AGRA).** AGRA works with partners and the Government of Rwanda to increase incentives for private sector participation and investment into the sector while also enhancing access to finance and markets; the adoption of climate smart technologies and use of inputs (seeds and fertilizer). AGRA has also supported policy development on seed sector as well as capacity building. Possible areas of partnership are on capacity building on government staff, farmers' linkages with markets and the private sector, as well as access to inputs and financial services.

84. **Kilimo Trust.** Partnership with Kilimo Trust Rwanda (KTR) will catalyse involvement of youth across the different segments of selected value chains. KT experience in Rwanda and in the EAC region will contribute greatly in increasing farmer professionalisation, value chain coordination and efficiency, youth and women employment, innovative approaches to private sector engagement, establishment of sustainable market linkages, and adoption of regenerative agricultural practices that are climate resilient in nature. KT will build on gains

³² FtMA promotes the growth of viable smallholder facing business models through strategic partnerships and catalyses farmer-friendly investments into crop value chains.

achieved and lessons learnt from implementation of past and on-going projects such as the Regional East Africa Community Trade in Staples (REACTS) – Phase I funded by IFAD to link smallholder farmers and agribusinesses to regional (especially urban) food markets in East Africa & Phase II funded by AGRA to strengthen access to inclusive markets and improved value chain coordination; the Beans Enterprises and Structured Trade in EAC (BEST EAC) which supported consumer driven markets and structured regional markets through lead firm models; the Kigali Wholesale Market for Fresh Produce which targeted to commercialize fresh fruits and vegetables in Rwanda; the Rural Youth Employment Support (R-YES) funded by IFAD & BMZ to create new opportunities for rural youth in agribusiness as wage earners or commercial providers of services and products; and the Good Food for Cities Project which focuses on professionalization of smallholder farmers to increase production, post-harvest handling and market access for horticultural crops through regenerative agricultural practices that are climate resilient in nature.

85. South South and Triangular Cooperation (SSTC). Under the strategic partnership with implementing partners, Cordaid, Heifer International, and Kilimo Trust, PSAC will maximize the opportunities for knowledge sharing and south-south triangular cooperation. One of the implementing partners, Cordaid, for example, is the recipient of a SSTC grant covering Rwanda and Kenya on access to financial services and market linkages. Heifer International has operations in several African countries as well as in Asia and Latin America Countries. Whereas Kilimo Trust will create and strengthen linkages between smallholder farmers and consumer driven markets both national and export to the neighbouring East Africa countries to ensure value chain coordination building on its network from implementation of past projects of IFAD in Rwanda and East Africa countries, notably REACTS, PASP, MIVARF, VODP2, KCEP. In addition, the linkages with the CACHET project will allow PSAC cooperatives to learn from other countries' experiences in price risk management. PSAC will have the opportunity to tap into this wide range of expertise and knowledge, leveraging South-South knowledge exchanges through learning events and peer-to-peer exchanges.

I.3.6: POTENTIAL SERVICE PROVIDERS

86. Horticulture Centre of Excellence (HCoE). The HCoE shares the technical know-how about modern technologies related to irrigation, green houses and high yielding fruits and vegetable seedlings. It has developed mother orchards of mango, citrus and avocado comprising of export suitable varieties. It is also producing grafted seedlings of these fruit crops. It has developed the training facilities on greenhouse management and detailed training manual for Chili is prepared in Kinyarawanda. The green house technology demonstration for chili, tomato, cucumber, okra etc. is established at the centre. The centre offers training to farmers, lead farmers / FFS facilitators, staff from different organizations etc.

87. Considering the above well-established facilities, PSAC can engage with HCoE to avail services such as scions for grafting of mango and Avocado, procuring seedlings for vegetables

such as chilli, procurement of grafts (to fill the gap in seedling production if occurs) and training to selected lead farmers and green house operators in green house management as per arising needs.

88. **The Rwanda Nuts Ltd.** It is private sector company dedicated to support Macadamia VC in Rwanda. It has been involved in Macadamia seedlings production, guiding farmers, purchase of Macadamia. Processing as well as marketing. The Company has processing unit in Rwamagana district and is exporting Macadamia nuts to the USA and Europe. It has interest in working with smallholder macadamia farmers. For PSAC project, the company has shown interest in partnership GoR (through MoU) to provide the advisory services free³³ for the development and follow up (including post-harvest handling and marketing) of 250ha of smallholder macadamia plantation at least until the 4th year after plantation). For this purpose, NAEB needs to enter into an MoU in the first year of the programme to recognize Rwanda Nuts contribution (indicating approximate value of advisory services it will provide) and ensure the services to the target group with clear timelines and deliverables. Rwanda nuts is expecting NAEB and respective district authorities to mobilize communities, organize them in groups and facilitate consolidated land availability for smallholder macadamia plantation. On the other hand, Rwanda Nuts will ensure continuous support to macadamia farmers on the 250 ha (exact locations to be defined once the macadamia plantation plans have been developed).

89. **Partnership with Private sector** as services providers for Macadamia plantation: Macadamia is grown as an export potential crop. The linkage of producers with aggregators / processors/exporters who have capacity to guide small producers in development of plantation and advice on agronomical practices is key for development of the supply chain. This is an important step with reference to Kenya and Malawi where illegal trade of macadamia is a cause of concern for development of a strong macadamia value chain. There are some private players like FDINDA Ltd, Rwanda Nuts, Norlega, etc. who are well experienced and have strong technical capacity to provide guidance on grafted seedling production, orchard management, post-harvest handling as well as processing and marketing. Considering the nascent stage of the macadamia value chain in Rwanda which has problems of accessing good planting material, limited technical know-how, unorganized chain, limited local market etc., it is opportune time to create space for such experienced private sector players as technical service providers.

90. PSAC will engage private sector companies such as Sunripe Farms Rwanda Ltd, Rwanda Best Ltd, Pride Farms and others that are already included in the network created by Kilimo Trust under the Rwanda Agri-Hub of R-YES project to create decent jobs for youth in horticultural production, processing and marketing and other value chain nodes to close the gap between the demand and supply of skills.

I.3.7: COOPERATION AND LINKAGES WITH OTHER IFAD PROGRAMMES IN THE AREA

³³ E-mail communication from Rwanda Nuts during the PSAC design mission in Rwanda (9th-20th May 2022).

91. Recently closed IFAD-funded “**Climate Resilient Post-Harvest and Agribusiness Support Project” (PASP)** has been formulated as an instrument for implementation of the National Post-harvest Staple Crop Strategy (PHSCS) with the Post-harvest and Handling Task Force (PHHTF) as key counterpart. It is being implemented in 11 districts with a focus on dairy, maize and bean value chains. The lessons of PASP Value chain development will be adopted to the PSAC implementation.

92. The IFAD-funded **Rwanda Dairy Development Program (RDDP)** is operational in 12 districts of four Provinces of Rwanda: East (Nyagatare, Rwanamagana, and Kayonza), North (Gicumbi, Burera, and Musanze), West (Nyabihu, Rubavu and Rutsiro) and South (Nyanza, Huye, and Ruhango). It focuses on developing the dairy value chain through improving cattle productivity, milk quality and processing capacity of the dairy industry, and strengthening the policy and institutional framework for the sector. Synergies can be explored, especially in dairy development and nutrition enhancement at district level wherein district authorities can be directly involved.

93. **Kayonza Irrigation and Integrated Watershed Management Project (KIIWP II).** The Project’s goal and objective of KIIWP II are to “Contribute to poverty reduction in the drought-prone Eastern Province of Rwanda” and to “Improve food security and incomes of at least 40,000 rural households on a sustainable basis and build their climate resilience”. The Project intervention area comprises 9 drought-prone of the twelve sectors in Kayonza District. Its key interventions include strengthening resilience to droughts, support to farm business development and institutional development. Learnings around FFS approach, selected VC development interventions, Climate smart technologies, PBFG etc. can be useful for the PSAC project.

94. The **IFAD-funded Project for Rural Income through Exports (PRICE)** is a country-wide project focusing on the establishment of pro-poor cash crop value chains involving smallholder production and early transformation in partnership with private operators. PSAC builds on the lesson learned from PRICE, thus synergies will be established under the development of horticulture value chains for both domestic and export markets.

95. **IFAD grants with Kilimo Trust.** The R-YES project is coordinated by Kilimo Trust and implemented by a consortium of institutions including RYAF, the African Agribusiness Incubators Network, the Rwanda Polytechnic (RP) with affiliated vocational Training Centres (VTCs), Integrated Polytechnic Regional Colleges (IPRCs) and Business Incubation Centres (BICs) among others. Overall, the grant intends to target 1,200 youth, of which 50 per cent women. The project will identify opportunities for youth employment along selected value chains and provide capacity building (through VTC and colleges) to enable young women and men to join employment opportunities and will identify strategic partners to link youth graduated with agribusiness enterprises and BDFs. A network of sub-Hubs will be established at the provincial level to facilitate these linkages. PSAC will liaise with the grant to identify job opportunities for young people for the supported value chains and the provision of capacity building and trainings and link to financial services. Graduate youth would be also employed by the Project as service providers.

PART II: DETAILED IMPLEMENTATION MODALITIES

II.1: COMPONENT A: INVESTMENT TO ENHANCE CLIMATE SMART PRODUCTION AND PRODUCTIVITY OF SELECTED EXPORT-DRIVEN VALUE CHAIN

A.1.1 Coffee Replacement and Rehabilitation

a) Coffee Replacement

96. 3,050 Ha of coffee bushes that are more than 30 years old are targeted for replacement in the six target districts that include Karongi, Nyamasheke and Rusizi in the Western Region along the Kivu Belt, and Nyamagabe, Huye and Ruhango in the Southern Region. 200 Ha out of the 3050 Ha earmarked for replacement shall be dedicated to the women and youth who have been allocated land by their families (husbands and parents respectively) to cultivate the crop or households headed by women and have the old coffee trees. The cost of replacement is estimated at USD 3,000 per ha during the first year which includes uprooting, land and planting holes preparation, purchase and transport of seedlings, inputs (including Fertilizers and manure), planting, etc. A further USD 2,100 has been reserved to take care of the young shoots maintenance during the second year to cater for labour to select the suckers, prune and inputs.

97. **Selection of beneficiaries and mobilization of women and youth.** Majority of farmers are old and may not have the energy to uproot the old coffee trees, plough the land and prepare planting holes as well as plant the seedlings. The project Coffee Specialist, the District cash crop officer, sector agronomist under the leadership of District Director of Agriculture, SEDO, co-operative officer and Cooperatives management as well as illage opinion leaders shall be involved in the selection of beneficiary farmers based on their willingness to formalize these activities and capacity to dedicate at least 25-30% of their coffee trees. The 200 ha of coffee dedicated to women, women headed households and the youth shall be identified at this point. Consequently, the same team shall engage the youth and organize them in groups to be trained for rehabilitation activities. These groups can be transformed into registered formalized groups like CBOs through the assistance of District Authorities and SEDO to empower them through savings schemes to improve their livelihoods. A total of 116 groups are targeted to be formed, 2 groups each from the 58 sectors in the target 6 Districts. A total of 116 sensitization and campaign meetings shall be held to create awareness in the communities on the need for replacement and rehabilitation in coffee to improve production and increase their incomes.

98. **Raising Coffee Seedlings.** PSAC will use a community-based approach for nursery raising managed by women and/or youth under the supervision of district and sector agronomist. The groups are either well experienced in nursery raising or have interest in nursery raising. They will get required training and knowledge of nursery management and develop technical skills from the district / sector agronomist and trained nursery technicians. The process will help to impart skills to local group and develop their ownership in the project. The nurseries shall also produce shade/fruit tree seedlings for intercropping in addition to the coffee seedlings for replacement. A total of 7.5 million seedlings shall be raised at a cost of USD 0.1 per seedling by these nurseries for old coffee trees replacement. An additional 10%

of the target seedlings shall be produced to cater for infilling in the subsequent year following replacement. A further 5% of the seedlings shall be considered for infilling in the 1082 ha coffee rehabilitation areas.

99. **Procurement of Tools for Coffee Replacement and Rehabilitation.** The total area under coffee replacement, 3050 and rehabilitation, 1082 is 4132 ha. Tools required these two activities include hoes, spades, machetes, pruning saws and pruning secateurs. The cost of these tools has been estimates per unit are at USD 15 per ha.

100. Following the decisions made during PSAC design mission to engage project technical assistants for proximity extension services and use of FFS approach in all coffee field activities, involvement of the District Cash Crop Officers, cooperatives and village opinion leaders or lead farmers where they exist, below is the proposed procedure for implementation:

- i. Recruitment of project proximity extension technical assistants (TAs) at the sector level, 2 TAs per sector for 58 sectors in the target six districts, preferably the FFS ToTs trained under PRICE.
- ii. One day training of the TAs, District Cash Crops Officers, District Agronomists Cooperative Leadership and Lead Farmers/opinion leaders on the objectives and importance of replacement of old coffee trees, prepare a calendar of events/program of activities.
- iii. Data collection and classification of smallholder farmers based on the number of coffee trees they own, for example- 0-150 coffee trees, 151 -250 coffee trees, etc. as well as considering Ubudehe categories.
- iv. Identification of a category of farmers based on the number of trees they own that can withstand loss of not more than a third (25%) of the income each year from year 1 to year 4 with the remaining 2 more years of the project duration to maintain the last lot of the replaced coffee trees;
- v. Identification of early adopters/willing farmers (low hanging fruits) through the District Authorities, Cooperative Leadership and Lead Farmers/Opinion Leaders. Signing official consent documents between the District Authorities, Cooperatives and Early Adopters (farmers) shall be done.
- vi. Procurement of coffee seedlings, shade tree seedlings (favorably Fruit Species) from youth/women nurseries supported by the project, manure, mulching materials, fertilizers and crop protective products;
- vii. Procurement of Tools for replacement activities (Pruning saws, pruning secateurs, machetes, Hoes, Spades, Tape measures, spirit levels, etc.).
- viii. Organize Youth in groups for employment in replacement activities, sensitize and train them on the objectives of this specific activity, how to go about it, determine and agree on the daily tasks/targets, carryout demonstrations. NAEB and Director Agriculture & Mineral Resources takes the lead;
- ix. Roll out replacement activities in August after the coffee harvesting season of April-July each year to prepare land ready for planting in October/December. NAEB & Director Agriculture & Mineral Resources take the lead;
- x. Committed youth may be encouraged to formalize their groups through the District Administration and allowed to open group savings accounts and get some trainings

in financial literacy for their economic empowerment. Director Agriculture & Mineral Resources/Social Department take the lead;

- xii. Project TAs to follow up the activities on daily basis, report on progress, and report any challenge in the execution of activities, uptake and growth of new seedlings, etc in real time as they arise.

b) Coffee Rehabilitation

101. 1,082 Ha of coffee (about 2.7 Million coffee trees) that is above 7 years of age shall be rehabilitated to give them vigour to produce more volume of better-quality coffee. Multiple System of pruning is commonly used in Rwanda with each coffee tree carrying average three heads (stems). A systematic removal of two heads in the first year followed by removal of the remaining one head in the third year shall be done with close supervision of the project's technical assistants in collaboration with the District's Cash Crops Officers and agronomists. This method shall ensure that farmers who have given consent to rehabilitate their coffee shall not be deprived of the income completely.

102. As described above in the execution of replacement, the activity shall be implemented through engagement of youth as a source of employment and as a means of introducing them into acquisition of some skills in coffee agronomy. This strategy in change of cycle for coffee rehabilitation include careful removal of two stems (60%) facing the eastern side (sunrise) after the main harvest to encourage growth of suckers (young shoots), selection of best suckers with big potential for production, pruning and maintenance for two years before production in the third year and finally removing the last old head after harvesting the main crop. These skills shall be trained through the FFS by the PSAC TAs and District staff. Rehabilitation and maintenance for the two years has been estimated at USD 400 and USD 250 respectively.

103. Gaps existing in the coffee farms being rehabilitated shall be infilled using the 5% of seedlings allocated in the seedlings raising by the women and youth managed nurseries. Proposed procedure for implementation is as outlined below:

- i. One day training of PSAC TAs already engaged, District Cash Crops Officers, District Agronomists, Cooperative Leadership and Lead Farmers/Opinion Leaders on the objectives and importance of rehabilitation, prepare a calendar of events/program of activities;
- ii. Data collection and classification of smallholder farmers based on the number of coffee trees they own, for example, 0-150 coffee trees, 151 -250 coffee trees, etc. as well as considering Ubudehe categories;
- iii. Identification of a category of farmers based on the number of trees they own that can withstand loss of not more than a third (60%) of their income each year.
- iv. Identification of early adopters/willing farmers (low hanging fruits) through the District Authorities, Cooperative Leadership and Lead Farmers/Opinion Leaders. Signing official consent documents between the District Authorities, Cooperatives and Early Adopters (farmers) shall be done.

- v. Procurement of coffee seedlings for gap filling of dead trees and fruit shade trees from youth/women nurseries supported by PSAC, manure, mulching materials, fertilizers and crop protective products;
- vi. Procurement of Tools for rehabilitation activities (Pruning saws, pruning secateurs, etc.).
- vii. Organize Youth in groups for employment in rehabilitation activities, sensitize and train them on the objectives of this specific activity, how to go about it, the determine and agree on the daily tasks/targets, carryout demonstrations. PSAC TAs shall carryout the training through the FFS Approach;
- viii. Roll out rehabilitation activities in August after the coffee harvesting season of April-July each year;
- ix. Committed youth may be encouraged to formalize their groups through the District Administration and allowed to open group savings account and get some trainings in financial literacy for their economic empowerment.
- x. Project TAs to follow up the activities on daily basis, report on progress, and report any challenge in the execution of activities, growth of new shoots, etc in real time as they arise.

c) Support with seedlings to encourage intercropping coffee with Banana/fruit shade trees to improve food and nutrition security

104. As a strategy for contribution towards a food and nutrition secure coffee community and sustainable health of the soil in coffee farms, PSAC shall support provision of about 500,000 shade and fruit trees for integration in the coffee farming system in the target districts. This will take place from the second year of implementation at an estimated cost of USD 0.3. The seedlings shall be provided by the same community led nurseries producing the coffee seedlings.

d) Support for 2 coffee technical assistants to deliver proximity technical assistance for the 58 sectors

105. To enhance the efficacy and effectiveness of FFS, PSAC shall provide for support of 2 technical assistants for each of the 58 sectors, totalling 116 of them. This team shall work closely under the supervision of the crops officer reporting to the District Director of Agriculture and Natural Resources. The estimated cost for each TA is USD 150 per month.

Table 7 Implementation plan for coffee replacement and rehabilitation

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Identification of Women and youth groups to be involved in coffee seedlings production from 58 sectors in 6 Target Districts	District and sector teams, Coffee Specialist	116 Groups	○	○	○	○	○	116 groups of women and youth (at least 2 groups per sector) identified to be trained in raising coffee seedlings

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Support for 2 coffee technical assistants to deliver proximity technical assistance for the 58 sectors (Annual@150USD per Month)	District and sector teams, Coffee Specialist	116 Technical Assistants						116 TAs shall be employed to supervise activities and deliver proximity extension
Women and Youth led Nurseries for production of Seedlings for Replacement of 3050Ha @2500trees/Ha + 15% for infilling	District and sector teams, Coffee Specialist	1,000,000	3,000,000	3,000,000	1,250,000	0	0	A total of 9,000,000 seedlings produced to cover 3050 Ha identified for replacement including infilling for both replacement and rehabilitation area
Formation, capacity building of youth groups to engage in Replacement, Rehabilitation and Expansion program (2 groups per sector)	District and sector teams, Coffee Specialist	116 groups	0	0	0	0	0	2 groups of youth shall be drawn from the 86 sectors in the six target Districts. The groups shall receive a one day training
Sensitization, campaign and selection of early adopters for replacement, rehabilitation and Expansion program through Local Government in all 86 Sectors (2 Meetings per sector)	District and sector teams, Coffee Specialist	116 Meetings	0	0	0	0	0	116 campaign and sensitization meetings shall be held in the 86 Sectors of the six target Districts
Uprooting Old coffee trees and establishment of new coffee plantations (Ha) through engagement of youth groups	District and sector teams, Coffee Specialist	400 Ha	1,200	1,100	350	0	0	3050 Ha of old coffee trees shall be uprooted and replaced from year 2 to year 5 of project implementation

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Maintenance of Replaced Coffee Plantations (Ha) - each lot planted every year shall be maintained	District and sector teams, Coffee Specialist				1,450 Ha	350 Ha		Cumulative 6100 Ha of young coffee shall be maintained before 2 yrs before production
Procurement of Tools for for use in coffee replacement and rehabilitation (4132 Ha)	NAEB & SPIU Procurement Officers			2,300 Ha				Each set of tools shall comprise of 1Pc Secateurs, 1 Pc Prunning saw, 1 Pc Hoe, 1 Pc Spade, 1 Pc Machete per Ha for replacement and rehabilitation activities
Provision of fruit shade/trees for intercropping with coffee	District and sector teams, Coffee Specialist		400 Ha			100,000 Seedlings		500,000 trees and fruit trees seedlings planted in coffee as intercrops
Rehabilitation & maintenance of 1082 Ha of coffee trees over 8 years old through engagement of youth groups (removal of stems	District and sector teams, Coffee Specialist	4132 Sets of Tools		150,000 Seedlings	150,000 Seedlings	270 Ha	0	A total of 1082 Ha of coffee shall be rehabilitated and maintained for two years

A.1.2 Tea expansion and infilling

A.1.2.1 Expansion of tea plantations

106. The Expansion (1,790 ha) and infilling (620ha) will cost USD 5,108,206 to plant 39,870,600 seedlings in 2410 hectares and to provide fertilizer for 3 years. Farmers will contribute maintenance labour on their farms. A total of 11,625 farmers spread in 7 cooperatives and 6 districts will benefit from project interventions.

107. Six of the cooperatives are fully operational with mature plantations while one is newly formed and has planted 104 ha of tea bushes. COTHECYAKA is currently receiving technical support from Ferwacothé and Cyato tea factory in order to serve its 178 members, 114 (65%) being male and 64 (35%) women. The target hectares for expansion has been identified by each cooperative based on land available within their zone and, according to NAEB, the ubudehe clusters have also been used in classifying the beneficiaries mainly by the size of land owned.

108. Furthermore, in order to enhance the success of the expansion and infilling activities, the project will consider the profile of the target beneficiaries by ensuring that they live on or near their tea farms and have access to family labour.

109. While six cooperatives are engaged in conventional tea production, HOT is engaged in production of organic tea and will not receive chemical fertilizers during maintenance phase and fertilizers will only be applied at nursery level. Through collaboration with the factory and the cooperative, PSAC will strive to ensure that new farmers have access to organic manure for their farms.

Table 8 Target hectares for expansion and infilling per cooperative

	COOPTE	DISTRICT	EXPANSION (ha)	INFILLING (ha)	TOTAL (ha)
1	KATECOGRO	Karongi	240	150	390
2	RUTEGROC	Rutsiro	300	150	450
3	COTHEGA	Nyanasheke	500	100	600
4	COOTHEMUKI	Nyaruruguru	0	220	220
5	COOPTHEGA	Nyabihu	200	0	200
6	HOT	Rulindo	300	0	300
7	COTHECYAKA	Nyamasheke	250	0	250
	TOTAL		1,790	620	2,410

Source; NAEB

110. In order to carry out successful expansion activities without compromising the capacity of the cooperative to manage both costs of transport and quality of green leaf, beneficiary cooperatives will be encouraged to focus on expanding production in areas within a radius, preferably not more than 30 Kms from the factory. HOT has already confirmed that such an agreement has been reached internally by all its members to set a maximum radius of 20 Kms while COTHECYAKA has indicated that activities will be restricted to 2 administrative sectors.

111. At the core of expansion activities is the cost sharing models where farmers will maintain their farms while the project provides seedlings, fertilizers, technical training and market linkage by investing in logistical capacity of the cooperatives. Cooperatives will be strict in selecting beneficiaries and will prepare contingency measures based on PRICE lessons, and avoid cases of abandoned tea farms and lengthy plucking rounds occasioned by absentee farm owners or elderly farmers who are unable to provide maintenance labour. In PRICE, this was attributed to weaknesses in preparing/sensitizing beneficiaries. PSAC will therefore, sensitize and train all mobilized farmers but only provide support to those who

show commitment to the objectives of the project including regular attendance of training sessions. Moreover, only cuttings from recommended clones (as per agro-ecological zone) will be propagated with support from the project in order for the country to realize the benefits which were targeted by PRICE investments in tea research.

112. In order to boost the performance of the project, cooperatives will be encouraged to utilize part of the 5% fund to incentivize successful farmers, field agronomists and Field Production Assistants (FPA) who excel in helping farmers to succeed by reducing seedling mortality, achieving early table formation and good leaf quality as well as environmental protection. Additionally, cooperatives will consider output based annual incentives for agronomists based on a calendar of development activities, hectares of mature bushes in production as well as the share of production (volume and quality) that each agronomist is responsible for at any one time. Some of the environmental conservation initiatives that cooperatives will consider include zero tillage on hillsides. However, agronomists will closely monitor the performance of tea bushes planted using zero tillage practices to ensure that the mortality rate is within the target set by the project.

113. There is an opportunity for NAEB, cooperatives and factories to explore the viability of private extension and farm management services to larger or absentee farmers who can afford wages for trained FPAs and FFS graduates. Having a pool of trained persons within a cooperative is a critical success factor that will ensure that new farmers are easily identified, trained and on-boarded in the value chain as a means to building a sustainable economic sector. Larger farmers will also have a pool of FPAs from which to select farm supervisors thus a major barrier to entry into the value chain will have been eliminated.

114. *Clonal selection, Preparation of mother bushes and cuttings:* A total of 51,831,780 cuttings will be prepared on the assumption that 10% of cuttings will lose viability in transit while being transported to various nursery sites while another 20% will not survive in the nursery. Each cutting is estimated to cost Rwf 5 at source and beneficiary cooperatives and factories are expected to organize suitable transportation means.

115. Suitable mother bushes based on RAB list of GxE clones selected for adaptability in different agro-ecological zones will be identified from farmers plantations, factory industrial blocks and RAB trial sites as sources of cuttings for propagating the seedlings required under PSAC/SPIU, in collaboration with NAEB/SPIU and other stakeholders will develop a cuttings production plan in proximity to cooperatives covered by the project. The elaborate plan will give rise to healthy cuttings with low mortality rates in transit, nurseries and fields.

116. Detailed expansion activities are as below:

- i. PSAC will support 7 cooperatives to expand their plantations by 1790 hectares. The expansion program will require 27,566,000 seedlings. An assumption is made that 20% of the seedlings will not survive upon transplanting and that 10% of the failed seedlings will be replaced in the same year while the other 10% will be replaced in subsequent year. The cost of seedlings for expansion is projected to be Rwf 60 per seedling.
- ii. Cooperatives will appoint trained persons preferably trained pluckers who have also undergone FFS training as Field Production Assistants (FPA) to be trained on the above procedures. The FPAs will be allocated specific farmers (and hectares) to lead in the expansion program. The FPAs will be retained, at the least for the period until

the tea bushes in expanded areas have undergone first pruning and tipping to establish a plucking table.

- iii. PSAC will support groups (informal and formal) of trained tea pluckers to establish nurseries in areas close to expansion and infilling sites. To the largest extent, pluckers who fall under youth bracket (male and female) will be given priority to set up and manage the nurseries while maintaining attendance to their plucking duties. The cooperatives will be careful in setting the prices of seedlings to ensure that the youth groups are able to capture decent profits as compensation.
- iv. In order to mitigate the risk of high mortality rate, beneficiaries will be guided to carry out propagation, planting and transplanting activities in both the nurseries and on farms in accordance with guidelines provided by the Tea Management Handbook³⁴ to minimize mortality rates. It is estimated that 20% of seedlings planted during expansion will fail and be replaced immediately or in the subsequent year.
- v. Documentation of project activities will be given priority. Towards this end, a Project activities log/diary will be created by the Tea division/SPIU to ease monitoring of implementation activities and as the basis for providing incentives to cooperatives personnel. The activities to be included in the log/diary include;
 - a. Training calendar of agronomist on relevant activities by senior RAB agronomists and plant scientists
 - b. Number of nursery operators trained and supervised by agronomist
 - c. Number and status of mother bushes, cuttings under preparation, raising seedlings and transplanting.
 - d. Selection criteria for beneficiary farmers and number of those who qualify.
 - e. Number and attendance of sensitization meetings with beneficiaries on project expectations
 - f. Calendar of farmers and farm workers training on project activities
 - g. Monitoring of project core indicators and milestones including young tea development, mortality rates, census and productivity.
 - h. Calendar of delivery of project support to cooperatives

Table 9 Implementation plan for expansion of tea plantations activity

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Community mobilization and identification of beneficiaries per cooperatives	District and cooperative teams, NAEB Tea specialist	0	600 ha	600 ha	590 ha			Beneficiaries identified with land availability within suitable radius from the factory
Cuttings production plan	District and cooperative teams, NAEB Tea specialist, RAB Tea Expert							Identified mother bushes and nursery sites

³⁴ Tea Management Handbook is published and reviewed by the Tea Research Institute of Kenya

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Clonal selection, Preparation of mother bushes and cuttings;	District and cooperative teams, Tea Specialist. RAB tea experts	173 737 81 Cutt ings	173 737 81C uttin gs	165 050 91 Cutt ings	0			Mother bushed nurtured and cuttings collected
Mobilize/organize groups of trained pluckers to be trained on nursery management	Cooperative teams, NAEB tea specialist							Trained nursery operations teams mandated to establish nurseries.
Seedlings Preparation	Cooperative teams, NAEB tea Specialist	9,24 0,00 0	9,24 0,00 0	8,77 8,00 0				Nurseries in suitable sites
Appoint & Train Field Production Assistants	NAEB Tea Specialist, Cooperative teams							Expansion fields under respective FPAs

A.1.2.2: Infilling of tea plantations

117. Infilling in tea farms is a common practice that results from mortality of young seedlings soon after planting due to a combination of adverse factors including immaturity of seedlings, adverse weather conditions (wrong timing of activities), poor land preparation/holing and disease.

118. Four (4) out of seven (7) cooperatives will benefit from infilling of 620 ha. A total of 12,304,600 seedlings will be transplanted after propagation in the nursery for 18 months at a cost of Rwf 90 per seedling. It is estimated that 10% of infill seedlings will fail to survive after transplanting planting and will be replaced immediately they show signs of failure.

119. Demand for infilling of gaps, especially at the scale proposed by PSAC is indicative of a challenging growing/production environment at the identified sites. In order to overcome the challenges and improve results, each cooperative will appoint a lead agronomist to be in charge of the infilling plan. The agronomist will be the Project Focal Point at cooperative level and will work with district technical officers, trained nursery operators and field production assistants to deliver on project targets with regard to infilling. It is not anticipated that the agronomist will be a new hire but rather a promotion of one from the existing staff.

120. Detailed infilling activities are as below:

- i. Once the project is approved, cooperatives will select one agronomist who will take charge of the infilling plan and become fully accountable for its implementation as its lead. The agronomist will work with nursery operators preparing infilling seedlings as well as beneficiary farmers to ensure that mortality rates and growth rates are managed to the expected standards.
- ii. Mapping and monitoring of beneficiary farms will take place with a view to ensuring that adequate preparations are made to guarantee a survival rate of the infill plants that is within the targeted range. In particular, where infilling is planned in a mature tea field, pruning will be scheduled ahead of infilling. In the case of HOT where chemical fertilizers are not in use, well matured manure/compost will be available for the infilling plan. Those farms at the greatest risk of soil erosion will be identified and suitability of introducing zero tillage practices explored.
- iii. Documentation of activities will proceed as set out under Activity A.1.5

Table 10 Implementation plan for tea infilling activity

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Appoint an Infilling project Focal person at cooperative level	Cooperative teams	4						One infilling project Focal person per cooperative identified and engaged in the operations.
Community mobilization and identification of beneficiaries per cooperatives	District and cooperative teams, NAEB Tea specialist	0	0	310 ha	310 ha			Beneficiaries identified within suitable radius from the factory
Cuttings production plan	District and cooperative teams, NAEB Tea specialist, RAB Tea Expert							Identified mother bushes and nursery sites
Clonal selection, Preparation of mother bushes and cuttings;	District and cooperative teams, Tea Specialist. RAB tea experts							Healthy mother bushes prepared and cuttings from suitable clones collected
Mobilize/organize groups of trained pluckers to be trained on nursery management	Cooperative teams, NAEB tea specialist							Trained nursery operations teams mandated to establish nurseries specifically for infilling seedlings (Minimum 18 months old seedlings).

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Seedlings Preparation	Cooperative teams, NAEB tea Specialist	6,15 2,30 0	6,15 2,30 0	0				Specific nurseries in suitable sites to propagate seedlings for infilling purposes only

A.1.2.3: Access to tea fertilizers (RFS Evaluation Report)

121. Tea cooperatives in Rwanda face difficulties in acquiring sufficient fertilizers in order to increase production. The Fertilizer Revolving Scheme (RFS) strategy developed under PRICE is relevant for PSAC. Indeed 4 of the 7 cooperatives under PSAC are beneficiaries of RFS and will therefore provide relevant data for planning purposes.

122. In 2020, during the design of RFS, the baseline data for the shortfall in fertilizer demand for the 5 cooperatives was 116%. This is the gap that RFS sought to fill in a sustainable way. The sole purpose of the scheme was to avail support of one billion seven hundred twenty million Rwandese Francs (1,720,000,000) for use in procuring optimum quantities of fertilizers for beneficiary cooperatives based on actual farm needs to be established through verification of productive tea bushes per farmer. The concept note set out implementation modalities to revolve the fund annually while accumulating minimal or no deficits.

123. In developing the RFS concept paper, which is relevant under PSAC, it was acknowledged that fertilizer quantities are not the only factor limiting productivity. In order to maximize response to fertilizer application, all other factors that limit productivity were to be addressed through a comprehensive Productivity Improvement Plan (PIP). The first draft of PIP appears not to have been robust enough and was not well implemented. PSAC will support a revision of the PIP which will be released to guide all activities pertaining to productivity management in tea value chain. Ultimately, implementation of the PIP is a critical pathway to increasing production and improving quality thereby boosting competitiveness of Rwanda tea. Support will be provided under PSAC to have it implemented as a standardized common service to all cooperatives, among other services under the management framework to be developed by the Ferwacothé CSDE³⁵.

124. Preliminary analysis indicates that in its second year of full implementation, RFS contributed significantly to higher production that has been achieved in 4 out of 5 cooperatives that benefited from fertilizer supply in 2021. Notably, Cothemuki increased production by 40% while Cothega registered a meagre 2.5% growth. Overall, the 5 cooperatives added 1,358,187 Kgs (13%) of green leaf to their 2020 achievement. The value of the additional green leaf is estimated at USD 414,340 against the total RFS investment of USD 450,000.

³⁵ Common Services Delivery Expert

Table 11 Green production trend after RFS implementation in 2020

Year of production	2018	2019	2020	2021	Variance	%
Coop	Production of green leaf in Kgs					
KATECOGRO	1,147,811	1,090,745	1,255,746	1,458,835	203,089	16.17
COTHEGAB	1,621,281	1,773,237	1,509,284	1,856,813	347,529	23.03
RUTEGROC	794,688	866,944	1,271,868	1,578,576	306,708	24.11
COOTHEMUKI	748,317	554,950	922,429	1,292,038	369,609	40.07
COTHEGA	2,995,512	4,074,315	5,334,896	5,466,148	131,252	2.46
TOTAL	7,307,609	8,360,191	10,294,223	11,652,410	1,358,187	13.19

Source; Ferwacothé production data for 2021

125. Detailed implementation activities are as below:

- i. In order to better understand the performance of RFS, an analysis of the 2021 report of the steering committee will be undertaken.
- ii. Building on the apparent success of RFS, NAEB & RTA will establish a Fertilizer Management Committee (FMC) made up of tea value chain managers/agronomists/researchers with experience of more than 10 years to interpret and implement the RFS concept paper. The committee will report to the RFS Steering Committee. Moreover, once the PSAC has been rolled out, the Common Services Delivery Expert at Ferwacothé will join the committee and offer new insights into fertilizer management as a standardized common service to cooperatives.
- iii. The FMC will undertake a detailed performance review in line with the principles, objectives and operational guidelines established in the approved concept paper of 2020 and make proposals to strengthen controls at cooperative level.
- iv. The FMC will investigate the reasons for extremely poor fertilizer response in Cothega and verify whether the recorded production figures are accurate at cooperative and factory level.
- v. The FMC will establish a baseline of fertilizer utilization in 2 additional cooperatives under PSAC and determine the appropriate RFS support required for all cooperatives under project intervention.

Table 12 Implementation plan for fertilizer access activity

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Establish a Fertilizer Management Committee(FMC)	RTA, RAB and NAEB	1						Fertilizer Management Committee formulated
Review of implementation status of RFS	NAEB, FERWACOTHE & RAB Teams	1						Performance report of RFS within the parameters of the concept paper prepared and shared.
Prepare a baseline report for Fertilizer access in 2 new cooperatives	Co-operative teams & FMC	1						Baseline report for fertilizer access in 2 new cooperatives prepared and shared
Determine the needs of cooperatives to be supported by PSAC	FMC							RFS for 6 co-operatives and their needs for support prepared.

A.1.2.4: Agroforestry in tea plantations

126. Increasing demand for fuel wood by tea factories poses a major threat to environmental conservation measures through deforestation, especially in areas where competition for land between food and commercial crops is intense. This is despite the economic benefits that accrue from expanded tea farms and factory processing capacities.

127. Cooperatives will receive support to plant trees on their farms to the extent that land is available to practice agroforestry. Alongside tea seedlings, farmers will receive seedlings of tree varieties that are suitable for windbreaks (recommended by GoR agencies), have commercial value and pose little threat to performance of tea bushes. Possible risks/threats include productivity decrease and diseases such as armillaria root rot. Through PSAC support, a total of 2042 ha of agroforestry will be established and maintained through cost sharing models. The demand for seedlings is projected at 260,000 assuming a mortality rate of 15% after transplanting.

- i. Cooperatives will identify an agroforestry project Focal Person who will receive training from government and non-government agencies who have the expert knowledge required as well as the mandate. The FP will work with experts and cooperative management to develop an agroforestry work plan for the cooperative based on which a budget will be finalized. It is anticipated that the FP may be a new hire whose sole responsibility will be to ensure viability and sustainability of the intervention at individual farmer level and at cooperative level.
- ii. The FP will compile data on farmers willing to receive support for agroforestry activities and use the data to guide selection of nursery sites in view of demand for seedlings within different parts of the tea zones. The data will also be useful in

designing collaboration between individual land owners and the cooperative on the management of the agroforestry project.

- iii. Nurseries will be established in line with the principles of community approach and also focusing on providing income opportunities and skills development to youth and women.
- iv. In order to mitigate any adverse effects on tea bushes and food crop production, the FC will study the farms and advise farmers accordingly. It is anticipated that farmers shall not benefit equally from agroforestry activities as conditions of their farms including size of land and the neighboring environment could limit their participation.
- v. Equality among members is a powerful rationale for the cooperative movement everywhere in the world. Towards this end, cooperatives will be encouraged to undertake agroforestry activities as a common service to create credibility and viability with markets/factories. This approach will guarantee similar pricing of the wood fuel in the market and possibly higher incomes to all cooperative members in line with cooperative principles of economies of scale.
- vi. Cooperative leaders and managers will receive training on business skills through PSAC partnerships with Cordaid to raise their capacity to negotiate with customers and partners with a view to extracting revenue gains from project investments.

Table 13 Implementation plan for agroforestry in tea plantations

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Appoint an agroforestry activity Focal person at cooperative level	Cooperative teams	7						One Focal person for agroforestry intervention appointed per cooperative Agroforestry work plan prepared
Identify the varieties suitable for local production and fuelwood market	District and cooperative teams, FONERWA experts, Factory foresters							Recommended suitable tree varieties per cooperative area
Community mobilization and identification of beneficiaries per cooperatives	District and cooperative teams, NAEB Tea specialist							Beneficiaries with adequate land identified
Mobilize farmers to sign MOUs to establish a Common Approach to agroforestry management so as to assure the market of the	District and cooperative teams,							Cooperatives signed Agroforestry management MOU

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
quality and quantity to meet wood fuel needs of factories.	Fonerwa experts							
Train farmers on establishment of agroforestry nurseries	District and cooperative teams, Fonerwa experts							Community based tree nurseries initiated through trained farmers.
Seedlings Preparation	District and cooperative teams, Fonerwa experts							Quality seedlings for transplanting prepared as per requirement
Farmers supported to plant tree on their farms alongside tea bushes	District and cooperative teams, Fonerwa experts	681 ha	681 ha	680 ha				Viable/productive small holder tea farmers agroforestry and woodlots prepared
PSAC to disseminate the agroforestry opportunity in tea cooperatives to potential partners	District and cooperative teams, NAEB & Ferwacothé							Partnership proposals including possibilities of carbon trade developed

A.1.3 Horticulture plantation Establishment and productivity improvement

a) Expansion of mango plantation

128. **Community mobilization and selection of sites.** The subcomponent envisages establishment of new mango plantations on 200 ha covering 2 districts viz. Rusizi (primarily) and Bugesera. At least 400 smallholders will engage in development of mango orchards on their own land or on the land offered by the government or other institutions. In close coordination with the project Horticulture Specialist, the District cash crop officer, sector agronomist under the leadership of District Director of Agriculture, SEDO and co-operative officer will be responsible for community mobilization, selection of consolidated land pockets of smallholders and identification of participants as per the targeting strategy.

129. **Development of mango plantation plans.** The plantation will be established on the smallholder owned consolidated pockets of land. The recommended plantation density is 300 plants per ha. The District team in association with respective sector agronomists will develop a participatory plantation plan involving farmers' groups. The plan will consist of decisions about number of plants per plot, plantation layout, plan of soil and water conservation measures etc. Accordingly, the participant farmers will complete the activities pertaining to

labour component viz. pit digging, mixing of top soil with manure, fertilizer, pit filling and immediate aftercare work as their own contribution – this in-kind contribution is assessed at RWF 550 per tree. The project will provide a package of inputs viz. grafted seedlings, manure (30kg per plant) and recommended dose of insecticide / pesticide. The seedlings will be supplied at nominal farmers' contribution of Rwf 20 per seedling.

130. Production of mango seedlings and procurement of other inputs for plantation. PSAC will use a community-based approach for nursery raising managed by women and/or youth under the supervision of district and sector agronomist. The groups are either well experienced in nursery raising or have interest in nursery raising. They will get required knowledge of nursery management and develop technical skills from the district / sector agronomist and trained nursery technicians. The process will help to impart skills to local group and develop their ownership in the project.

131. Towards this, district authorities will first register the existing community-based nurseries in different sectors. NAEB will make a call for proposals (CfP) for mango seedlings supply from the registered community-based nurseries who qualify the basic criteria viz. experience of avocado or mango nursery management, sufficient space for nursery operations, availability of water, production capacity, distance from the consolidated land site for smallholder avocado plantation etc. RAB will check and ratify the source of scions for each nursery owner. The group can hire skilled grafting technicians as per the need. NAEB along with RAB will also set minimum quality standards for seedlings in terms of age of graft, firmness of grafting joint, number of leaves, size of tubes (polythene bags for raising seedlings) etc. NAEB will also set the price of seedlings, which can be slightly less than the market price but will motivate communities to produce seedlings. The nursery owner groups will make their own arrangement for purchase of inputs and materials (against advance payment made to them) or NAEB through district office will make the arrangement and deduct these costs from the final payment or can access loan from SACCO or MFI against the market order and as per the policies of Financial Institutions.

132. Other components of the plantation inputs package, assessed at maximum RWF 3,000 per tree will be provided by the project based on a CfP for external suppliers. This package is expected to cover the purchase of (i) 30 kg manure per tree; (ii) 3 kg lime per tree; as well as for group use: (iii) insecticides and fungicides.

133. The farmers will manage all the aftercare activities as their own contribution.

134. Maintenance of Mango plantations. Mango has a strong domestic and regional market. PSAC intends to support farmers to capture the opportunity of mango production as import substitute as well as growing regional export market. District and sector agronomist as well as exporters will work closely with farmers to develop FFS groups of maximum 30 members, backstopped by 2 Lead Farmers (1 man, 1 woman) for developing good quality plantations.

Table 14 Implementation plan for expansion of Mango plantation activity

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Selection of consolidated land pockets	District and sector teams, Horticulture Specialist	25 ha	50 ha	75 ha	50 ha			Consolidate land pockets for 200ha mango plantation selected in the targeted 2 districts
Community mobilization and identification of participants as per targeting strategy	District and sector teams, Horticulture Specialist	50 farmers	100 farmers	150 farmers	100 farmers			At least 400 smallholders identified for establishment of their own mango orchards as per the targeting strategy
Development of participatory consolidated avocado plantation development plan involving farmers	District and sector teams, Horticulture Specialist	1 plan	3 plans	4 plans	2 plans			About 10 participatory consolidated mango plantation plans developed for Rusizi (primarily) and Bugesara districts
Ensured proper layout for plantation and pit digging before supply of seedlings and other inputs.	District and sector teams, Horticulture Specialist	25 ha	50 ha	75 ha	50 ha			Layouts for planned 200ha given and accordingly plots made plantation ready
Registration of community-based nurseries for grafted mango seedlings production	District and sector teams, Horticulture Specialist	3	6	8	8			At least 8 community-based nurseries mainly involving women and youth registered.
Arrangements for input supply for nursery raising made	District and sector teams, Horticulture Specialist							Nurseries received timely input support.
CfP for production and supply of grafted mango seedlings through community-based nurseries (including 15% for gap filling in yr.2 of each new plantation)	NAEB & SPIU Procurement Officers	2 CBN, 750 0	4 CBN, 161 25	5 CBN 247 50	5 CBN 183 75	5 CBN, 225 0		At least 5 Community based nurseries engaged in seedling production and supplied 69000 grafted seedlings.

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
		seed lings						
CfP for a package of inputs – manure and fertilizer initiated	NAEB & SPIU Procurement Officers							Suppliers selected and required quantity and quality of inputs procured and supplied as per the agreed time frame.
Plantation of mango seedlings	Seedlings providers, District and sector teams, Horticulture Specialist	25 ha	50 ha	75 ha	50 ha			200 ha of mango plantations established in target districts
Maintenance, post-harvest handling and marketing	SPs exporters, District and sector teams, Horticulture Specialist							High survival rates ensured in mango plantations. Mango producers empowered to manage their plantation in a profitable way with sustainable market
Gap filling of selected seedlings (Up to 15% supported by project)	Seedlings providers, District and sector teams, Horticulture Specialist							Gap filling of all the orchards completed
maintenance support for 2nd year through project (manure + other inputs)	SPs exporters, District and sector teams, Horticulture Specialist							Inputs (manure, fungicides, fertilizer) provided and applied to all the orchards.

b) Expansion of avocado plantation

135. **Community mobilization and selection of sites.** The subcomponent envisages establishment of new Avocado plantations on 800 ha covering 5 districts viz. Rusizi, Huye, Nyanza, Rwamagana, and Bugesera. At least 1,600 smallholders will engage in development of avocado orchards on their own land or on the land offered by the government or other

institutions. In close coordination with the project Horticulture Specialist, the District cash crop officer, sector agronomist under the leadership of District Director of Agriculture, SEDO and co-operative officer will be responsible for community mobilization, selection of consolidated land pockets of smallholders and identification of participants as per the targeting strategy.

136. Development of avocado plantation plans. The plantation will be established on the smallholder owned consolidated pockets of land. The recommended plantation density is 300 plants per ha. The District team in association with respective sector agronomists will develop a participatory plantation plan involving farmers' groups. The plan will consist of decisions about number of plants per plot, plantation layout, plan of soil and water conservation measures etc. Accordingly, the participant farmers will complete the activities pertaining to labour component viz. pit digging, mixing of top soil with manure, fertilizer, pit filling and immediate aftercare work as their own contribution – this in-kind contribution is assessed at RWF 550. The project will provide a package of inputs viz. grafted seedlings, manure (30kg per plant) and recommended dose of insecticides/fungicides. The seedlings will be supplied at nominal farmers' contribution of Rwf 20 per seedling.

137. Production of avocado seedlings and procurement of other inputs for plantation. PSAC will use a community-based approach for nursery raising managed by women and/or youth under the supervision of district and sector agronomist. The groups are either well experienced in nursery raising or have interest in nursery raising. They will get required knowledge of nursery management and develop technical skills from the district / sector agronomist and trained nursery technicians. The process will help to impart skills to local group and develop their ownership in the project.

138. Towards this, district authorities will first register the existing community-based nurseries in different sectors. NAEB will make a call for proposals (CfP) for avocado seedlings supply from the registered community-based nurseries who qualify the basic criteria viz. experience of avocado or mango nursery management, sufficient space for nursery operations, availability of water, production capacity, distance from the consolidated land site for smallholder avocado plantation etc. RAB will check and ratify the source of scions for each nursery owner. The group can hire skilled grafting technicians as per the need. NAEB along with RAB will also set minimum quality standards for seedlings in terms of age of graft, firmness of grafting joint, number of leaves, size of tubes (polythene bags for raising seedlings) etc. NAEB will also set the price of seedlings, which can be slightly less than the market price but will motivate communities to produce seedlings. The nursery owner groups will make their own arrangement for purchase of inputs and materials (against advance payment made to them) or NAEB through district office will make the arrangement and deduct these costs from the final payment

139. Other components of the plantation inputs package, assessed at maximum RWF 3000 per tree will be provided by the project based on a CfP for external suppliers. This package is expected to cover the purchase of (i) 30 kg manure per tree; (ii) 3 kg lime per tree; as well as for group use: (iii) insecticides and fungicides; (iv) spraying pumps and full protective wears.

140. The farmers will manage all the aftercare activities as their own contribution. They may receive support to invest in small-scale efficient irrigation technologies (EIT) through the

small-scale grants' mechanism – this will be supported through WB funded upcoming project CDAT; however, PSAC will intervene if the support from CDAT is not materialized.

141. Maintenance of avocado plantation. Avocado has strong domestic and regional market. It has the potential to be highly profitable for export to Europe and UAE. PSAC intends to support farmers to meet export requirements of such high value market. This requires a strong engagement of producers with exporters who can guide PSAC as well as producers in varietal selection, export standards (about fertilizer, pesticide etc.), certification requirements etc. PSAC will follow FFS approach for maintenance of avocado plantation. District and sector agronomist as well as exporters will work closely with farmers to develop FFS groups of maximum 30 members, backstopped by 2 Lead Farmers (1 man, 1 woman) for developing good quality plantations

142. The exporters will work closely with Farmer field schools and develop skills and capacities of lead farmers to guide others on the lines of innovative training approach initiated during PRICE. These trainings will be initiated from year 2 and will generate awareness among at least 1,600 small avocado producers about the export market, its demands and management. This innovative training to be provided directly by renown exporters (based on a competitive CfP) is further detailed under 'Activity 1.1.22: Innovative training package for macadamia, avocado, mango French beans, chili and essential oils (with exporters)'

Table 15 Implementation plan for expansion of Avocado plantation activity

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Selection of consolidated land pockets	District and sector teams, Horticulture Specialist	100 ha	200 ha	300 ha	200 ha			Consolidated land pockets for 800ha avocado plantation selected in the targeted 5 districts
Community mobilization and identification of participants as per targeting strategy	District and sector teams, Horticulture Specialist	200 farmers	400 farmers	600 farmers	400 farmers			At least 1600 smallholders identified for establishment of their own avocado orchards as per the targeting strategy
Development of participatory consolidated avocado plantation development plan involving farmers	District and sector teams, Horticulture Specialist	5 plans	15 plans	20 plans				About 25 participatory consolidated avocado plantation plans developed across the 5 target districts
Ensured proper layout for plantation and pit digging before supply	District and sector teams,	100 ha	200 ha	300 ha	200 ha			Layouts for planned 800ha given and

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
of seedlings and other inputs.	Horticulture Specialist							accordingly plots made plantation ready
Registration of community-based nurseries for grafted avocado seedlings production	District and sector teams, Horticulture Specialist	5	15	20	20			At least 20 community-based nurseries mainly involving women and youth registered by year 2.
Arrangements for input supply for nursery raising made	District and sector teams, Horticulture Specialist							Nurseries received timely input support.
CfP for production and supply of grafted avocado seedlings through community-based nurseries (including 15% for gap filling in yr.2 of each new plantation)	NAEB & SPIU Procurement Officers	3 CBN , 300 00 seed lings	6 CBN , 645 00 seed lings	10 CBN 990 00 seed lings	10 CBN 103 500 seed lings	10 CBN , 135 00 seed lings		At 10 Community based nurseries engaged in seedling production and supplied 276000 grafted seedlings.
CfP for a package of inputs – manure and fertilizer initiated	NAEB & SPIU Procurement Officers							Suppliers selected and required quantity and quality of inputs procured and supplied as per the agreed time frame.
Plantation of avocado seedlings	Seedlings providers, supervised by District and sector teams, Horticulture Specialist	100 ha	200 ha	300 ha	200 ha			800 ha of macadamia plantations established in target districts
Maintenance, post-harvest handling and marketing	SP exporters, supervised by District and sector teams,							High survival rates ensured in Avocado plantations. Avocado producers empowered to manage

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
	Horticulture Specialist							their plantation in a profitable way with sustainable market
Gap filling of selected seedlings (Up to 15% supported by project)	Seedlings providers, District and sector teams, Horticulture Specialist							Gap filling of all the orchards completed
maintenance support for 2nd year through project (manure + other inputs)	SPs exporters, District and sector teams, Horticulture Specialist							Inputs (manure, fungicides, fertilizer) provided and applied to all the orchards.

c) Expansion of macadamia plantations

143. **Community mobilization and selection of sites.** The subcomponent envisages establishment of new plantation of macadamia on 500ha covering 5 districts viz. Rusizi, Nyamasheke, Karongi, Rutsiro and Rwamagana. At least 1000 smallholders will engage in development of macadamia orchards on their own land or the land offered by the government or other institutions. In close coordination with the project Horticulture Specialist, the District cash crop officer, sector agronomist under the leadership of District Director of Agriculture, SEDO and co-operative officer will be responsible for community mobilization, selection of consolidated land pockets of smallholders and identification of participants as per the targeting strategy.

144. **Development of macadamia plantation plans.** The plantation will be established on the smallholder owned consolidated pockets of land. The recommended plantation density is 204 plants per ha. The District team in association with respective sector agronomists will develop a participatory plantation plan involving farmers' groups. The plan will consist of decisions about number of plants per plot, plantation layout, plan of soil and water conservation measures etc. Accordingly, the participant farmers will complete the activities pertaining to labour component viz. pit digging, mixing of top soil with manure and fertilizer, pit filling and immediate aftercare work as their own contribution – this in-kind contribution is assessed at RWF550. The project will provide a package of inputs viz. grafted seedlings, manure (30kg per plant) and recommended dose of fertilizer, lime etc. The seedlings will be supplied at nominal farmers' contribution of Rwf 20 per seedling which will be kept with district SEDO and will be further used as contribution for gap filling work.

145. Production of macadamia seedlings and procurement of other inputs for plantation. PSAC recommends in general a community-based approach for nursery raising. However, in the case of Macadamia, due to the low survival rate of grafted seedlings (ranging from 30% to 60%), the nursery operations need to be carefully handled. The above-mentioned private sector players and their associated technicians possess required skills and capacities to produce macadamia grafts at scale. So, the project will source the grafted seedlings from experienced private sector players engaged in the macadamia value chain who can guide the farmers as well as ensure the production of good quality grafted seedlings. RAB will check and ratify the source of scions for each nursery owner. Towards this NAEB will make a call for proposals (CfP) for macadamia seedlings supply among those sector players who qualify the basic criteria viz. experience of macadamia nursery management, ability to guide farmers during and after plantation, capacity to produce at scale, production of required quality standards (firm grafted joint, number of leaves, age of graft, healthy plant etc.).

146. The CfP will include not only seedlings supply, but also other inputs for plantation viz. manure, fertilizer, fungicides etc. and make sure that material of required quality and quantity remains available to the farmers before plantation of seedlings. The cost of the macadamia seedlings is assessed at RWF 4,000/unit. Other components of the plantation inputs package, assessed at maximum RWF 3,000 per tree will be provided by the project based on a CfP for external suppliers. This package is expected to cover the purchase of (i) 30 kg compost per tree; (ii) 3 kg lime per tree; as well as for group use: (iii) insecticides and fungicides.

147. Partnership with technical support providers. Macadamia is grown as an export potential crop. The linkage of producers with aggregators / processors / exporters who have capacity to guide small producers in development of plantation and advice on agronomical practices is key for development of the supply chain. This is an important step with reference to Kenya and Malawi where illegal trade of macadamia is a cause of concern for development of a strong macadamia value chain. There are some private players like FDINDA Ltd, Rwanda Nuts, Norlega, etc. who are well experienced and have strong technical capacity to provide guidance on grafted seedling production, orchard management, post-harvest handling as well as processing and marketing. Considering the nascent stage of the macadamia value chain in Rwanda which has problems of accessing good planting material, limited technical know-how, unorganized chain, limited local market etc., it is opportune time to create space for such experienced private sector players as technical service providers. The service providers will work with the macadamia producers through a Farmer Field School approach (entailing groups of maximum 30 members, with 2 lead farmers – 1 man/1 woman trained by the SP to strengthen the proximity coaching).

148. Using the above rationale, the project will have following approach for expansion of macadamia plantation:

- a) 'The Rwanda Nuts Ltd', has agreed to provide the advisory services free³⁶ for the development and follow up (including post-harvest handling and marketing) of 250ha of smallholder macadamia plantation at least until the 4th year after plantation. This private sector contribution is assessed as equivalent to a cost of USD 50 per farmer and per year (eq. to USD 25,000 per year). For this purpose, NAEB will enter into an MoU in the first year of the programme to recognize Rwanda Nuts contribution and

³⁶ E-mail communication from Rwanda Nuts during the PSAC design mission in Rwanda (9th-20th May 2022).

ensure the services to the target group with clear timelines and deliverables. Rwanda nuts is expecting NAEB and respective district authorities to mobilize communities, organize them in groups and facilitate consolidated land availability for smallholder macadamia plantation. On the other hand, Rwanda Nuts will ensure continuous support to macadamia farmers on the 250ha (exact locations to be defined once the macadamia plantation plans have been developed).

- b) For the remaining 250 ha of macadamia plantation, NAEB will launch a call for proposal (CfP) from the experienced private sector players in Macadamia Value chain to provide technical services to cultivators for the first 4 years after plantation. The proposed criteria for selection of Private sector service providers will be – a) engaged in macadamia cultivation / processing activities, b) have long term vision and plan to remain in Macadamia VC and c) in position to provide technical services for orchard development, post-harvest handling and marketing) d) have experience of supporting Macadamia cultivators regularly. The budget of USD 60,000 for technical support services for 250 ha is estimated at USD30 per ha per farmer per year for 4 years.

Table 16 Implementation plan for expansion of Macadamia plantation activity

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Selection of consolidated land pockets	District and sector teams, Horticulture Specialist	50ha	150ha	200ha	100			Consolidated land pockets for 200ha macadamia plantation selected in the targeted 5 districts
Community mobilization and identification of participants as per targeting strategy	District and sector teams, Horticulture Specialist	100 farmers	300 farmers	400 farmers	200 farmers			At least 400 smallholders identified for establishment of their own macadamia orchards as per the targeting strategy
Development of participatory consolidated macadamia plantation development plan involving farmers	District and sector teams, Horticulture Specialist	10 plans	10 plans	5 plans				About 25 participatory consolidated macadamia plantation plans developed across the 5 target districts
CfP for technical service providers to facilitate macadamia orchard development.	NAEB & SPIU Procurement Officers							Private sector partners engaged in Macadamia cultivation, processing and marketing selected for different geographical locations and started providing

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
								regular advisory and training services.
MoU with The Rwanda Nuts Private Ltd.	NAEB & SPIU Procurement Officers, Horticulture Specialist							Rwanda Nuts provided advisory and training services to farmers using its own resources.
CfP for production and supply of grafted macadamia seedlings combined with a package of inputs – manure, fertilizer and fungicides	NAEB & SPIU Procurement Officers							Suppliers selected and required quantity and quality of seedlings produced and supplied as per the agreed time frame.
Plantation of macadamia seedlings	Seedlings providers, supervised by District and sector teams, Horticulture Specialist	50 ha	100 ha	50 ha				500ha of macadamia plantations established in target districts
Rwanda Nuts and other SP exporters support macadamia producers in maintenance, post-harvest handling and marketing	Rwanda Nuts and SP exporters, supervised by District and sector teams, Horticulture Specialist							High survival rates ensured in macadamia plantations Macadamia producers empowered to manage their plantation in a profitable way with sustainable market
Gap filling of selected seedlings (Up to 15% supported by project)	Seedlings providers, District and sector teams, Horticulture Specialist							Gap filling of all the orchards completed

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
maintenance support for 2nd year through project (manure + other inputs)	SPs exporters, District and sector teams, Horticulture Specialist							Inputs (manure, fungicides, fertilizer) provided and applied to all the orchards.

d) Expansion of essential oils plantations

149. **Community mobilization.** Essential oils from three types of plants viz. patchouli, eucalyptus and lemon grass are extracted through producer - exporter linkage in targeted districts. The total area under cultivation is 186 ha, mainly cultivated as an intercrop in coffee and banana plantation. It belongs to 513 producers from 4 co-operatives (166 member of co-operatives and 347 out growers). The proposed expansion aims to cover 100 ha of new patchouli cultivation and 100 ha of replacing / expanding the existing patchouli plantation with new varieties based on successful trials (described in Activity 1.1.20) in five districts viz. Rusizi, Nyamasheke, Nyabihu, Nyruguru, Nyanza, Musanze. This will need mobilization of 1000 more producers, making a total of 1513 producers. The expansion will come from increasing the number of out growers around existing 4 co-operatives and addition of 2-3 new co-operatives.

150. PSAC will use FFS approach for mobilization while involving lead farmers. In close coordination with the project Horticulture Specialist, the District cash crop officer, sector agronomist under the leadership of District Director of Agriculture, SEDO and co-operative officer will be responsible for community mobilization, selection of consolidated land pockets of smallholders for intercropping and identification of participants as per the targeting strategy. They will work in tandem with essential oil exporter during mobilization phase.

151. **Nursery raising.** PSAC recommends a community-based approach for nursery raising, mainly engaging women and/or youth from the participating co-operatives under the guidance of district and sector agronomist and exporters. Towards this, district authorities will first register interested community-based groups. NAEB will make a call for proposals (CfP) for patchouli seedlings supply from the registered community-based nurseries who qualify the basic criteria viz. experience of nursery management, sufficient space for nursery operations, availability of water, production capacity, distance from the plantation site etc. Ess Oil will check and ratify the source of cuttings for each nursery owner. NAEB along with Ess Oil will establish minimum quality standards for seedlings. NAEB will also set the price of seedlings which can be slightly less than the market price but will motivate communities to produce seedlings. The nursery owner groups will make their own arrangement for purchase of inputs and materials (against advance payment made to them) or NAEB through district office will make the arrangement and deduct these costs from the final payment or can access loan from SACCO or MFI against the market order and as per the policies of Financial Institutions.

152. Development of patchouli/geranium plantation. The plantation of patchouli/geranium seedlings will be established on consolidated essential oil plots, and whenever possible also as an intercrop in smallholder coffee plots. The recommended plantation density is 28,000 seedlings per ha (on consolidated plots). The participant farmers will complete the activities pertaining to labour component viz. land preparation for plantation, application of manure and fertilizer and immediate aftercare work as their own contribution – this in-kind contribution is assessed at RWF 5 per seedling. The project will provide seedlings at nominal farmers' contribution of Rwf 1 per seedling. The farmers will manage all the aftercare activities as their own contribution.

Table 17 Implementation plan for expansion of essential oil plantation activity

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Selection of consolidated land pockets	District and sector teams, Horticulture Specialist	20 ha	50 ha	50 ha	80 ha			Consolidated land pockets to cover total 200 ha patchouli plantation selected in the targeted 5 districts
Community mobilization and identification of participants as per targeting strategy	District and sector teams, Horticulture Specialist	150 farmers	400 farmers	400 farmers	650 farmers			At least 1000 smallholders identified for establishment of patchouli as an intercrop in their coffee / banana plots as per the targeting strategy
Development of participatory consolidated avocado plantation development plan involving farmers	District and sector teams, Horticulture Specialist	2 plans	3 plans	3 plans	8 plans			About 16 participatory consolidated patchouli plantation plans developed across the 5 targeted districts
Ensure proper layout and land preparation before supply of seedlings and other inputs.	District and sector teams, Horticulture Specialist	20 ha	50 ha	50 ha	80 ha			Layouts for planned 200 ha given and accordingly plots made plantation ready
Registration of community-based nurseries for grafted avocado seedlings production	District and sector teams, Horticulture Specialist	2	3	3	8			About 16 community-based nurseries mainly involving women and youth registered.

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Arrangements for input supply for nursery raising made	District and sector teams, Horticulture Specialist							Nurseries received timely input support.
CfP for production and supply of patchouli seedlings through community-based nurseries	NAEB & SPIU Procurement Officers	2 CBN , 560 000 seed lings	3 CBN , 140 000 seed lings	3 CBN 140 000 seed lings	8 CBN 224 000 seed lings			About 16 Community based nurseries engaged in seedling production and supplied 5600000 grafted seedlings.
Plantation of patchouli seedlings	Seedlings providers, supervised by District and sector teams, Horticulture Specialist	20 ha	50 ha	50 ha	80 ha			800 ha of macadamia plantations established in target districts
Maintenance, post-harvest handling and marketing	SP exporters, supervised by District and sector teams, Horticulture Specialist							High survival rates ensured in patchouli plantations. Patchouli producers empowered to manage their plantation in a profitable way with sustainable market

e) Trials on essential oils

153. **Purpose of trials.** Patchouli is a perennial, small bushy herb which yields fragrant leaves containing very sweet-smelling oil. It is a commercial crop with high export demand for its oil extracted from leaves. The major producers of this high value crop are Indonesia and China. Indonesia contributes to about 80 - 90% of global supply of Patchouli oil (1,600-2,000MT/ year).

154. The agro-climatic conditions in Rwanda are suitable for growing Patchouli and is a suitable for export (high value – low volume) considering landlocked nature of Rwanda. However, the current production in Rwanda is meager (less than 1% of Indonesia's production). One of the issues is low productivity due to varietal constraint. The productivity of Indonesian varieties is 100kg/ha as against the variety in Rwanda produces 20kg /ha. It mainly affects competitiveness of Rwanda's Patchouli oil value chain. So one option to improve productivity is to test selected Indonesian Patchouli varieties in Rwanda.

155. **Implementation modalities.** Ess OIL is a private Rwandan company engaged in production and export of high quality pure, natural, and organic essential oil. It has its own farm in Kayonza district and also engaged with more than 1000 small farmers in its supply chain.

156. The propagation of the crop is through stem cutting. Ess Oil plans to improve the productivity of Patchouli in Rwanda by introducing suitable varieties from Indonesia. It has identified three high yielding varieties Patchouli Java, Patchouli Sulawesi and Patchouli Sumatra to be tried out in Rwanda.

157. There are interventions and costs involved at various stages - a) procurement (import) of new varieties, b) multiplication of seedlings c) Conducting trials in the field to identify suitable varieties for Rwanda

- a) Procurement (import) of new varieties: Ess Oil will take lead in engaging with Government of Rwanda, RAB and Sources in Indonesia to get the required permissions and clearances for importing of Patchouli stem cuttings of three varieties planted in small cups, it will also make all the arrangements for transport and clearances in Rwanda. The total quantity (including three varieties) is 10,000 cuttings. The cost of sourcing the material and importing (USD 10300) will be borne by the project (NAEB). The expected time period is 3 to 6 months.
- b) Multiplication of seedlings: Ess Oil will raise these cutting in nursery at its farm. It will make all the arrangements for manure application, fertigation and use appropriate infrastructure (shade net, poly hose as required). It will use its human resources to manage the nursery. All the costs related to nursery raising will be borne by Ess Oil. It is expected that the nursery will provide about 100,000 cuttings for large scale multiplication. The expected time period is 6 months.
- c) Field trials: NAEB Essential Oil Specialist along with District and Sector Agronomist will identify 5 plots of 0.5ha each. The plots will be well prepared along with drip irrigation facilities for planting of 100,000 cuttings from nursery. Ess Oil will monitor the work along with District and sector agronomist. It will also study the yield of Patchouli oil as per variety and in different batches to arrive at conclusion about suitable variety. Based on the results it will recommend one or more varieties for cultivation. All the costs including transportation of cuttings will be borne by the project. Ess Oil will manage the cost of monitoring and guiding 5 nursery plots in the field through its own sources. The expected time period is 6 months. However, land preparation and installing irrigation systems may take more time and needs to be planned when the multiplication of seedlings will be in process.
- d) The total cost for trials to the project is estimated as USD 23,000, which involves cost of 3 varieties of cutting, cost of importing and development of 5 field plots for

multiplication. Ess oil will bear the cost of facilitation for trials and cost of nursery raising of imported cutting which amounts to total USD 8,000

Table 18 Implementation plan for essential oil – varietal trials

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Procurement (import) of new varieties (sourcing, approvals, clearances and transportation)	Ess Oil (management of activities) NAEB (PSAC)- cost of procurement							10000 cutting of three varieties imported safely to Rwanda.
Multiplication of seedlings	Ess Oil							10000 cuttings raised in the nursery and produced
Preparation of plots for field trials (land preparation and establishment of irrigation system)	District and sector teams, Horticulture Specialist along with Ess Oil.							5 sites, each of 0.5 ha prepared to receive 100000 cuttings from nursery.
Conducting field trials	District and sector teams, Horticulture Specialist along with Ess Oil							100000 seedlings successfully raised and tested productivity result. Appropriate varieties recommended

A.1.3.12: International Technical Assistance for the production of macadamia seedlings

158. Avocado grafting takes about 18 months to produce a good quality graft. The survival rate of grafts (wedge graft) in nursery varies from 20% to 60% in Rwanda. The long grafting period with poor survival rate is a challenge for establishing long gestation period Macadamia plants. It also results in increased cost of grafted seedlings.

159. Therefore, it is recommended to provide take Technical Assistance of experts from the traditional Macadamia cultivation areas like South Africa. The scope of work includes a) visit to major macadamia nursery producers in the country and interaction with them to understand the issues at the nursery level. b) understand the climatic factors and agronomic practices including impact of timing of grafting, quality of mother orchards and suitability of varieties. c) Sharing of best practices of grafting from other countries d) Analysis of gathered information and provide recommendations for improving survival rate of grafting.

160. NAEB will make a call for proposals (CfP) for consultancy as per abovementioned scope of work to identify right agency / candidate who have strong theoretical and practical experience in Macadamia cultivation especially seedlings production (USD20,000). NAEB Horticulture specialist will lead the process while engaging RAB scientist and major nursery producers in the country viz. Rwanda Nuts, FDINDA Ltd. etc.

Table 19 Implementation plan for technical assistance to improvement in survival rate of macadamia grafts

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Preparation of detailed scope of work	NAEB Horticulture specialist							Detailed scope of work prepared and shared for CfP.
CfP for consultancy assignment to improve survival rate of wedge grafting of Macadamia in Rwanda	NAEB & SPIU Procurement Officers							CfP announced and right candidate recruited
Execution of consultancy assignment	NAEB Horticulture specialist							Issues related to poor survival of grafts identified and valid alternatives / change of practices recommended.

A.2 Improvement of Rural Infrastructure facilities and equipment at cooperative and exporters' level

A.2.1 Direct Support (100% Project support)

A.2.1.1: Support for soil and water testing kits (Palintest Kits)

161. Palintest kits are "mobile labs" that can be used by producers on their farms to test their soils in order to determine the PH and nutritional requirements of their farms. The kits can also be used at the CWS to test the quality of processing water as well in the management of liquid waste from the factories. Additionally, these kits can be used to carryout nutrition analysis of compost made in homes or factories as well as analysis of commercial fertilizers bought from suppliers.

162. PSAC shall fully support acquisition of 10 Palintest Kits to be provided to CWS owned by cooperatives for use at the CWS and Farm levels.

A.2.1.2: Pilot Hangar construction for coffee cherry collection

163. With creation of the new coffee zones in an effort to ensure maximum utilization of all CWS, each zone was assigned the nearest CWS (both private and cooperative owned) to sell their produce. Despite this effort, some of the CWS are still far from some of the farms. Coffee

cherry is supposed to pulped within a few hours after harvesting to maintain the quality of coffee. The distance between the farms and the CWS therefore has a direct relationship with the quality of coffee after processing. In addition, middlemen have taken advantage of this challenge buying coffee from the farmers at extremely low prices thus disenfranchising them the opportunity to fetch better prices if they were able to sell directly to the CWS.

164. It is for this reason that PSAC shall support 2 pilot hangars in areas where the farmers still have to walk for a long distance to access the CWS. This will be constructed in two Districts, each getting one Pilot Hangar. PSAC shall invest in the construction of Hangers while the farmers shall provide land for the hangar in a suitable location that has water and does not pose any adverse risk to the environment.

A.2.1.3: Construction of Eco-friendly Coffee Drying Infrastructure

165. Coffee drying can be a delicate process as fully washed coffee should not be exposed to wetness once the parchment is subjected to the drying process and at the same time wet parchment should not be covered under water proof materials for so long to avoid growth of mould. The adversaries of climate change resulting in prolonged wet days and unpredictable rainfall patterns during coffee processing season calls for some adaptation strategies.

166. Two adaptation strategies considered by PSAC that are eco-friendly are parabolic drying structures and mechanical driers. The project shall determine the design of the driers to ensure that they meet the standard for the intended drying purpose and that they are user-friendly. The project shall fully support 3 driers including 1 parabolic dryer for pilot testing and demonstration for their use.

Table 20 Implementation of rural infrastructure – Direct support (100% project supported)

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
<i>Soil and water testing kits (Palintest Kits)</i>	NAEB Environment specialist, and coffee specialist	10						10 palintest kits purchased and provided to CWS managed by cooperatives
Construction of Pilot Hangar for coffee cherry collection	District and sector teams, NAEB/SPIU/ Procurement	0	2 Hangars	0	0	0	0	2 hangars in two different districts
Construction of 100% financed 3 Eco-friendly Coffee Driers	District and sector teams, NAEB/SPIU/ Procurement	3	ecofriendly					2 parabolic coffee driers and 1 mechanical drier

A.2.1.4: Build Hangars for collection of green Tea leaves

167. PSAC will support cooperatives to establish 52 leaf collection hangars in strategic locations to facilitate quality inspection, green leaf weighing and scheduling of transport. Farmers, through their cooperative will provide the land on which the hangars and ablution blocks will be constructed.

168. Constructed hangars will serve as meeting venues for dissemination of information and coordination of training programs. two main value chain activities will take place at the hangar, namely green leaf weighing and coordination of training. Maintenance and improvement of the hangar will be the responsibility of respective farmers who are members/owners of the hangar.

169. The national tea register which will be maintained at the cooperative and factory will issue unique farmer identification numbers linked to the hangar where a farmer weighs their green leaf.

170. New farmers may be charged a membership fee to be registered as members of the hangar.

A.2.1.5: Investment in avocado grading line at NAEB packhouse

171. The recommended addition of avocado grading machine is to improve competitiveness of avocado value chain with reference to regional players and take advantage of large export markets available for fresh avocado. The data of last two years' peak season (August to December) 2020 and 2021 suggest that there is an increase in monthly fresh avocado export – from about average 100MT/month to average 200 MT/month (from 4 containers /month to 8 containers per month). Based in NAEB's estimate, It is expected to be doubled in next 4-5 years.

172. Currently sorting and grading operations are carried out manually. However, it is challenging to handle increasing volumes, strict export requirements for quality, quantity of packaging (4kg / box) and timeliness of operations manually. Rwanda is eyeing for Dubai market through sea route. In order to be competitive with its regional players, spending long time in filling the containers is not feasible. So, it is recommended to introduce mechanized avocado grading operations along with hydrocooling facility to reduce losses. The neighbouring countries - Tanzania and Kenya possess this technology.

173. NAEB has currently acquired quotations for understanding costs involved, available capacity, training needs, installation possibilities etc. The cost of machine including transport cost and taxes and installation and training to NAEB team is USD 400,000. Its capacity is to 2 containers of 23T per day. NAEB will do expansion of space in its packhouse to accommodate the avocado grading machine using its own resources (around USD 100,000).

Table 21 Implementation plan mechanized avocado grading line

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Preparation of Tender Document for mechanized avocado grading equipment and identification of	NAEB & SPIU Procurement officers in association with specialist							Detailed requirements and specification prepared and shared for CfP. Identified major equipment

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
major equipment manufacturers	NAEB - Head of Packhouse, Horticulture specialist							manufacturers for sharing of Tender document.
Sharing the tender Document to identified equipment manufacturers and selection of the suitable manufacturer	NAEB & SPIU Procurement Officers							Tender document released, quotations received, suitable manufacturer added and order placed after negotiations.
Expansion of packhouse facilities to accommodate Mechanized Avocado Grading line.	NAEB – Head of Packhouse							Packhouse facilities expanded to install mechanized avocado grading line.
Procurement of Equipment	NAEB & SPIU Procurement Officers							Equipment procured as per order and verified. .
Installation and Training to operators and NAEB staff	Equipment Manufacturer							New avocado grading line installed, trial run completed and staff trained in operation, management and trouble shooting.

A.2.1.6: Electronic weighing scales

174. Accurate green leaf weighing is critical to farmer's satisfaction and trust building. This is important in creating loyalty that enables farmers to follow advice given by officers of the cooperative. PSAC will support cooperatives to procure an electronic weighing scale per truck. The scale will be capable of issuing instant receipts for green leaf upon weighing and therefore avoiding human interventions that may be associated with loss of integrity of the data.

A.2.1.7: Farmers information/data servers (software-based database of farmers' green leaves collection and revenues)

175. PSAC will support 3 new cooperatives to procure servers to maintain farmers data and enable electronic payments for green leaf. The servers will enable the cooperatives to maintain data for individual farmers including the census reports and to match the same with their production in order to prevent falsification of records and payments that may deny genuine farmers their rightful earnings.

176. The electronic Greenleaf weighing scales shall transmit data directly to the servers and avoid human intervention thus enhancing data integrity that will boost trust between farmers and cooperative management thus increasing their motivation.

177. Maintaining individual farmers records using unique registration numbers per cooperative in line with the national tea register will further support certification and traceability mechanisms with a view to linking farmers to more lucrative markets under the leadership of the factory.

A.2.1.8: Pick Up truck for Ferwacothé

178. Ferwacothé serves all tea cooperatives in Rwanda and these are located in different parts of the country thus making mobility a prerequisite for effective coordination and supervision. Towards this end, and in order to effectively implement Cooperatives Common Services activities under the guidance of the international expert, PSAC will support Ferwacothé to acquire a pickup truck for use in coordination, training and monitoring activities.

A.2.1.9: Green leaf transportation Trucks

179. Green leaf once plucked may deteriorate very quickly if the outside temperature is not well controlled hence the need for suitable transport from the farms to the factory where cooling takes place. Inadequate transport affects both volume and quality of production by way of long plucking cycles, excessive loose leaves and red leaves due to overheating. It may also lead to high losses in transit.

- a) PSAC will support cooperatives to acquire appropriate trucks for green leaf transportation. A total of 11 (3 ton) trucks will be procured on grant basis. The general condition of the road network and terrain in tea zones is relevant and will be considered in choosing the model of trucks.
- b) Capacity of trucks is important considering that some farms are far away from factories since the country has no regulation limiting the radius of tea catchments. Long journeys increase the risk of quality deterioration and therefore it is preferred that green leaf bags should be hanged/suspended using hooks on pillars mounted on the trucks.
- c) Quality of green leaves quickly deteriorate when the leaves are compacted and bruised leading to uncontrolled fermentation and reddening of leaves. Cooperatives will procure enough bags to ensure that only the optimum amount of leaf (15 Kgs) is put in a bag.
- d) Records or loading sheets shall be kept by the driver indicating which rows of bags have been loaded at which hangar in an effort to aid traceability for purposes of quality management and identification of training needs among farmers affiliated to different hangars.

Table 22 Implementation plan for direct support to tea value chain (A.2.1.4 and A.2.1.6 to A.2.1.9)

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Build Hangars for collection of green Tea leaves								

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Prepare tender for construction of hangers and selection of vendors	Tea specialist Procurement specialist Co-operatives							Tenders prepared, released and vendors selected
Construction of hangers completed			26	26				Hangar construction completed
<i>Electronic weighing scales</i>								
Prepare tender and selection of a vendor	Tea specialist Procurement specialist							Tender prepared, released and vendor selected
Procure weighing scales		11						Electronic weighing scales procured
<i>Farmers information/data servers</i>								
Prepare tender for the data servers and select a vendor	Tea specialist							Tender prepared, released and vendor selected
Complete data server installation and operationalization	Tea specialist							Data server operationalized
<i>Pick Up truck for Ferwacothé and Green leaf transportation Trucks</i>								
Prepare tender for the pick-up truck and green leaf transportation trucks and select a vendor	Tea specialist Procurement specialist Co-operatives							Tender prepared, released and vendor selected
<i>Procure the vehicles</i>								Vehicles procured

A.2.2: Investment Grants

A.2.2.1: Small-scale investments for climate-resilient technologies – Cat 1 Grants

180. This grant category is meant to facilitate the access to on-farm equipment and tools for smallholder farmers and cooperatives, further to the adoption of the climate smart agriculture practices and technologies they have been exposed to along their training packages. A total of 74 grants will be availed under this category, as detailed in table 22 below:

Table 23 List of PSAC small-scale grants – Cat 1

Type of intervention (small-scale)	Target
Protective agriculture at smallholder level (greenhouse, walk-in tunnel, shade net...)	50 units
Ecofriendly coffee drying technologies	24 units
Total	74 units

181. The peculiarity of this grant category is that it will be tied to a loan representing the full investment sought, and the grant will only be disbursed upon the satisfactory repayment of the loan portion. Such performance-based grant facility (PBGF) will thus involve 'Partner Financial Institutions (PFIs)' who will be selected along the same principle as the ones used in PRICE project.

182. The project targets a minimum of 50% women and/or youth as beneficiaries of these grants. Women and youth will be given an advantage by being allocated a higher grant portion (70% vs 50% for men aged above 30 years). The **maximum ceiling for grants will be USD 3,500 for men >30 and USD 5,000 for women and youth**. No individual will be able to access a PSAC grant more than once, and no applicant who has previously benefitted from other grant facilities under other IFAD-funded projects (e.g. PASP, RDDP or PRICE) will be able to access a PSAC grant.

183. The detailed mechanisms of these Small-Scale Cat 1 grants are provided below:

Table 24 Cat 1 Grant Mechanisms

	Category 1a: Small Investment Grants for individual men (> 30)	Category 1b: Small Investment Grants for individual women and youth (< 30)
Eligible investments	Protective agriculture at smallholder level (greenhouse, walk-in tunnel, shade net...), Ecofriendly coffee drying technologies etc. - average value of investment: USD 10,000 - possibility to combine several types of equipment once and within the max. grant ceiling	
Eligible beneficiaries	Individual farmers, males, aged above 30, and who have been attending PSAC training	Individual farmers, women or youth (i.e. aged below 30), and who have been attending PSAC training

	Category 1a: Small Investment Grants for individual men (> 30)	Category 1b: Small Investment Grants for individual women and youth (< 30)
Financing modality	<p>Performance-based grant facility (based on PRICE model):</p> <ul style="list-style-type: none"> - A simplified BP will support grant application, outlining in particular market outlet, expected productivity increase and loan repayment schedule - Loan to be taken by beneficiary on full investment sought, through PFI - BDF disburses the grant amount to PFI once the loan has been disbursed and grant application has been approved - Grant is disbursed to beneficiary by PFI once the full loan portion has been paid back by the beneficiary - <i>Note: interest is charged by PFI on full investment loan</i> 	
Financing rule	<ul style="list-style-type: none"> - IFAD 50% - Beneficiary 50% 	<ul style="list-style-type: none"> - IFAD 70% - Beneficiary 30%
Max grant ceiling	USD 5000	USD 5,000
Number of grants	37	37
IFAD Budget	USD 185,000 (total 50% of investment)	USD 185,000 (total 70% of investment)
Beneficiary contribution	USD 185,000 (total 50% of investment)	USD 79,550 (total 30% of investment)
Total Budget	USD 370,000	USD 264,550
Objectives	Smallholder CC resilience, improved productivity and product quality, enhanced competitiveness on export markets	
Climate Change Adaptation	Small Equipment investments adopt CSA technology solutions	

184. The Cat.1 grant process is schematized as follows:

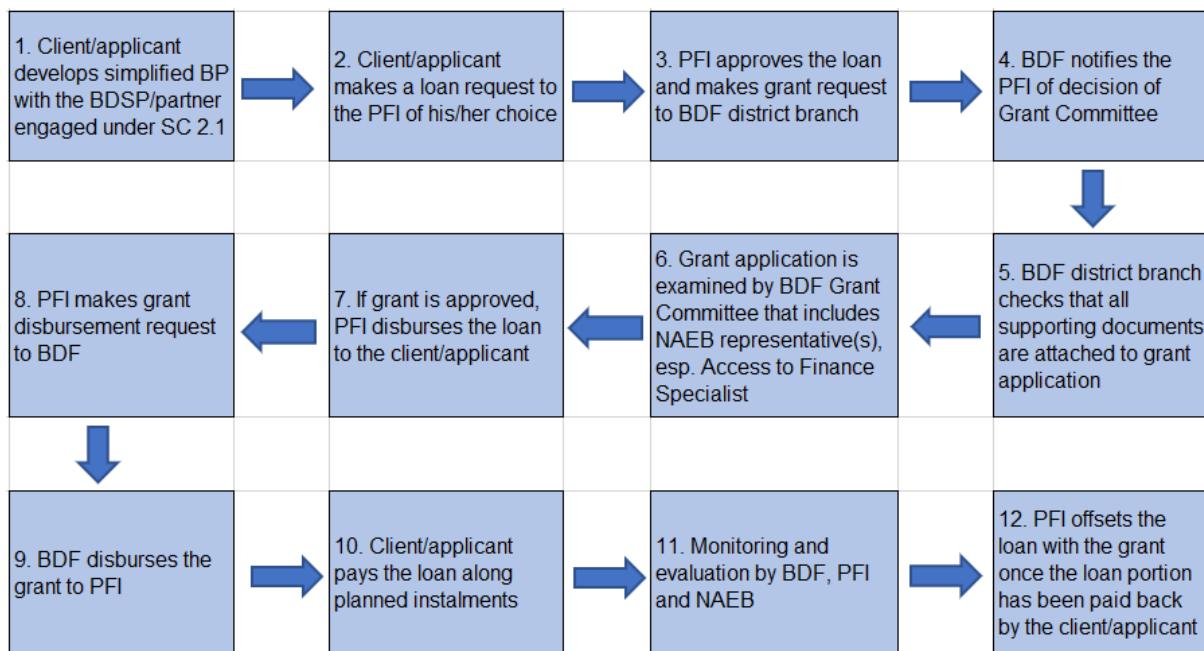


Figure 5 CAT 1 Grant process

Activity A.2.2.2: Medium-scale investments for climate-resilient technologies at cooperative level– Cat 2 Grants

185. This grant category is meant to address the key infrastructure gaps that are hindering smallholder cooperatives/POs' competitiveness in the export-driven VC. Unlike Cat1 grants, this grant category will not be necessarily tied to a loan; the beneficiaries may also raise their contribution through their own resources. The grant model under this category will draw from modalities used in PASP and RDDP (cooperative-led model). A total of 30 grants will be availed under this category, as detailed in the table below:

Table 25 List of PSAC medium-scale grants at cooperative level – Cat 2

Type of intervention (medium scale, cooperative)	Target
Basic facilities, tools and equipment to acquire certification at cooperative level – Horticulture	3 units
Basic facilities, tools and equipment to acquire certification at cooperative level - coffee	6 units
Protective agriculture at cooperative level (greenhouse, walk-in tunnel, shade net...)	3 units
Proper effluent and solid waste handling facilities at cooperative level (coffee washing stations, loading stations and processing plants for the various value chains)	10 units
Total	22 units

186. The **maximum ceiling for these Cat 2 grants will be USD 30,000**. No cooperative will be able to access a PSAC grant more than once, and priority will be given to cooperatives who have never benefitted from other grant facilities under other IFAD-funded projects (e.g. PASP, RDDP or PRICE).

Table 26 Cat 2 Grant Mechanism

Category 2: Grants for cooperative medium-scale investments	
Eligible investments	Basic facilities, tools and equipment to acquire certification; Protective agriculture; Proper effluent and solid waste handling facilities
Eligible beneficiaries	Registered cooperatives operating in PSAC target value chains (i.e. coffee, tea, horticulture)
Financing modality	Cooperative-led grant facility (simplified from PASP model): <ul style="list-style-type: none">- Full BP to be developed, including marketing arrangements, working capital needs (not eligible to grant), <u>and realistic income and cashflow statements</u>- BDF disburses the grant amount to beneficiary along 3 tranches: 50% upon the realization of 100% of the beneficiary's contribution as planned in the BP; 30% upon the approval of the utilization of the first instalment; 20% after ascertaining that the working capital funds are available as specified in the business plan
Financing rule	<ul style="list-style-type: none">- IFAD 50%- Beneficiary 50% (can be from loan or from own resources)
Max grant ceiling	USD 30,000
Number of grants	22
IFAD Budget	USD 330,000 (total 50% of investment)
Beneficiary contribution	USD 330,000 (total 50% of investment)
Total Budget	USD 660,000
Objectives	Smallholder CC resilience, improved productivity and product quality, environment protection, enhanced competitiveness on export markets

Category 2: Grants for cooperative medium-scale investments

Climate Change Adaptation	Medium scale investments adopt CSA technology solutions
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187. The Cat 2 grant application process is schematized as follows:

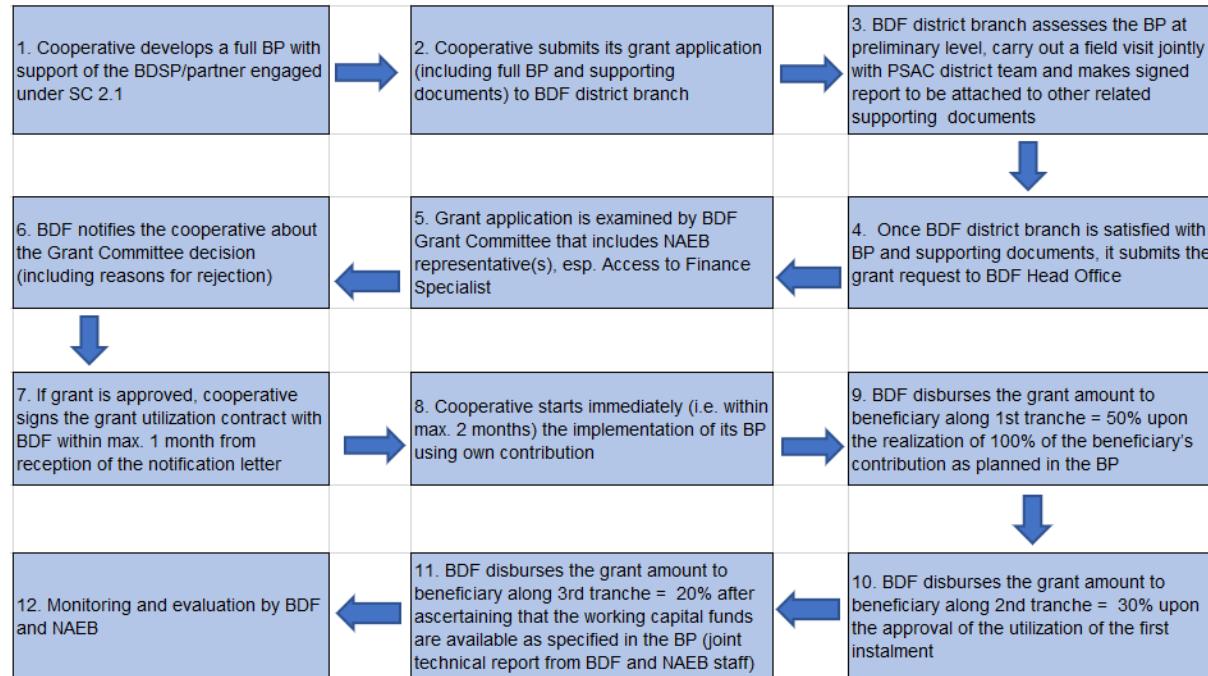


Figure 6 Cat 2 grant process

A.2.2.3: Medium-scale investments for climate-resilient technologies at exporters level – Cat 3 Grants

188. This grant category is meant to address the key infrastructure gaps that are hindering private sector exporters' competitiveness in the export-driven VC, while at the same time encouraging the establishment of contractual arrangements with cooperatives. Unlike Cat.1 grants, this grant category will not be necessarily tied to a loan; the beneficiaries may also raise their contribution through their own resources. The grant model under this category will draw from modalities used in PASP and RDDP (private-led model). A total of 29 grants will be availed under this category, as detailed in the table below:

Table 27 List of PSAC medium-scale grants at exporters' level – Cat 3

Type of intervention (medium scale, joint ventures with exporters)	Target
Basic facilities, tools and equipment to acquire certification at exporter level	7 units
Protective agriculture at exporter level (greenhouse, walk-in tunnel, shade net...)	7 units

Type of intervention (medium scale, joint ventures with exporters)	Target
Proper effluent and solid waste handling facilities at exporter level (coffee washing stations, loading stations and processing plants for the various value chains)	10 units
Total	24 units

189. The maximum ceiling for exporters' grants will be US\$ 24,000. No exporter will be able to access a PSAC grant more than once, and priority will be given to exporters who have never benefitted from other grant facilities under other IFAD-funded projects (e.g. PASP, RDDP or PRICE).

Table 28 Cat 3 Grant Mechanism

Category 3: Grants for exporters' medium-scale investments	
Eligible investments	Basic facilities, tools and equipment to acquire certification; Protective agriculture; Proper effluent and solid waste handling facilities
Eligible beneficiaries	Private sector exporters operating in PSAC target value chains (i.e. coffee, tea, horticulture)
Financing modality	<p>Private-led grant facility (simplified from PASP model):</p> <ul style="list-style-type: none"> - Full BP to be developed, including marketing arrangements, working capital needs (not eligible to grant), <u>and realistic income and cashflow statements</u> - BDF disburses the grant amount to beneficiary along 3 tranches: 50% upon the realization of 100% of the beneficiary's contribution as planned in the BP; 30% upon the approval of the utilization of the first instalment; 20% after ascertaining that the working capital funds are available as specified in the business plan
Financing rule	<ul style="list-style-type: none"> - IFAD 40% - Beneficiary 60% (can be from loan or from own resources)
Max grant ceiling	<i>USD 100 per coop member³⁷ engaged in contractual relationship with the private company, with a maximum of 24,000 USD</i>
Number of grants	24
IFAD Budget	USD 576,000 (total 40% of investment)
Beneficiary contribution	USD 864,000 (total 60% of investment)

³⁷ In the specific case of exporters' grants, beneficiary exporters are not obliged to be established in PSAC target districts – they may be established in Kigali or in other districts, but their contractual engagement with supplier cooperative(s) is a requisite to access PSAC grants

Category 3: Grants for exporters' medium-scale investments	
Total Budget	USD 1,440,000
Objectives	Smallholder CC resilience, improved productivity and product quality, environment protection, enhanced competitiveness on export markets
Climate Change Adaptation	Medium scale investments adopt CSA technology solutions

190. The Cat 3 grant application and disbursement process is schematized as follows:

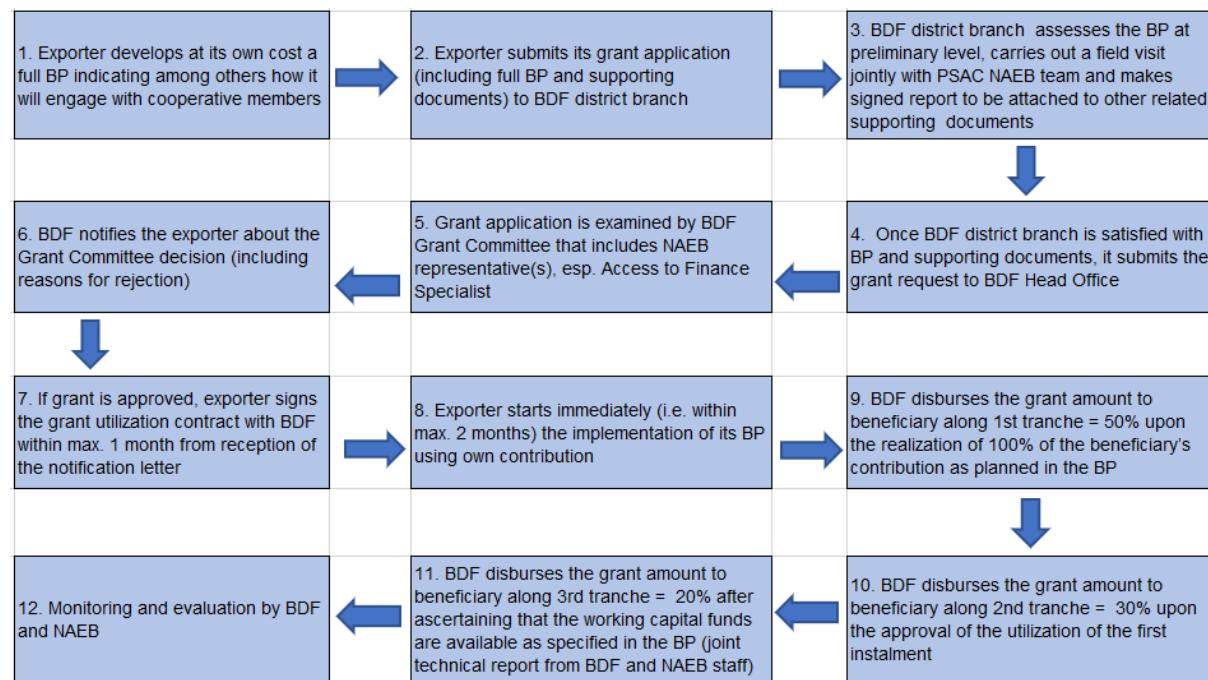


Figure 7 Cat 3 grant process

Note: full details on the grant implementation arrangements will be provided in the PSAC Grant Implementation Manual that will be prepared by NAEB team at the onset of PSAC and shared with IFAD for No Objection.

A.2.2.1 to A2.2.3: Grant Management

191. The management of all grant facilities will be carried out in collaboration with the Business Development Fund, building on the structures and mechanisms already established for similar funds under other IFAD-funded projects in Rwanda. A specific MoU will be signed between NAEB and BDF at the onset of PSAC. The project will strive to establish a thorough grant monitoring system so as to closely follow up and guide the business promoters and then draw the impact of these specific interventions in terms of improved productivity, food security and income.

192. The management of all three grant facilities foreseen in PSAC will require extensive upstream engagement with both applicants (to check their compliance/eligibility) and participating financing institutions (PFIs) in the case of a grant tightened to a loan (Cat.1 grants). It also requires thorough follow-up, monitoring and evaluation once the grants have been disbursed, to ensure that the projects financed are not deviated and the grant tranches are disbursed according to the set procedures. A grant management fee of USD 300,000³⁸ will thus be availed by the project to BDF, in order to cover such expenditures.

193. Based on experience from PASP and PRICE, PSAC will ensure that all grants are duly implemented within the first years, so that proper monitoring and follow up of grant beneficiaries can be done, and the real impact of such important investments can be measured. No grants should de facto be disbursed in the last year of the Project.

Table 29 Implementation plan for Cat 1, 2, 3 activities (Activity 2.2.1. to 2.2.3.)

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Draft comprehensive PSAC Grant Implementation Manual	NAEB, BDF							Grant implementation modalities in PSAC are clearly set
Sign MoU with BDF	NAEB, BDF							Grant Management MoU is signed with BDF
Launch call for expression of interest to apply for PSAC grants – support it through information/mobilization campaign	NAEB, district teams							PSAC target group is well aware of various opportunities made available to support their investments, as well as eligibility criteria and application process
Implement Cat.1a and Cat 1b grants	NAEB (led by AFS), BDF, PFIs		30	34	10			74 small equipment & tools grants are availed to coffee, tea and horticulture smallholder farmers (of which 50% women and/or youth) to enhance their use of CSA practices, improve their productivity and product quality, and enhance their competitiveness on export markets
Implement Cat. 2 grants	NAEB (led by AFS), BDF		4	10	8			30 cooperatives in PSAC target VCs are availed grants to enhance their use of CSA practices,

³⁸ BDF grant management fee equivalent to about 7% of total grants to be managed by the BDF.

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
								improve their productivity and product quality, improve the protection of their environment and enhance their competitiveness on export markets
Implement Cat. 3 grants	NAEB (led by AFS), BDF			6	11	7		29 exporters in PSAC target VCs engage in contractual arrangements with cooperatives and are availed grants to enhance their use of CSA practices, improve their productivity and product quality, improve the protection of their environment and enhance their competitiveness on export markets
Grant management fee to BDF	NAEB		¼	¼	¼	¼		BDF has appropriate financial capacity to manage PSAC grants
Follow up and Monitoring of PSAC grants	PSAC, BDF, PFIs							All PSAC grants are closely monitored and their impact can be measured

II.2: COMPONENT B: ENABLING BUSINESS ENVIRONMENT ALONG SELECTED EXPORT-DRIVEN VALUE CHAINS

B.1 Capacity Building for Producer Organizations

B.1.1 Organizational Capacity Dev. for cooperatives and functional groups Coffee

194. **B.1.1.1: Capacity building in climate smart agricultural practices in coffee.** Climate change and the effects of its adversaries is a big threat to coffee productivity and so is the competitiveness of this value chain in the export market. 50 cooperatives owning CWS have been targeted under PSAC to give awareness and knowledge to coffee farmers on the effects of climate change and how to adapt and mitigate these changes.

195. **B.1.1.2: Farmer Field School (FFS) approach, strengthened by proximity coaching.** 38,000 households have been targeted to benefit from PSAC investments in coffee replacement and rehabilitation. These households have been divided into 1300 FFSs to

enhance outreach of capacity building initiatives and activities. The FFS activities shall spread out through the six districts. It is projected that over 4,800 field schools shall be executed throughout the project cycle.

196. B.1.1.3: Capacity building of Proximity coaches (PSAC approach, targeting, interventions and role of FFS (For FFS Coaches). Technical assistants for FFS proximity coaching shall receive trainings to enhance their skills in the delivery of FFS. About 120 coaches shall receive the trainings.

197. B.1.1.4: Field Visits and experience exchange and learning visits. PSAC shall create a forum for exchange and learning of experiences through Training and Exposure visits in the six districts and wherever possible outside the target districts. 2 farmers FFS and the FFS coaches shall go through such experience for a number of days to give them an opportunity to pick and learn some of the best experiences from their peers.

198. B.1.1.5: Training in nursery raising and management. 4 women per cooperative for 50 co-operatives owning the CWS shall receive routine trainings in nursery management to empower them with skills that will have an impact in their efficiency as well as economic achievements.

Table 30 Implementation plan of skills and knowledge building at grassroots level - coffee

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Capacity building in climate smart agricultural practices in coffee for 50 co-operatives (1 training per co-operative)	District and sector teams, Coffee Specialist	5	10	15	15	5		Training on climate smart agricultural practices organized for 50 co-operatives to generate awareness and build capacity
Farmer Field School (FFS) approach, strengthened by proximity coaching, targeting 1300 FFS @30farmers	District and sector teams, Coffee Specialist	200 FFS	200 FFS	250 FFS	250 FFS	200 FFS	200 FFS	1300 FFS each with an average of 30 Farmers targeting 38,000 shall be formed to access various trainings during the project cycle
Capacity Building for proximity coaches	District and sector teams, Coffee Specialist	120 Coaches		120 Coaches		120 Coaches		120 coaches training at project inception and followup refresher trainings at year 3 and year 5
Training and exposure visits for Lead Farmers and FFS coaches	District and sector teams, Coffee Specialist							3 days field trips 2600 lead farmers and 120 coaches

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Training in Seedlings Raising and Nursery Management	District and sector teams, Coffee Specialist	200 trainees						200 women and youth from 4 from each of the 50 cooperatives trained at PSAC inception

B.1.2: Organizational capacity development for co-operatives, Ferwacothé and functional groups (Tea)

199. Competitiveness can be enhanced by increasing efficiency in core activities across the value chain. These will in turn lower costs, eliminate wastage and improve quality giving producers more headroom to absorb market shocks when they occur and also encouraging more investments which may come from expansion or new private investments.

200. **B.1.2.1: Support focal persons (FPs) for infilling activities.** In Tea VC, FPs will act as FFS coaches along with other tea plantation and management activities. There will 4 FPs operational in the Tea VC who will receive honorarium for first three years of the programme.

201. B.1.2.2: Training of Field Production Assistants (FPAs)

- a) Regular training of Field Production Assistants (FPA) by cooperative and factory agronomists as well as RAB senior agronomists and researchers. This will take place on cooperative farms (local benchmarking is encouraged), factory industrial blocks, RAB trial sites and research stations.
- b) FPAs will act both as proximity coaches and farm supervisors covering farmers delivering to one or two leaf collection hangars. NAEB/Cooperatives will ensure that their job description reflects this important task. They will be responsible for ensuring that farm costs are well managed at all times.

202. **Mass training of farmers.** Training to farmers is a regular activity and will be implemented through FPs and FPAs along with agronomists. Tea production is labour intensive starting from preparation of cuttings, seedling propagation, transplanting and harvesting. Effective management of tea production requires continuous training in order to meet knowledge gaps occasioned by labour attrition, research findings and changes in market conditions.

- a) Tea development projects are complex in nature and from the outset, a credible exit plan will be at the back of the mind of implementers. In order to ensure high success rate, NAEB, RAB, Factories and cooperatives will organize comprehensive training for agronomists in target cooperatives on mother bush selection, preparation and handling of cuttings, nursery site selection and management, tools and implements selection as well as land preparation and seedling management. The training will cover both theoretical components of tea agronomy and husbandry as well as on farm training to be carried out at RAB demonstration farms or the factory industrial blocks and could take up to 5 days.

- b) Mass training of farmers and farm workers (pluckers) will be undertaken on regular basis on model farms (owned by lead farmers from each hangar area) within cooperatives. This activity will be one of the responsibilities of agronomists who will make use of FFS training methodology and Good Agricultural practices (GAP) among other approaches.

203. **B.1.2.4: Training of cooperatives' leadership.** Cooperatives are fundamentally wealth creating enterprises for persons with limited resources and their economic viability is underpinned by low costs of operations, shared risks and economies of scale (seller/buyer power). In order to unlock the full potential of the enterprise model, cooperative leaders and managers will have to look outside the Rwanda tea value chain and borrow best practices that can unlock and scale up the economic impact of their enterprises. This goal will be served by training top leaders at the unions and federation to conceptualize the full potential of cooperatives and how to unlock it. Leadership development training and coaching will enable the leaders to identify and pursue audacious strategic goals for their enterprises. Partnerships between PSAC and other partners like Cordaid will be useful in implementing the leadership development objective.

B.1.2.3 to B.1.2.7: Organizational/institutional development

204. **Strategy and implementation activities.** Cooperatives within the tea value chain are homogenous in structure yet they achieve varied operational and commercial results mainly because they do not have common strategy, resources, business management and decision support tools. This varied performance ultimately hurts farmers who end up paying more when purchasing goods and services or receiving lower prices for goods sold.

205. In order to bridge the performance gap and unlock higher value for cooperatives, PSAC will;

- a) Support Ferwacothé to implement a Cooperatives Common Services Framework/Strategy through the technical support of a Common Services Delivery Expert. The expert will develop a collaborative and standardized services execution framework for all core activities in homogenous tea cooperatives. In order to effectively implement and monitor the progress of the initiative, the expert/Service provider will provide services for a period of 12 months (312 Working days) spread out over the duration of the project as follows; Y1-90 days; Y2-60 days; Y3-45 days; Y4-45 days; Y5-40 days; Y6-32 days.
- b) Train cooperative leaders and managers on the design and operationalization of the Common Services Delivery Strategy/Framework. The training will have both classroom and workplace/practical modules targeting to achieve organizational and performance transformation of cooperatives and unions through ferwacothé intervention.
- c) Facilitate the emergence of Service Delivery Champions (SDC) from the training process. The SDCs will be certified as champions in their cooperatives with a mandate to advocate, promote, assess and report the progress made on all Common Services Indicators (CSI) to the CSDE in their respective cooperatives. The CSDE will follow up, through Ferwacothé, NAEB management as well as District directors of Agriculture to further understand the gaps in performance and propose pathways (immediate, medium and long term) to improvement. Quarterly and annual reports detailing the achievements and limitations of the strategy in terms of efficiency gains leading to cost reductions, increase in productivity, green leaf price increase, new members sign ups and asset base expansion among other CSIs will be prepared and shared with

PSAC, Cooperatives, Ferwacothé and District administration. It is anticipated that each cooperative will have 2 SDCs, one from elected leaders and another from the team of management.

- d) Support the SDC to form a joint committee that will regularly receive coaching and recertification by the CSDE. They will also be facilitated to undertake benchmarking missions to cooperatives that have achieved higher scores on the CSIs and to use these lessons to propose review of the strategy.
- e) Endeavour to improve efficiencies in service delivery by cooperatives as a strategy to lower enterprise costs, increase the take home income for farmers and scale up organic growth sustainably. This will be part of the responsibilities of Service Delivery Champions (SDC) who will work directly with the CSDE. Duty allowances for the SDC will come from the PSAC budget for the CSDE intervention on monthly basis subject to an agreed results framework.

Table 31 Implementation plan for organizational capacity development (B.1.2.1 to B.1.2.3 and B.1.2.5 to B.1.2.7)

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Support to Co-operatives								
Support to focal persons (FPs) for infilling activities	Cooperatives through PSAC support							FPs identified and supported
Training to Field Production Assistants (FPA)	Cooperative and factory agronomists as well as RAB							FPAAs trained through Co-ops, factory and RBA
Trainings to tea farmers using FFS approach	FPs and FSPs							FFS operationalized
Leadership development to improve business mindset of Co-operative and union leader	Cordaid partnership							Training to coop and union leaders completed
Support Ferwacothé to implement a Cooperatives Common Services Framework/Strategy								
CfP for selection of Common services delivery expert (TA)	Tea specialist							CfP for selection of Common services delivery expert prepared and released

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Recruitment of a Common service expert for Ferwacothé								Common service expert for Ferwacothé recruited
Training of cooperative leaders and managers to operationalize common service delivery strategy	Common service Expert of Ferwacothé							Cooperative leaders and managers to operationalize common service delivery strategy trained
Selection of Common service champions	Ferwacothé and cooperative leadership in consultation with common service expert							Common service champions selected
Training to common service champions to prepare reports aper indicators and submit to Ferwacothé CSDE	Common service expert							Common service champions trained to prepare reports as per the indicators s
Review and plan for improvement of common service delivery	Ferwacothé and Cooperatives along with common service expert, Tea specialist							Common services progress reviewed in terms of benefits to tea farmers and new plans prepared every year.

B.1.3 Organizational Capacity development for Cooperatives and functional groups (Horticulture)

B.1.3.1 to B.1.3.5 Strengthening FFS approach through training and capacity building, and B.1.3.8 and B.1.3.9 Training in nursery raising and management and Grafting

206. The Horticulture component will have 225 groups of average 30 members. Each group will form one FFS. They will be supported by two lead farmers (FFS facilitators) of which at least 1 will be a woman. There will be 25 FFS coaches (for proximity support and coaching) with 1 coach supporting about 9 FFS groups. The role of FFS coach will be to strengthen FFS operations and build capacity of the facilitators.

207. The FFS coaches and lead farmers play the key role in responding to farmers, ensuring participation of targeted groups (women, youth, smallholders, poor etc.) and providing on-

field technical support. They will also liaison between producers and other actors in the value chain, technical service providers and project staff. Therefore, it is important to build their facilitation skills as well as technical and management aspects of the project.

208. FFS is the key for execution of project interventions at the grassroot level. To build the capacity of lead farmers and FFS coaches, following capacity building measures are recommended

a) Operationalizing FFS through Capacity building of lead Farmers and FFS coaches

209. **Managing FFS through training and exposure visit FFS.** It is aimed at understanding the approach and importance of good FFS for smallholders. It will mainly cover principle of FFS, roles and responsibility of facilitators, methods of engagement, problem solving etc. A three-day training will involve 3 lead farmers (two regular and one potential) from 9 FFS and an FFS coach (s), thus forming a batch of about 30 persons. Twenty-five such trainings will be organized during 4 years. They will be facilitated by experienced FFS experts.

210. **Training on Social inclusion strategies.** PSAC primarily targets smallholders and further focuses women, women headed households and youth participation. The training on social inclusion strategy will be devoted to ensure right targeting and exploring ways to engage women and youth so that they can be key players in the value chain. It will help them to identify the opportunities for skill building and access to finance to support the efforts of social inclusion. The participants for the training, duration and number of trainings will be same as that of training on 'Managing FFS'.

211. **Capacity building in certification and climate smart technologies.** PSAC interventions help farmers to acquire product certifications to develop environment friendly interventions as well as to benefit from the added value due to certification. It is expected that the lead farmers should have idea about different certifications, their purpose, compliance measures which can help them in guiding the farmers and also engage with PSAC staff as well as value chain actors. The duration and number of trainings will be same as that of 'Managing FFS' training.

212. **Capacity building of Proximity FFS coaches.** The NAEB Horticulture specialist and FFS experts will impart knowledge about PSAC approach, targeting, interventions, role of FFS in programme development and FFS strengthening through a two-day training session. Total 6 trainings spread over 5 years will be organized. Every year, previous years' experience will be reviewed and new needs will be taken into account to help coaches to be better equipped. The FFS coaches will be paid honorarium through the project support.

213. **Operationalisation of FFS.** FFS concept will be implemented through planning at the village level. Lead farmers will visit fellow farmers individually as well as in groups. They will regularly organize learning - sharing and problem-solving meetings to find local solutions to the problems as well as to seek support of experts (through project or government programmes). A budget of USD1,000 per FFS is planned to support major meeting / training, demonstrations and expert advice.

b) Developing skills and capacities of women and youth in seedlings production

214. **Training on nursery raising and management.** PSAC horticulture component emphasizes on community-based nurseries, which is important to sustain value chain development and use this opportunity to build the knowledge and skills of local women / youth in seedling production. This will help to create a footprint at the base of value chain.

Considering type of crops, it is proposed to use community-based approach for avocado, mango and essential oil crops.

215. In case of macadamia dedicated private sector players are engaged in nursery production along with processing of macadamia nuts and marketing. It is recommended to use the same approach for development of Macadamia Plantations through PSAC support. The main reason is – its uses community members in nursery development, trains and engages local youth in grafting operations, owners take the risk of low survival of grafts at nursery stage and finally they also mobilize nearby farmers and provide advisory as well as market services. So, nursery raising is taken care by the actors in the macadamia value chain itself. However, specific trainings are required for nursery raising of mango, avocado and essential oil crops. Towards this following capacity building trainings are planned:

- a) Training on nursery raising and management: Selected women groups interested in nursery raising will be identified in each of the consolidated plantation areas. They will be imparted trainings in nursery raising facilitated by sector and district agronomists and expert from RAB. Local resource persons who have experience of nursery raising will also be involved. It will be a hands-on training where participants will understand the purpose of each activity by observing, doing and listening. It will cover topics such as - soil and seed preparation for nursery, selection of appropriate season, nursery care, critical care of grafts, use of shade net, handling of seedling, transportation care, cost benefit analysis, material and infrastructure required etc. It is expected that 44 community-based nursery groups for mango, avocado and essential oil crops will participate. Selected members from each group will be trained for two days. Total 6 trainings covering 180 participants will be organized during the project period. Each training will be of 2 days duration.
- b) Training to potential grafting technicians: It will be aimed at developing skills of selected rural youth. Local experienced grafting technicians along with Horticulture expert from RAB will impart this training. Two trainings, one each during the 1st and 2nd year of programme implementation will be organized with emphasis on practical aspects, do and don'ts in grafting and relevant theory. Total 60 youth will be trained and they will be linked with existing nurseries to practice the skills after training.

Table 32 Implementation plan of skills and knowledge building at grassroots level - Horticulture

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Preparation of CfP to identify SP for capacity building of FFS and programme approaches and management) and carry out the award process	NAEB Horticulture specialist. Procurement officer							Detailed requirements and specification prepared and shared for CfP. Identified suitable SP from the available proposals.

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Training on Managing FFS (Training and exposure visit to ideal FFS) to lead farmers and FFS coaches	District / sector agronomist	150 lead farmers	300 lead farmers	225 lead farmers				450 lead farmers + 225 potential lead farmers trained in a) FFS approach through training and exposure visit, b) PSAC targeting approach and engaging women and youth in value chain interventions and c) certification processes and climate smart technologies application
Training on Social inclusion strategies to lead farmers and FFS coaches	District / sector agronomist and SEDO	150 lead farmers	300 lead farmers	225 lead farmers				
Training on certification processes and climate smart technologies to lead farmers and FFS coaches	District / sector agronomist, NAEB- Environment specialist	150 lead farmers	300 lead farmers	225 lead farmers				
Capacity building of Proximity FFS coaches	District / sector agronomist	2	1	1	1	1		25 FFS coaches trained through regular training in Yr.1 and refresher course from Ye.2 onwards.
Operationalisation of FFS	District and sector teams, FFS coaches	50 FFS	150 FFS	225 FFS	225 FFS	225 FFS	225 FFS	225 FFS covering 6900 hh formed and operationalized.
Training on Nursery raising and Management to community-based women's groups	District / sector agronomist, RAB expert	2	3	1				180 women trained in nursery raising activity
Training on grafting technique for mango and avocado to local youth	District / sector agronomist, RAB expert	1	1					60 persons trained in grafting (of which at least 50% are women) and they start practicing with existing nurseries in their own areas.

B.1.3.6 and B.1.3.7: Innovative training package for macadamia, avocado, mango French beans, chili and essential oils (with exporters)

216. The innovative training package, established during the PRICE project as one of the key innovations, will be applied for all the value chains in PSAC project. It entails direct engagement of exporter with the producers, making it time and energy saving training programme initiated to suit the purpose of jointly achieving the goal of export marketing.

217. PSAC focuses on implementing innovative training package through FFS. So the lead farmers and FFS coach are the key facilitators who could support the farmers all along in addition to direct engagement of exporter with producers. Two levels of training are recommended for this purpose: a) Innovative training package to FFS Lead Farmers to create a local resource person on export market requirement, post-harvest operations and guiding farmers. b) Regular innovative training package for farmers covering market requirement and post-harvest operations. The additional part of crop cultivation and management issues will be covered by NAEB Horticulture specialist along with the District and sector agronomist and RAB (as required).

218. The project will cover 225 farmer groups (managed by 450 lead farmers and 25 FFS coaches) of maximum 30 farmers per group, meaning 6,750 farmers. Each year new farmers will be trained through direct engagement with exporters. Whereas both new and old farmers will continue to get the support from lead farmers and FFS coaches throughout the project period. The cost of complete training for one person is estimates as USD 40.

Table 33 Implementation plan for innovation training package for macadamia, avocado, mango, French beans, chili and essential oils (with exporters)

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Identification of exporters and sharing the idea of innovative training package – purpose, role and expectations	NAEB – Horticulture Specialist							About 25 potential exporters to be engaged with the project participants identified and shared about Innovative training package
Exporter's feedback, action note and training plan based on interaction with producers and observing the field operations.	Exporters, NAEB- Horticulture Specialist							About 15 exporters submitted the training plan.
Review of innovative training proposal	NAEB - Horticulture Specialist							15 innovative training proposals received and feedback shared.
Agreement with exporters for providing training support to farmers	NAEB Horticulture specialist and Exporters							15 exporters signed agreements for training

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
and lead farmers and FFS coaches								
Organization of innovative training for farmers	Exporters, NAEB – Horticulture specialist	30	75	90	30			Exported conducted 225 innovative trainings for 9000 Farmers
Organization of innovative training for lead farmers and FFS coaches	Exporters, NAEB – Horticulture specialist	5	10					Exporter conducted 15 innovative trainings for 450 lead farmers and 25 coaches
Contact between farmers and exporters	Exporters, Producers' groups, NAEB Horticulture specialist and District / Sector agronomist	30	75	90	30			225 contracts signed between farmers and exporters.

B.1.3.10: Engagement with the Horticulture Center of Excellence (HCoE)

219. The HCoE shares the technical know-how about modern technologies related to irrigation, green houses and high yielding fruits and vegetable seedlings. It has developed mother orchards of mango, citrus and avocado comprising of export suitable varieties. It is also producing grafted seedlings of these fruit crops. It has developed the training facilities on greenhouse management and detailed training manual for Chili is prepared in Kinyarwanda. The greenhouse technology demonstration for chili, tomato, cucumber, okra etc. is established at the centre. The centre offers training to farmers, lead farmers / FFS facilitators, staff from different organizations etc.

220. Considering the above well be established facilities, PSAC can engage with HCoE to avail services such as scions for grafting of mango and Avocado, procuring seedlings for vegetables such as chilli, procurement of grafts (to fill the gap in seedling production if occurs) and training to be selected lead farmers in green house management as per arising needs.

221. It is recommended to train 90 persons (selected lead farmers and green house operators) in green house operation and management for vegetable cultivation esp. chili. The composition of trainees should be at least 50% women and 30% youth. The training should be offered to lead farmers and operators in the areas where the greenhouse technology is adopted or in the areas there is potential for adoption this technology.

Table 34 Implementation plan for engagement with the horticulture center of excellence (HCoE)

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Procurement of scions for mango and avocado (in case of shortage in availability of scions from mother trees in field & RAB)	NAEB Horticulture specialist, RAB, NAEB & SPIU Procurement officers							Scions procured if required.
Procurement of mango and avocado grafts (in case of shortage in availability from field nurseries)	NAEB & SPIU Procurement Officers and NAEB Horticulture specialist							Grafts procured if required.
Contract with HCoE for training of farmers	NAEB Horticulture specialist							Contract for training of protective agriculture approved.
Training to lead farmers and green house operators (for 2 weeks at HCoE and on site)	NAEB Horticulture specialist		30	30	30			90 persons (lead facilitators and green house operators) trained in operation and management of green house.

B.1.4 Enhanced Gender Action Learning System (GALS+)

222. IFAD has supported the implementation of the Gender Action Learning System (GALS) in Rwanda since 2011 and currently two projects, the dairy development project (RDDP) and the Kayonza Irrigation and Integrated Watershed Management - Phase II (KIIWP2) have included GALS in their activities. In addition, GALS is being promoted by IFAD in Rwanda in the context of the Joint Programme on Accelerating Progress towards the Economic Empowerment of Rural Women (JP-RWEE).

223. GALS is a behavioural change methodology, which offers a framework to implement a gender transformative approach (GTA) by: challenging the root causes of inequalities between women and men; promoting positions of social and political influence for women in communities; and addressing power inequities between women and men. In addition, under the JP RWEE in Rwanda, aspects of youth inclusion, improved nutrition outcomes as well as climate adaptation have been incorporated into the methodology. This 'Enhanced Gender Action Learning System (GALS+)' has been also recently implemented under RDDP.

224. Use of the enhanced GALS in PSAC will be rolled out through the FFS model and used to tackle discriminatory social norms and to generate gender transformative changes and improved intra-household gender relations (see annex 2 for the full TORs). GALS+ will also be used to address livelihood challenges related to nutrition, climate adaptation and youth inclusion. Recommendation and lessons learned from a recent Outcome Assessment of the GALS+ in the JPRWEE will be used to inform the implementation of GALS+ for PSAC.

Table 35 Implementation plan for GALS interventions

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Start-up phase: recruitment processes, setup of technical assistance and roll-out plan	NAEB, SPIU	x						Service provider for enhanced GALS contracted Roll-out plan revised and finalised
Kick-off GALS+ activities (year 2 and 3)	NAEB, service provider		x	x				Inception meeting held Induction and introduction workshop to the facilitators and the core team held Identification of FFS groups and GALS champions finalised 100 FFS coaches trained 750 FFS lead farmers trained Upscaling GALS into FFS groups (4000 HHs) finalised
Replication and scaling up (year 3 and 4)	NAEB, Service provider			x	x			150 FFS coaches trained 3000 FFS lead farmers trained Upscaling GALS into FFS groups (17000 HHs) finalised
Consolidation and sustainability phase,	NAEB, Service provider					x	x	849 FFS lead farmers trained

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
with GALS+ (year 5 and 6)								Upscaling GALS into FFS groups (3490 HHs) finalised Sustainability plan, exit strategy finalised

B.1.5 Capacity building of producer organisations through Cordaid on Cross-cutting issues (governance, financial management, Farming as a business, BDS provision, gender equality, women's empowerment and youth employment)

B.1.5.1 Cooperative Strengthening

225. One of the main challenges that affects the growth of farmer organizations is poor managerial skills of farmer organization, poor business planning, poor internal financial management, weak internal organizations, weak operations management. These challenges make that farmer organizations often fail to take advantage of various opportunities and more importantly, fail to access markets and finance. Cordaid Rwanda will use different tools to assess the capacity of cooperatives and develop capacity building plans to improve their performance in the following key areas: managerial capacity, financial management, internal organizations, operations and business plan development and coaching for access to finance.

226. Cordaid has experience using Scope insight assessment tool (SI), Cooperative assessment matrix (CAM) and Kobo built tool to identify capacity gaps for improvement. After gap assessment we will develop capacity building plan (CDP) which intend to improve and reinforce weak areas identified in the assessment results. We will target approximately 62 cooperatives in both coffee and tea. Furthermore, will create, organize, assesses and capacitate new created cooperatives especially in horticulture value chain to ensure that they capable to run their business as rural enterprise with capacity to serve its members and benefit economic of scales., we will target approximately 46 cooperatives.

Table 36 Cooperative strengthening

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Output
Conduct capacity gap assessment for farmer organizations	Cordaid	70 Coop	38 coops				Capacity gap assessment conducted for 108 coops to identify capacity building needs

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Output
Developing capacity development plan	Cordaid	70 coops	38 coops				108 capacity development plan developed for 108 cooperatives for capacity building purposes
Internal management (governance, membership management, business planning, internal organization)	Cordaid	108 coops selected from coffee, tea and horticulture value chains trained and coached on internal management					
Operations (storage, post-harvest handling, logistics, quality management)	Cordaid	108 coops	108 coops	108 coops	108 coops		108 coops selected from coffee, tea and horticulture value chains trained and coached on operations
Formation of new cooperatives, coop principles, laws, policies, relations with external stakeholders in horticulture VC.	Cordaid	10	16	10	10		46coops created, trained and coached

B.1.5.2 Financial management and Literacy for farmer organizations

227. Financial literacy is a critical component and key determinant of cooperative performance, it tells if the cooperative is bankable or professionally managed. Financial management is the vein for cooperatives and SMEs business performance and key to their success. Cordaid will train and develop coaching trajectory for 108 cooperatives in coffee, tea and horticulture to ensure that they are familiar and practice financial management principles, financial records keeping, financial reporting and statements, business plan and financial planning and budgeting, financial accounting and systems, managing liabilities, such as accounts payable and obtaining favorable long-term financing etc... Cordaid has experience of providing financial management training for entrepreneurs. Cordaid has experience in

providing training and coaching to improve cooperative financial management performance, for example Cordaid supported 30 cooperatives through STARS program, 25 through Irrigate to win project and 22 rice processors companies through (Rwanda forum of rice millers), and through ASDF Cordaid provided trainings and coaching and seed capital Agri-SMEs to 10 SMEs.

228. Farming is successful when farmers have enough and timely finance to invest in their agricultural activities. This requires them to have the financial knowledge to acquire and access those finances and the skills to manage them. It is in that regard the Cordaid Rwanda assist farmers to establish the farmer savings groups, build their capacity on financial literacy such as budgeting, loan management and finance access and management and link them to financial institution whose capacity is built by Cordaid in the agri-financing sector.

229. Farmers are trained in setting targets, savings culture, internal loan management, bookkeeping, working with financial institutions, budgeting, loan management.

230. Farmers need external financing to expand their activities. Cordaid links them with financial institutions, be microfinance institutions or commercial banks. Financial institutions are equipped with skills and tools to be able to serve the farmers and assist them in developing farmer-tailored products to finance the agricultural sector.

Table 37 Financial management and Literacy for farmer organizations

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Outputs
Financial administration (accounting system, accounting policies, cash handling,	Cordaid	25 Coops	30 coops	30 coops	23 coops		108 producer organizations selected from coffee, tea and horticulture value chains
Financial planning (budgeting, external finance, finance strategy, membership contribution, savings)	Cordaid	25 Coops	30 coops	30 coops	23 coops		108 producer organizations selected from coffee, tea and horticulture value chains

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Outputs
Financial reporting and monitoring (financial reporting, costs & sales price, cash flow, income, expenditure, liquidity, transaction recording/record and bookkeeping, access and use of financial information)	Cordaid	20 Coops	20 coops	30 coops	28 coops	10 coops	Train and coaching 108 producer organizations selected from coffee, tea and horticulture value chains

B.1.5.3 Innovative trainings & Interventions

a) Sustainable Business Development Service (BDS) provision

231. Access to agricultural services in a more sustainable way is a challenge to smallholders. In Rwanda farmers mostly rely on the government and development organizations to provide both extension services and other business development services for example market and market linkages, business plan development, filing tax and facilitating access to key services in the chain. Cordaid Rwanda has extensive experience developing more sustainable fee-based BDS provider models, in which farmer organizations pay for BDS services received, this does not only make easy access to services but ensure the sustainability and create employment for youth business development service providers. Within PSAC Cordaid will Identify areas with potential for business development services Within, Cordaid will mostly target the more structured value chains (tea and coffee value), involving youth as a potential BDS service provider. Furthermore, Cordaid support BDS provider to ensure that service provide reflect value for money, demand driven and tackle key challenges in the value chain.

Table 38 Sustainable Business Development Service (BDS) provision

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Outputs
Developing business development services provision business model	Cordaid						Establish BDS services for structured value chains (Tea and Coffee)
Identifying, selecting youth for to become fee-based business	Cordaid						Identify services within selected Value chain for BDS, targeting at least

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Outputs
development service provider							26 youth as BDS provider (2 per districts)
Identify potential services for BDS providers within value chains	Cordaid						Potential services for BDS providers within value chain identified.
Coaching and mentoring BDS providers to ensure they provide value for money & demand driven BDS	Cordaid						26 youth identified, trained and coached on BDS model in 13 districts at initial stage
Facilitating BDS provision, create linkage with value chain actors to develop paid for services	Cordaid						BDS provision facilitated linkage with value chain actors created to develop paid services
Develop sustainable training/service delivering model for BDS providers	Cordaid						Sustainable training/ service delivery model for BDS providers developed

b) Farming as a Business

232. Most smallholder farmers in Rwanda get into farming for food security fulfilment or just making use of land. Therefore, shifting from sustenance farming into commercial farming is challenging. The harvest of these farmers mostly contributes to food security and less to a living income. In its intervention to farmers and farmer-based organizations, Cordaid integrates the 'farming as a business' concept. Through various interventions, Cordaid contributes to turning subsistence farming into sustainable farming business enterprises, increasing farmers' capacity to understand commercial farming, as instrumental for both poverty reduction and wealth creation.

233. We will integrate farming as business (FaaB) model into farmer field school approach and use FFS coaches to deliver FaaB, Cordaid will develop farming as business curricular/module, train and coach FFS coaches FaaB module who will train farmers on the module. The objective is to strengthen the capacity of farmers and farmer organizations to better manage farming enterprises, focus on market-oriented farming in order to take advantage of the new opportunities that are arising from PSAC, i.e access to market, access to finance, access to markets, etc. Cordaid will spur the development of an entrepreneurial farming mindset to adopt farming as business, to improve their growth potential, reduce

dependency on development partners and develop their own capacity to sustain attained results beyond the PSAC project.

Table 39 Farming as Business (FaaB)

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Outputs
Developing farming as business module/curricula (FaaB)	Cordaid						Farming as business curricular/module developed
Incorporate FaaB into FFS approach & training and coaching FFS coaches on Farming as business module	Cordaid	50	80	67	35		Training and coaching 232 FFS coaches on FAAB curricula/module
Training and coaching of farmers on FFS curricula through FFS groups	Cordaid	3440	6020	4902	3058	2580	232 trained FFS Coaches to train and coach at least 20000 farmers on farming as business

c) Mobilising youth for equipment maintenance

234. It is common in farmer organization' premises to find broken equipment while it's still new. Farmers need equipment to improve on yield and quality but lack the maintenance skills even for simple machine breakdowns. Government and development partners have promoted agri-mechanization but it failed due to lacking equipment maintenance services. Absence of maintenance services discouraged both farmers to use and access equipment's and financial institutions to finance equipment due to high write off, hence no business case.

235. Cordaid Rwanda will develop curricula and practical education trajectories around equipment maintenance, training of trainers for youth as services providers on equipment maintenance, develop a fee-based services model for equipment maintenance to make the service business oriented and sustainable. Furthermore, Cordaid will carry out market sensitization with farmers on the benefit of using equipment. Through our intervention in access to finance we will link these farmers to MFIs partners who can provide asset finance loans or leases. Cordaid has experience in developing BDS service in agricultural mechanization for example in STARS program, we introduced fee-based-BDS provider for equipment maintenance

236. PSAC project will benefit from expertise of Kilimo Trust Rwanda which has already established a network of technical colleges (IPRCs & TVETs) and agribusiness companies to

build vocational skills that will be instrumental in operation and maintenance of project supported equipment, machinery, and facilities. Kilimo Trust Rwanda in partnership with Rwanda Polytechnic (RP), Rwanda TVET Board (RTB), RAB and RYAF has already developed 10 competence-based training curriculums that are being used by accredited training institutions for creation of relevant skills and employment in agribusiness, and maintains in-house capacity to develop more curriculums depending on the need. This will attract and retain youth as employees (wage or self) and provide skills required by investors across the different nodes of target value chains.

237. Involving youth creates new employment opportunities in equipment maintenance while building the ecosystem of agri-mechanization. Employing competent and skilled youth will reduce the cases of machinery breakdown and attract more farmers to adopt mechanization. Statistics show that over 50% of the Rwandan population are youth and the unemployment rate is 22%.

Table 40 Mobilizing youth for equipment maintenance

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Outputs
Revising curricula & practical education trajectories around equipment maintenance	Cordaid, Kilimo Trust & Rwanda TVET Board						Curricula and practical education trajectories around equipment developed.
Training trainers for youth as services providers on equipment maintenance	Cordaid, Kilimo Trust, TVET & IPRCs		20	35	10		Targeting at least one youth per sector estimation (65 youth) 13 districts & approximately 5 sector per district. R-YES graduates located in the target district
Developing fee-based services model/paid for services for equipment maintenance	Cordaid						Fee based model developed
Market sensitization farmers on the use of equipment / mechanization	Cordaid						Farmers sensitized to the use of equipment
Advocate and implement adapted	Cordaid						Adapted curriculum adapted for vocational schools

curriculum in vocational schools								
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B.1.5.4 Enhancing the role of women and youth in value chains and improving their financial inclusion

238. Women account for 40-60% of the agricultural labor in developing countries, particularly in Africa. Women are found to be participating mostly at the production level, providing the bulk of the labor and having less presence in input supply, trading, and marketing. Women face more barriers in accessing finance and technical aid than men (Cordaid study women participation in maize and bean VC study). Similar challenges are faced by youth, who often lack the collateral to access finance and the land ownership to pursue farming activities. Also, farming is often not considered an attractive income generating option for youth. This means women and youth require a unique and tailored approach to ensure their inclusivity. As part of the PSAC activities, in line with PSAC targeting and social inclusion strategy, Cordaid will develop a cross-cutting women and youth inclusivity approach to ensure the participation of these groups in the value chain and in accessing finance. This approach will start with identifying new opportunities in terms of agricultural services provision, e.g. in the area of equipment maintenance. Cordaid has experience of integrating youth and women its program for example in STARS, women were sensitized and cooperative by-law were established to create space for women to join cooperative leadership. Where feasible, Cordaid will work together with Kilimo Trust on these activities.

239. After assessing the needs and opportunities, Cordaid will strengthen the capacity of these groups to venture into new agricultural activities and promoting job creation and income generation amongst women and youth, create incentives to increase their participation in the value chains. Through access to finance Cordaid will develop tailored financial products women and youth, for example through STARS program Cordaid developed financial products targeting landless youth etc. Our approach will build upon the experiences from the STARS program, where tailored women and youth interventions were developed.

Table 41 Enhancing the role of women and youth in value chains and improving their financial inclusion

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Outputs
Identify service categories oriented on youth and women	Cordaid	1	1	1			At least 3 services in 3 value chains
Promoting women / youth participation in VCs / farming as a business / business creation /link to challenge fund	Cordaid						
Women / youth inclusion in leadership roles	Cordaid						30 percent women are included in

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Outputs
(Govt, FO, Pvt sector, ...)							leadership role and 15 percent youth of producer organization,
Promoting access to finance for women / youth (through FI)	Cordaid						2 financial products developed targeting women and youth

B.1.5.5. Access to markets

240. Lack of access to the market is a challenge to smallholders; in Rwanda only 4.2% of the agricultural households have access to contract farming (Agric HH Survey, 2017). Most smallholder farmers fall short on market requirements. Some of the challenges are associated with poor quality and poor produce aggregation which forms the main element of contractual agreements. Cordaid Rwanda has expertise in developing a 'smallholders' inclusive access' to market approach, starting with identifying the main barriers to access good markets, improve aggregation capacity and quality by introducing tailored post-harvest techniques, facilitating market contracts and signing, and strengthening capacity to meet market requirements and standards.

Table 42 Access to markets

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Outputs
Develop access to market model	Cordaid		1	1	1		At least 2 access inclusive market models
Linking farmer organizations to market (Supply contract)	Cordaid						B2B event organized for market linkage, Targeting horticulture coops and coffee,
Support/strengthen/train producer organization on quality improvement (aflatoxin control, proper post-harvest handling)	Cordaid						Targeting 53 Cooperatives (coffee and horticulture)

B.2 Backward and Forward Market Linkages

B.2.1 Backward and Forward Linkages for coffee Development (Activity B2.1.1 to B2.1.5)

241. With the development of coffee zones, PSAC shall support Catalyzing the private owned CWS to embrace Newly Created Coffee Zones by entering into MOUs with the farmers in the zones they operate in (Women and Youth Led)

242. The project shall also upscale PRICE achievement in the development of coffee appellates by:

- a) Patenting the three approved coffee appellate, branding and promotion;
- b) Design and production of the first lot of packaging materials specifically designed for the three appellate;
- c) Purchase of a specified volume from each of the three appellate for promotion and marketing at the global level through the trade attaché at various diplomatic missions;
- d) PSAC shall also support NAEB:
- e) In organizing and participating in National, Regional and International coffee cupping events and competitions;
- f) implementation of the E-Marketing Forum based on findings previously supported by PRICE.

Table 43 Implementation of backward and forward market linkage activities - Coffee

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Catalyze the private owned CWS to embrace Newly Created Coffee Zones by entering into MOUs with the farmers in the zones they operate in (Women and Youth Led)	District and sector teams, Coffee Specialist, Cooperative Specialist	5 CWS	7 CWS	5 CWS	5 CWS	0	0	13 Private CWS owned by women, 9 Private CWS owned by youth. 29 Cooperative owned CWS shall also be targeted
Support for completion of coffee appellation activities: Patenting, Branding and designing of packaging materials (Lumpsum)	NAEB	USD 8,000	USD 12,000	0	0	0	0	20,000 USD dedicated to cater Patenting, Branding and design of packaging material for each appellate
Support for development of promotional materials, Preparation of appellate coffee samples for promotion in diplomatic mission	NAEB	USD 10,000	USD 15,000	USD 15,000	USD 10,000	0	0	USD 50,000 Shall be spent in Purchase of the three appellate samples, packaging and promotion through diplomatic mission trade attach'ees in

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
trade attach'ees, and International trade fairs (Lumpsum)								various market destinations
Prorata support for implementation of E-Market Platform for all commodities	NAEB	USD 10,000	USD 10,000	0	0	0	0	20,000 USD commitment as a proportionate contribution to other VCs
Regional and International Coffee Cupping events and Competitions	NAEB	3 Events	3 Events	3 Events	3 Events	3 Events	3 Events	18 events to be sponsored by PSAC

B.2.2 Backward and Forward Linkages for Tea Development

243. In building value chain competitiveness, product development, traceability, visibility and availability will play a big role. Moreover, global tea markets continue to evolve as new consumer trends emerge. Rwanda traditionally produces conventional green leaf that is processed into black CTC teas. However, some established tea factories like Sorwathe have diversified production systems and ventured into organic tea production. In order to achieve this, a new cooperative known as HOT has been sponsored by the factory. HOT has so far established 300 ha of organic tea gardens. PSAC is supporting the cooperative to increase the area under organic tea production as both a strategy to increase farmer revenues and to diversify markets for Rwanda tea.

- a) PSAC through NAEB will support other tea cooperatives to train some of their agronomists on organic tea production and certification and to open dialogue with tea factories on the possibility of diversifying.
- b) At a national level, NAEB may consider developing a strategy to guide market driven diversification and certification and approach PSAC to support its dissemination, validation and implementation.

244. Some of the specific actions of market linkages are covered under section C2.2 Specific support to VC platforms. (E-commerce platform, National tea register, Tea census and National tea brand programme)

B.2.3 Backward and forward market linkages for horticulture VC development (2.3.1 to 2.3.5)

245. In view of identifying areas for improving the uptake of HEGF, the BRD had conducted the survey³⁹ of 22 exporters (out of 40 exporters in Rwanda) engaged in Horticulture

³⁹ Findings from the online survey conducted to assess the performance, challenges and opportunities under Horticulture sector, Report from The Development Bank of Rwanda (BRD), February 2022.

business. Of these 40% are targeting international markets and remaining target both domestic and export market. However, 73% of them have less than 5 years of experience and remaining have 5 to 10 years of experience. Considering the nascent status of exporters, BRD has initiated capacity building process, through training of a batch of 20 exporters in book keeping and governance. PSAC will complement these efforts by educating exporters on understanding market requirements and exploring markets: This will be executed through two major interventions –

- a) Training on export marketing issues: It aims at acquainting and improving exporters' understanding about quality control, clients' requirements, international business environment, business processes, logistics etc. The training will be based on experiential learning of participants facilitated by the expert in international marketing with invited exporters to share their practical experiences. The three-day training will be followed by coaching / advice / information sharing on specific issues as demanded by the exporters for a day. Two trainings, one each in Year 2 and 3 will be arranged for 20 selected exporters.
- b) Facilitate exporters participation in international horticultural expositions: PSAC will provide support to Rwandan exporters to participate in trade fairs and forums to identify new buyers as well as strengthen relations with existing buyers. The exporters should be either associated with project participants or have potential to engage with them. In order to gain more from these events, it is important to identify events which have potential to attract new buyers and plan thoroughly in terms of product presentation, information of the product (printed documents, videos, samples, product story, history etc.). The exporters should also be identified in advance and communication with some of the potential buyers should be initiated before participation in the event. The NAEB will select 10 exporters every year for participation in such events. The expected cost per event includes cost of travel, fees for participation, products preparations (leaflets, brochures, videos, samples etc.)

246. Support for market agents/facilitators based in a key diplomatic mission: Rwandan horticulture exporters are fairly new to international markets and they are facing number of challenges. Some of these are mismatch of exporter and buyer expectations (due to limited understanding of markets and communication gaps), difficulties in channelling the product through export system (as not fully aware about the mechanism), not aware about stringent quality requirements, poor identification of buyer and not able to access niche markets (as no experience in buyer identification), limited understanding about cost structure etc. In the absence of facilitation, the exporters try and always find it difficult to maintain consistency. In order to overcome these starting troubles, exporters need a helping hand in the form of market facilitator in destination countries. PSAC plans to provide this support by placing a market facilitator / agent in three diplomatic missions- UK/Belgium for EU, DRC for Central Africa and Dubai for Middle East. They will identify newer / niche markets, understand and share technical requirements, packaging, certification etc., undertake specific market research and facilitate link of exporters with buyers, address certain legal and non-payment issues, provide support in the planning for participation exporters in trade fairs etc. In nutshell they should facilitate in-country market intelligence and trade procedures. The market facilitator should be aware about the project concept, its value chains, associated exporters and their products. They should have excellent understanding about certification issues and in-country rules about quality parameters, ability to undertake market research and

facilitation skills. This innovative way to support Rwandan exports will be done in partnership with the Ministry of Foreign Affairs and International Cooperation (MINAFFET).

247. PFIs financing horticulture sector agro-export companies will be supported by the existing Horticulture Export Guarantee Facility (HEGF) of USD 500,000 hosted by the BRD, which has been formulated and piloted under the PRICE project with initial results which are not yet in large scale. PSAC will support the HEGF with targeted technical assistance for increased uptake of the facility, and increase the facility resources by an additional USD 500,000 for the HEGF to extend guarantees also to CAPEX costs which so far have not been included. The technical assistance will involve an institutional capacity needs assessment to deliver on the HEGF, design specific targets coupled with a monitoring and evaluation framework to ensure that intended results are achieved.

Table 44 Implementation of backward and forward market linkage activities - Horticulture

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Preparation of detailed scope of work, announcing CfP for training to exporters on issues related to international export markets and carry out award process to identify appropriate SP / expert	NAEB Horticulture specialist, Procurement officer							Detailed scope of work prepared and shared for CfP. Identified suitable SP from the available proposals.
Training on export marketing issues (for exporters' cap. building)	NAEB Horticulture specialist, BDR							40 exporters developed better understanding of issues in export marketing through training.
Facilitate exporters participation in international horticultural expositions	NAEB horticulture specialist							Total 60 exporters attended international expositions (@10 exporters per year)
Preparation of detailed scope of work and announcing CfP for market agents / facilitators based in key diplomatic missions	NAEB Horticulture specialist, MINAFFET							Process for selection of 3 market facilitators / agents initiated.

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Carrying out award process for market agents/facilitators based in key diplomatic missions and continue engagement with them	NAEB Horticulture specialist, MINAFFET							3 market facilitators / agents, one each based in UK/Belgium for EU, DRC for Central Africa and Dubai for Middle East identified and started supporting Rwandan exporters.
Additional support of USD 500,000 for the HEGF to extend guarantees to cover CAPEX costs along with current support for OPEX.	BRD. NAEB Horticulture specialist							USD 500,000 fund added to HEGF
Technical assistance to HEGF for institutional capacity needs assessment of FIs to deliver on HEGF, M&E, setting targets to improve uptake of HEGF through short term expert or by BRD internally	BRD, NAEB horticulture specialist							Selected FIs' capacities to deliver on HEGF assessed, M&E framework prepared and annual targets set.

B.2.3 Support for Quality control and market-driven certification:

248. Certification is important to show best practices are followed and quality control measures are undertaken. From getting entry into international markets to capturing niche markets, certification plays a major role. However, there is a lot of ground work required to be done to develop the systems and processes within the country and provide support and improve certification services.

249. Support for market driven certifications: Certification involves costs and some challenges to sustain it as well. Therefore producers / exporters need to be clear about type of market they plan to intervene and its specific certification requirements. PSAC will provide support to producers and exporters for certification based on certain prerequisites.

250. Strong internal control mechanism is essential to improve the pace of certification process and maintain it. PSAC will provide facilitation support (in the form of local consultant / trained internal auditors) to establish systems and ensure regular record keeping for groups identified for market-based certification support. The project will also provide support for

compliance requirements based on certain conditions on cost sharing basis to ensure ownership of beneficiaries.

251. The support for certification and compliance will be based on following parameters-

- a) Ensure 10% beneficiaries' contribution of the cost of certification fees;
- b) Review of purpose of certification and compatibility of the certificate with the identified / engaged market;
- c) Capacity of the group to sustain the certification in future;
- d) Interest of the group to provide 40% contribution (for producer groups / coops) and 50% contribution (for exporters) in the form of cash or kind to meet the compliance needs.

252. PSAC plans to support 20 numbers of certifications (10 in coffee VC, and 10 in Horticulture VC) and minimum 28 compliance cases. The total amount of USD 150000 is allocated to support certification costs with 10% beneficiary contribution which will be kept with district SEDO and will be further used as contribution for gap filling work. The compliance support will be provided through CAT 2 and CAT 3 grants. The activities are spread over first 4 years.

253. Build national capacity to strengthen certification framework in Rwanda: Rwandan producers and exporters have to depend on external resource person to avail services for certification related requirements (internal audit, recording system, technical guidance etc.). There is a scope to build this capacity locally involving youth.

254. It is planned is to select 30 youth (at least 50% women) at entry level of which 20 will be trained thoroughly and will attempt to become certified auditors. After theoretical training linked with practical exercises (on different certifications, norms, procedures, documentation and compliance requirements etc.) the trainees will join internship programme for certification and engage with at least one case to learn per youth group to complete certification process. It is expected that the local certification seekers and institutions will subsequently hire services of these youth. Some may work as certified auditors with international certification agencies.

255. The support will be provided for training of 30 youth of which 20 will undergo internship within country or East Africa region. Additional one-time support for examination fees will be provided for youth interested in appearing for accreditation as international certified auditors.

256. Support to Agro-export quality specialized facility and services accreditation and international recognition: NAEB has established upgraded testing facilities (infrastructure, laboratory equipment and trained human resources) for product analysis and quality control as per international standards with the support of GoR, EU and IFAD. However, it still lacks required accreditation so that the results can be recognized and accepted in the international markets. Exporters need to depend on quality analysis report from accredited laboratories for which they have to spend the samples outside Rwanda. It leads to delays and additional spending. Therefore, there is a need to ensure accreditation of existing testing facilities through provision of technical assistance and upgrading the observed gaps for compliance as per scoped accreditation. Towards this PSAC plans to provide short term support of 3 experts to build the capacity of staff, calibration of instruments/equipment and complete certification

processes for accreditation. As per requirements, few tools will also be procured. The support will be provided for 3 years costing USD300,000 (Cost of 3 experts – USD150000, certification costs – USD 40,000, Cost of tools and equipment – USD 60,000 and cost of services and calibration – USD 50,000)

257. Building local capacity to improve coffee quality: The project through partnership with Technoserve as a service provider shall also support coffee processing specialists taking agriculture courses in tertiary institutions, barristers, coffee grading specialists and Q-graders targeting the youth and thus enhance employment of youth in the coffee value chain. Sixty persons, at least one person for each co-operative will be trained to build local capacity.

Table 45 Implementation of quality control and market-driven certification activities

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
<i>Support for market driven certifications through payment of cost of certifications</i>	NAEB Horticulture specialist, NAEB Quality assurance Division Manager		4	6	6	4		Support 20 certifications provided to producers and exporters under Coffee and Horticulture VCs.
<i>Build national capacity to strengthen certification framework in Rwanda</i>								
Selection of 30 youth of which at least 50% will be women for entry level training on various certifications, their requirements and internal audit processes and compliance requirements.	NAEB Horticulture specialist, NAEB Quality assurance Division Manager,							30 youth of which at least 50% women were selected for training on various aspects of certification.
Preparation of detailed scope of work and announcing CfP to select SP for entry level training on certification to 30 youth and detailed training of certified	NAEB Horticulture specialist, NAEB Quality assurance							Detailed scope of work prepared and announcement for call of proposal made to select SP.

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
auditor level to selected 20 youth.	Division Manager, NAEB & SPIU Procurement Officer							
Carrying out award process for select SP								SP for training to youth selected and engaged in training.
Organize trainings – a) Entry level training of 30 youth in certification and b) Advanced training of 20 youth to build their capacity to appear for certified auditor examination	NAEB Horticulture specialist, NAEB Quality assurance Division Manager,							30 youth completed entry level training in certification developed capacity to support farmers in certification processes and associate with internal auditors. 20 youth become internship ready after completing advanced training in certification.
Internship of 20 youth at certification agencies within country and in the region.								20 youth fully trained in certification developed capacity to work as internal auditors
Support for examination fees payment to 10 trained youth interested to appear for certified auditor's examination.								Of the 10 youth who are supported through PSAC, at least 4 youth passed certified auditor's examination.
Training of coffee liquorers and quality analysts/Q-graders- 1 from each of progressive cooperatives (Capacity Building for local coffee quality, barrister, coffee	NAEB Coffee specialist	10 Certificates	60 youth trained as professional in the lower stream of the coffee VC available for employment					

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
grading quality specialists								
CfP on international consultancy – 'Technical support for international accreditation of quality control facilities and its announcement	NAEB Horticulture specialist, NAEB Quality assurance Division Manager, NAEB & SPIU Procurement Officer							CfP for international consultancy prepared and announced. Award process for the consultancy complete and after execution of all the activities (including equipment procurement), facilities accredited in internationally .
Carrying out award process to select SP								
Preparation of tender document for purchase of required equipment as per the recommendation of accreditation specialist								Tender document for procurement of equipment prepared and tendering process initiated.
Carrying out award process of the tender and procurement of equipment as per plan								Award process for the procurement of required equipment completed.

B.2.4: Extension services for tomato, carrots, garlic and onions (partnership with Heifer International)

258. Heifer international complements PSACs smallholder agri-business competitiveness through some key interventions in horticulture sector aiming at domestic and regional market. The interventions are aimed at creating more employment opportunities for women and youth (as the unemployment rate for women and youth are 17% and 19.7% respectively against the unemployment rate 13.8% for men and 12% for adult in Rwanda) and contribute to import substitution.

259. Heifer international will focus on Tomato, Garlic, Carrot and Onion value chains for increasing production for the domestic market, contribution to agriculture processing/value addition transformation. In the process, it will enhance food security, improve nutrition,

facilitate crop rotation, increase income for farmers, creates jobs for youth/women and strengthen resilience of smallholders. It will work in synchronization with CORDAID who supports capacity building of co-operatives and facilitate farming as a business model as well as access to finance interventions. Of the 14 operational districts of PSAC, Heifer will work in 9 districts viz. Nyamasheke, Rutsiro, Karongi and Nyabihu in the Western Province; Huye, Nyaruguru and Nyamagabe in the Southern Province; Rulindo and Musanze in Northern Province. All of these districts are covered under PSAC's horticulture interventions.

260. In the abovementioned crops, Heifer will focus on three interventions aimed at sustainable increase in quality production for domestic market, capitalizing on productivity gains increased investment in value chain development while building capacity of co-operatives and improving competitiveness of smallholders through product diversification. The interventions will reach out to 2000HH over a period 6 years.

261. Sustainable increase in quality production for domestic market: Heifer team with the help of district teams will identify resource poor households (mainly smallholders with focus on women and youth) in operational areas of 9 districts. Using the Value based Holistic Community Development Approach (VBHCD), Heifer team will mobilize interest of participants, organize them in co-operatives (and /or engage with existing co-operatives) through district team. It will also offer participants trainings on good quality inputs and greenhouse operation and management and raise their awareness about climate resilient technologies. These interventions are expected to improve productivity of smallholder agriculture.

262. Building capacity of co-operatives and increasing investment in value chain development: Heifer further plans to build capacity of smallholder co-operative by engaging with CORDAID as well as District teams so that co-operative can build the capacity to manage investment through good governance and better business management. It will use its VBHCD model to ensure community led participatory approach in implementation of activities which can also create a social capital required for sustainability. The investment in co-operatives will be aimed at improved mechanization at the farm level and infrastructure development for processing, transportation, logistics and warehousing so as to reduce the post-harvest losses. An investment (of USD 400,000) will be made through Heifer's Capital Deployment Fund for improved mechanization and infrastructure development.

263. Improving competitiveness of smallholders through product diversification and increased access to markets: Heifer further plans to add value to the produce through aggregation, packaging, certification for domestic market and training smallholders in value addition to the produce and facilitate market linkages development. It will use Heifer's Capital investment fund USD600,000 for developing aggregation services, process equipment, packaging material and compliance for certification for the domestic market. It also aims to establish Youth Agrobusiness Hubs at selected centralised locations to improve access to inputs and provide relevant business development services. Heifer will take lead role in product diversification with the help of Horticulture consultant.

Table 46 Implementation plan for extension services for tomato, carrots, garlic and onions (partnership with HI)

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Sustainable increase in quality production for domestic market								
Identify and provide support to resource poor households to access quality inputs for horticulture farming.	District officials, Heifer Team Horticulture specialist NAEB	X						Beneficiaries (small holder farmers) identified and mobilized using Heifer VBHCD model
Mobilize and provide specialized training to smallholder farmers to engage in sustainable farming practices such as green houses and integrated farming methods.	Heifer Team	X						Set up of greenhouse farms Increased use of better-quality inputs
Building capacity of co-operatives and increasing investment in value chain development								
Support small holder farmers to organize into horticulture cooperatives and provide training/capacity building to cooperatives on good governance, business plans development, input supply, marketing and access to finance.	District teams and Heifer Team		X	X				Farmer cooperatives formed Better business plans developed, ready for financing

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Provide investments support to cooperatives aimed at increased mechanization at farm level and infrastructure development for processing, transport logistics and warehousing in order to reduce post-harvest losses.	Heifer Team, Heifer impact capital fund			X	X	X	X	Increased quality product outputs Reduced post-harvest losses
Improving competitiveness of smallholders through product diversification and increased access to markets:								
Train smallholder farmers on value addition for horticulture products and create market linkage services.	Heifer team and Horticulture consultants			X	X	X	X	Farmers linked to domestic and regional markets
Provide capital investments to youth engaged in value addition, marketing and horticulture product aggregation services to acquire processing equipment, packaging materials, compliance and certification for the domestic market.	Heifer Rwanda and agribusiness specialists' consultants Heifer Impact capital	X	X	X	X	X	X	50 Agri-youth hubs created Processing plants set up Use of improved packaging materials

B.2.5 Range of diversified financial products

B.2.5.1 Financial literacy and savings for resilience

264. The formation of savings groups (SGs) within cooperatives has helped to improve access to finance for cooperative members, including women. MFIs have opened savings accounts for members and can channel loans to members through the groups. The savings from those groups are saved at the financial institutions, which increases their liquidity. For MFIs group savings are a risk mitigation mechanism. Financial literacy is promoted through the groups and the self-reliance of members is stimulated. Members have access to finance to enhance their production and crop volumes, which can be marketed through cooperatives. It promotes the business performance of the cooperatives through higher sales volumes. The groups have contributed to increased trust of formal financial service providers to finance cooperatives.

265. Cordaid will support financial institutions to refine the financial products. The targeted institutions are microfinance institutions, SACCOs and commercial banks with willingness to finance cooperatives. Cordaid will target 62 cooperatives.

Table 47 Financial literacy and savings for resilience

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Outputs
Financial education - introduction to financial education services and products	Cordaid	25 Coops	30 coops	30 coops	23 coops		Farmers received financial education
Financial Education - Awareness on Climate change and Agri-Insurance	Cordaid	20 Coops	20 coops	30 coops	28 coops	10 coops	Farmers educated on climate resilience
Savings mobilization (VSLA) and linking to MFIs	Cordaid	20 Coops	20 coops	30 coops	28 coops	10 coops	Farmers educated on savings mobilization and linked to MFIs

B.2.5.2 Leasing product development (asset loans)

266. Access to equipment aims to improve producing, irrigation and decrease post-harvest losses. Farmers have difficulties to access those equipment. The main challenges are the inappropriate financial product at financial institution, procurement of equipment, maintenance and availability of spare parts. Therefore, Cordaid Rwanda plans to improve the

whole ecosystem of the leasing and will work on developing asset finance products to increase smallholders' access to post-harvest and irrigation equipment through financial institution, maintenance, training of farmers on the use of the equipment, guarantee scheme.

Table 48 Leasing product development (asset loans)

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Outputs
Developing the asset finance model	Cordaid						Asset finance model development
Assist MFIs in developing the asset finance product	Cordaid						At least 4 MFIs
Develop the official documents like MoU, Service level agreement for the parties agreements, etc.	Cordaid						3 equipment suppliers, 3 MFIs, maintenance services
Introduction of equipment to Farmer Organizations (FOs) (e.g. field demonstrations)	Cordaid						Number of field demonstrations per type of equipment to build business case for FO and farmers
Linkage workshop and roundtable discussion between equipment supplier and FOs	Cordaid						Number of events
Connecting FOs to MFIs for equipment financing	Cordaid						Linkage of cooperatives to Financial institutions for equipment financing.

B.2.5.3 Access to agricultural finance MFIs (agri-assessment tool coffee, tea, horticulture)

267. Financial inclusion, i.e. access and use of financial services including savings, loans, payment systems, have been a central part of Cordaid's work for decades. Cordaid has a longstanding partnership with various financial institutions in and outside of Rwanda (SACCO's, MFIs, commercial banks, impact investors). Together, we developed various approaches to foster more investments in the agricultural sector. This includes:

- a) **Capacity building of financial institutions** – customized trajectories for FIs including coaching, designs strategies, tools and methodologies that help MFIs to better manage the quality of their agricultural lending portfolios and their liquidity to increase lending to smallholders
- b) **Financial product development** – capacitating FIs to build appropriate tailored agri-loan products which meet the needs of specific target groups to increase their access to finance (e.g. seasonality in agri-finance, lack of collateral for youth, etc.)
- c) **Risk management** – decreasing the agri-credit risks to increase the appetite for agricultural lending by implementing sectoral risk-management trajectories for FIs
- d) Refinancing, developing strategies for FIs to increase their capital mobilization, through saving mobilization but also through attracting additional investments from national / international investors

Table 49 Access to agriculture finance MFIs (agri-assessment tool coffee, tea, horticulture)

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Outputs
Agri- financing through the introduction of the digital credit assessment tool (Simbuka+)							Targeting at least 4 MFIs
Institutionalization of agri-assessment tool							At least 4 MFIs
Training MFIs loan officers on the use of Simbuka+/agri-credit assessment tool							Targeting at least 20 loan officers in different branches
Capacity building needs assessment							Targeting 5 MFIs

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Outputs
through ratings and microscore							
Implementation of capacity building (Risk management, product development)							Targeting at least 5 MFIs, establish risk management committee and focal point
Agri-product developments, digital payments							Agri-product and digital payments developed.
Capital mobilisation; grow savings and broker international refinancing for agri loans							Refinancing targeting at least 4 MFIs

B.2.5.4 Access to agricultural finance (Umurenge) SACCOs - in partnership with AMIR

268. Most of producer cooperatives are in remote areas where only Umurenge Saccos and other Sacco are the only financial institutions present.

269. Those SACCOs present special need of capacity building such as computerisation, capitalization, staff capacity building. The Association of Microfinance in Rwanda (AMIR) has introduced shared services to make services affordable by small SACCOs scattered across Rwanda.

270. Cordaid will work with the Association of Microfinance in Rwanda (AMIR) to build capacity of the SACCOs active in the districts where the program is intervening. The program will support SACCOs to have access to shared services by AMIR such as automation, capitalization, risk management tools etc.

B.2.6 Climate resilience financial services

271. Financial service providers can assist smallholder farmers to improve long term food security by offering financial products linked to ecosystem-based adaptation. Financial service providers can be supported to offer financial service that stimulate agroforestry, climate smart agriculture, organic farming, or to provide insurance against weather related risks. While financial service providers can play a crucial role in fostering the climate agenda, also in Rwanda, they are faced with several constraints as summarized in the table below.

KNOWLEDGE GAP	TECHNOLOGY GAP	FUNDING GAP
<ul style="list-style-type: none"> - No knowledge of climate impact on target groups - No tailored financial products, including for women - No links to CSA providers 	<ul style="list-style-type: none"> - No tools to appraise loans for adaptation, - No systems for measuring Carbon emission (A-Corn) - Tools are complicated 	<ul style="list-style-type: none"> - No access to long term high risk bearing capital - No access to blended finance
SOLUTIONS		
<ul style="list-style-type: none"> - Capacity building on policy and product development - linking to non-financial service providers 	<ul style="list-style-type: none"> - Investment in tools for measuring/ screening climate impacts - Digital investments and connection to applications 	<ul style="list-style-type: none"> - Access to high risk bearing capital and long term (affordable) credit funds (at least 7-10 years)

272. To overcome these issues and to stimulate investments of financial sector in climate resilient and smart agriculture, Cordaid Rwanda proposed a tailored set of interventions within PSAC.

B.2.6.1 Capacity strengthening of FIs on climate resilient finance

273. Partner Financial institutions will be supported to strengthen their capacity on climate resilient and green finance. This capacity building trajectory includes awareness raising and training of staff on climate impact and solutions, the development of environmental policies and frameworks (e.g. integration in risk management strategies), facilitation of internal assessments on climate related risk and opportunities for the FI, and the linkage to potential impact investors and financiers for the refinancing of climate related financial services and products.

Table 50 Implementation plan for capacity strengthening of FIs on climate resilient finance

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Outputs
Training of staff on climate resilience	Cordaid	1	1	1	1	1	Financial institutions staff trained on climate resilience
Development of climate policies / frameworks (environmental policy, risk management strategy, etc.)	Cordaid						Climate policies/ frameworks policy developed in conjunction with both public and private sector.
Assessment of opportunities /	Cordaid						Opportunities/ risks identified for financial

risk for FIs in relation to CSA (climate smart agriculture)							institutions in relation to CSA (Climate Smart Agriculture)
Linking FIs and impact investors for refinancing of CSA services / products	Cordaid						Financial institutions linked to impact investors for refinancing of CSA services/ products.

B.2.6.2 Integration of climate indicators in credit assessment

274. In addition to a more generic capacity building trajectory for the FIs, Cordaid Rwanda will also support in the integration of climate related indicators in the credit assessment processes. Guided by the developed environmental strategy and risk management criteria, the FIs are supported to further integrate climate risk and opportunities in the usual credit assessment. Options for potential indicators are climate vulnerability indexes, weather data and projections, soil erosion, water retention, etc. Also, climate adaptation measures farmers are taking / are willing to take can be integrated in the credit assessment procedure. This is highly dependent on the value chain, as adaptation measures for coffee farmers (e.g. agroforestry) can be very different to horticulture farmers (e.g. irrigation). After selection and implementation of relevant indicators and reliable data sources is finalized, Cordaid Rwanda will also support FIs to establish monitoring systems to verify these indicators. Due to the fact that climate data will be coming from external sources (not collected within FIs) and the variable nature of this data, Cordaid sees the need to work with digital credit assessment tools for the effective integration of climate indicators. Within PSAC some of these digital tools will be piloted (e.g. Simbuka, YAPU).

Table 51 Implementation plan for integration of climate risk indicators in credit assessment

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Outputs
Selection of climate risks, indicators, and data sources	Cordaid						Climate risks, indicators and data sources selected
Include climate indicators in credit assessment	Cordaid						Climate indicators integrated in credit assessment
Establish monitoring system	Cordaid						Monitoring system set-up

to verify indicators							
Digitalization of climate sensitive credit assessment	Cordaid						Climate sensitive credit digitalized using some digital tools (e.g Simbuka, YAPU).

B.2.6.3 Adaptation / development of financial products for climate-smart agriculture (CSA)

275. Cordaid Rwanda has extensive experience in development of financial products and services. Within PSAC, Cordaid aims to support FIs to make current financial products more climate resilient, as well as supporting in development of new financial products to foster climate-smart agriculture (CSA). The product development trajectory will start with a thorough assessment of current products and services, from which the opportunities for adaptation or new products can be established. Based on these findings, FIs will be supported to pass all stages of the product development of refinement process, including design, approval, pilot testing, evaluation and upscaling. Cordaid expects that for PSAC a variety of value chain specific but also more generic financial products can be developed, e.g. products for irrigation, agroforestry solutions, improved input loans, etc.

Table 52 Implementation plan for adaptation / development of financial products for CSA

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Outputs
Screening products and services on climate risks / opportunities							Products and services are screened e.g products for irrigation, agro-forestry solutions, inputs loans
Design products and services climate-smart agriculture							Products and services climate-smart agriculture designed
Approval of products and services CSA							Products and services CSA approved
Pilot testing and monitoring products CSA							Pilot testing and monitoring of products conducted

Evaluation of financial CSA products and services							Financial CSA products and services evaluated.
Upscaling of financial CSA products and services							Financial CSA products and services rolled out in other branches.

B.2.6.4 ICT4D for value chain development and financial services

276. Making (farmers') data available and sharing information among value chain actors and stakeholders is crucial for creating linkages among value chain actors, strengthening business relations and to enable access to finance. Cordaid Rwanda partners with various software providers to pilot and scale digital solutions in agriculture. We always act as a broker, trying to support the software providers to contextualize their solution and build sustainable business models. On the side of the target group we support in building digital literacy and in the implementation of the digital solution. The data gathered through digital solutions can be linked to FIs for credit scoring, and to off-takers for sourcing planning, quality traceability and quality-based payment. Digital market platforms will be created for smallholders and VC actors to interact and create business. ICT4Ag contributes to better farmer profiling, product traceability for high end markets, access to input, mobile payment and field monitoring, connecting farmers to high-end niche markets with better prices, weather information and other digital services, field GPS, commodity prices and marketplaces for farmers.

277. Depending on the relevance and need, a variety of digital solutions will be piloted within PSAC, including:

- a) Reducing information asymmetries in market systems in the interest of farmers through a bundled agri-service platform in partnership with Mezzanine.
- b) Facilitating Eprod solutions to improve the supply chain management, quality and better prices for farmers.
- c) Promoting and facilitating digital loan assessment for smallholders in partnership with Simbuka.
- d) Digital extension services in partnership with VIAMO
- e) Facilitating better credit history and linkage to formal access to finance through digitization of saving groups with Chomoka.

Table 53 ICT4D for value chain development and financial services

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Outputs
Piloting & scaling ICT for processors – creating, Create	Cordaid						Targeting horticulture cooperatives (3) and

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Outputs
comprehensive farmer profiles, (access to credit status of individual farmers, field data, supply contracts, GPS location)							Coffee cooperatives (2coffee)
Connecting FOs to ICT solutions - digital market inf, weather inf, digital market platform, supply mgt solutions, product traceability, mobile payments, etc	Cordaid						Targeting at least 3 off talkers with number of supplying cooperatives
Connecting farmers data to Simbuka+ & MFIs	Cordaid						At least 2 MFIs

B.2.7 Program Embedded Reflection & Learning (M&E)

278. Cordaid has a strong Monitoring, Evaluation and Learning (MEL) practice based on a market systems development (MSD) approach. For evidence-based knowledge management and - dissemination, we use the Prove Improve and Share model.

279. MEL is integrated in the program design as a separate function rather than an add-on activity. It means that program agility and adaptiveness of interventions relies on the interaction between implementation team and MEL. This is essential for adaptive programming which is core on the MSD approach. The activities of MEL are essentially the following and each of the activities is detailed in below:

280. Next to these, there is regular monitoring activities such as field visits, quality data audits, quick assessments, development and updating Theory of Change (ToC) and learning agenda and collection of beneficiary stories. For the IFAD funded PSAC, Cordaid will align with the M&E activities of the PMU and lead partner NAEB to assure synergy and exchange of knowledge.

a) Capture results / Prove

281. show what works/doesn't work through understanding project results and generating deeper insights from field challenges/opportunities faced by beneficiaries, client satisfaction, value for money and project sustainability. We do this together with project staff, we collect data and stories, observations, information, experiences and insights on changes (positive or negative) and share with partners, beneficiaries and the ecosystem.

282. MEL hosts quarterly reflection sessions as part of the PDCA cycle - Plan, Do, Check, Act. These sessions with the implementation team help to review progress made by a) analysing quarterly key achievements, b) identify strengths and weaknesses, d) identify new opportunities and d) develop/adapt action plans to enhance / scale / replicate services (to SHF's / MFIs / Farmer organisation / etc).

283. PDCA sessions serve as an internal platform to share knowledge on what works and what needs improvement to nourish a culture of "trial and error". Other ways to capture and document learnings are case studies, internal quick assessments and client rolling profiles.

b) Adapt interventions / Improve

284. We learn by doing! We will build a learning culture through discussion and reflection between project teams and beneficiaries, we do comparisons across countries (where applicable). We will do this together with project staff, partners, and clients where we analyze results, reflect and discuss the meaning of these results, make comparisons, enrich data with experiences, identify missing information, and work on an adjustment of the planning and strategy for the next implementation period.

c) Share lessons learned

285. We disseminate high level results & learnings concerned with project approach to relevant audiences and stakeholders, we generate best practices for the program as well as sector learnings, and we work towards thought leadership on key themes. We will do this by developing reports, blogs, factsheets and other communications products on results and learnings and sharing with relevant audiences (both internally and externally), aligned with the influencing and communications strategy. Examples of STARS publications can be found here.

286. Baseline, midterm, end line evaluations are always done by external and independent service providers, usually with international expertise

287. Thematic deep-dive case studies can be done in-house or by external experts. This depends on the topic, available capacity, and budget. Deep dives would be the foundation for learning and dissemination events. The content, planning and execution of deep dives will be discussed as needed.

Table 54 Program embedded reflection & learning (M&E)

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Outputs
Developing knowledge products (fact sheets, blogs,	Cordaid						Knowledge products developed targeting 1 per year in from each value chain orf

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Outputs
most-significant change, documentaries, videos etc...)							implementing partners, innovations eg financing, BDS, FaaB
Conduct Case studies to extract specific learning for sharing knowledge eg deep -dive,	Cordaid						Case studies conducted for interesting for learning from value chain perspective or financing or innovation implementation (1-3 case studies)
Organizing PDCA (Plan do check & Act) session with partners	Cordaid						Quarterly PCDA workshops and events organized with implementing partners and beneficiaries/staffs (at least 1 in each quarter)
Knowledge exchange (organizing knowledge dissemination events, learning events, participation in webinar, conference)	Cordaid, NAEB						Knowledge dissemination events organized or participated in for disseminate knowledge or influence policy or lobby (1-3 event each year based on selected theme)
Monitoring activities (field visit, quality data audits, quick assessments)	Cordaid						Number assessments, data quality check for implementing partners, assessment to establish facts, or controlling double counting, quick kobo assessments
MFI annual microscore and one rating	Cordaid						Microscores conducted for partner MFIs

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Outputs
Quantified regular output monitoring	Cordaid						Regular monitoring activity

B.2.8: Piloting of CACHET – a price risk management tool for coffee farmers in Rwanda

288. PSAC will leverage the special initiative under development launched by IFAD Private Sector Advisory and Investment Unit (CACHET: Climate and Commodity Hedging to Enable Transformation) to build price risk management capacities of local cooperatives, especially in the target VCs.

289. CACHET focus on coffee producers in Honduras and Rwanda as smallholder coffee farmers in these countries are exposed to mounting risks linked to climate change and price volatility, detrimentally affecting their ability to generate regular incomes, sustain their livelihoods and governments to reach their SDG targets. The coffee sector was selected because it has been highly affected by the COVID-19 pandemic and has been facing labour shortages, higher prices of inputs and postponement or cancellation of contracts. Moreover, cooperatives have been having difficulties to meet their estimated target volumes for coffee collection and managing physical inventories. Therefore, in order to avoid further financial losses and failure to full-fil off-take contracts, it is crucial for CACHET to target and collaborate with this sector.

290. In Rwanda, CACHET's activities will support eleven coffee Smallholder Producer Organizations (SPOs). Specifically, CACHET will perform a baseline assessment through visits and interviews of these SPOs, a Market analysis of country and sector Rwanda, a Basic three-day training, and the implementation of a price risk management tool. Part of these SPOs will also be involved in PSAC's activities as beneficiaries, which shall leverage the impact of both CACHET and PSAC. The knowledge and lessons learned of CACHET will be shared and incorporated in PSAC's implementation as well as with the other countries in Latin America under CACHET project supporting PO's in managing price risks in the coffee sector.

Table 55 Implementation plan for CACHET

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Sharing of CACHET plan with NAEB and Cordaid	IFAD CACHET Team							The concept of CACHET introduced to develop understanding
Selection of 11 SPOs for start-up	IFAD CACHET Team Cordaid							11 SPOs selected for pilot scale implementation of CACHET in Rwanda

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Conduct baseline studies and interview of 11 SPOs	IFAD CACHET Team							Baseline study wrt CACHET completed
Market analysis of Rwanda and the sector	IFAD CACHET Team							Conducted market analysis and sector analysis to understand the scope for CACHET implementation
Organization of 3-day training for SPOs representatives and selected staff from NAEB and Cordaid	IFAD CACHET Team, NAEB, Cordaid, representatives of 11 co-operatives							Training on concept of CACHET and its implementation modalities conducted

II.3: COMPONENT C: PROJECT SUPPORT AND COORDINATION MANAGEMENT AND POLICY SUPPORT

C.1.1 Enabling Policy Environment - Coffee

291. PSAC will support Coffee roundtable to discuss about specific issues related to Coffee Value chain and stallholder engagement. The issue specific discussions of key stakeholders will lead to outcome in the form of practical solutions, issues to be addressed by government in terms of policies and practices and it will also help exchange among stakeholders. PSAC will support two roundtables every year. Some of these will be facilitated by the experts. NAEB coffee specialist will take lead in organizing these roundtables.

Table 56 Implementation plan for enabling policy environment - Coffee

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Support for Public-Private Sector Roundtables to engage in coffee value chain policy	NAEB	2	2	2	2	2	2	12 Roundtables supported during project duration

research and development									
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C.1.2 Enabling policy environment -Tea

292. Competitiveness of Rwanda tea can be strengthened by aligning the policy environment to international best practices in different performance areas as well as entrenching lessons into the regulatory framework. PSAC will support/advocate for policy and strategy consideration in the following areas.

293. **C.1.2.1: Distance of farm location from processing factory.** The distance over which green leaf is transported after plucking is important in maintaining quality of the leaf as it determines both the possible losses in transit as well as quality deterioration. This risk can be mitigated by regulations to guide the location of farms in relation to tea factories.

294. **C.1.2.2: Funding and utilization policy including contribution of factories to 5% fund.** The fund is currently being sourced primarily from deductions on the green leaf price payable to small holder farmers making. It may be important for NAEB to have a broader strategy for the fund to enable it become attractive to more co-investors including tea factories. It may also be necessary to

295. **C.1.2.3 Tea value addition policy & strategy (Develop and improve national tea marketing strategy in collaboration with RDB).** Rwanda tea is only available in the country as straight-line teas with each factory marketing its own mark. While this fosters competition between the factories, it also means that the country misses the opportunity to create more jobs from the tea value chain as some important stages in the chain are undertaken in other countries. In particular, PSAC will support NAEB to undertake a study on the state and opportunities for value addition and to elaborate a strategic plan. Detailed feasibility studies will be conducted and business plans developed as per the priorities of the strategy.

296. Moreover, PSAC will also support the Rwanda Tea Association (RTA) or any of its members willing to establish a value addition commercial enterprise in the country if recommended in the feasibility studies and strategic plan as long as the business is viable and acceptable to more co-investors.

297. **C.1.2.4: Cooperatives Common Services Policy & Strategy.** Cooperatives within the tea value chain are homogenous in structure yet they achieve varied operational and commercial results mainly because they do not have common strategy, resources, business management and decision support tools. This varied performance ultimately hurts farmers who end up paying more when purchasing goods and services or receiving lower prices for goods sold.

298. In order to bridge the performance gap and unlock higher value for cooperatives, PSAC will support Ferwacothé to develop and implement a framework/strategy to be used by cooperatives to enhance their performance across the common services spectrum.

299. C.1.2.5: Tea sector Agroforestry, Environmental conservation policy & Strategy. By having a common approach to managing the woodlots, cooperatives through the support of specialist GOR organizations will create the technical and operational capacity that is required to enable farmers to establish sustainable pathways to enable them earn more from their farms. The specialist organizations will strive to identify opportunities for cooperatives/small holder farmers to benefit from carbon trade at global level based on their investments in tea farms, agroforestry and woodlots.

Table 57 Implementation plan for enabling policy environment - Tea

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Distance of farm location from processing factory	Tea specialist. Tea factories							Guideline for operational radius for the tea factories prepared.
Tea value addition policy & strategy								
study on the state and opportunities for tea value addition and to elaborate a strategic plan and preparation of business plan through CfP								Study on Tea value addition completed along with strategic plan
Develop and improve national tea marketing strategy in collaboration with RDB								Developed national tea marketing strategy in collaboration with RDB
PSAC will also support the Rwanda Tea Association (RTA)								Explore possibility of supporting RTA based on the strategy for Tea value addition
Cooperatives Common Services Policy & Strategy								
Support Ferwacothé to develop the common services								Strategy for common services to co-ops developed
Initiate implementation of the strategy								Implementation plan for common services to co-ops developed.
Tea sector Agroforestry, Environmental conservation policy & Strategy								

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Develop strategy on agroforestry / woodlots to establish sustainable pathways to enable farmers earn more from their farms.								CfP to develop agroforestry strategy developed and executed
Identify opportunities for cooperatives/small holder farmers to benefit from carbon trade at global level based on their investments in tea farms, agroforestry and woodlots.								New opportunities to benefit tea farmers for green investment identified (tea farms, woodlots etc.)

C.1.3 Enabling policy environment – Horticulture

300. PSAC will influence policies and practices through its interventions in horticulture VC. It has identified key gaps in Horticulture sector as below:

- a) intercropping in coffee (banana, essential oil plants) –an evidence base for feasibility of intercropping has been demonstrated during the PRICE project. PSAC will support formulation of policy on this issue so that more smallholders can be befitted;
- b) Facilitating ease of importing packaging materials for export in terms of logistics, aggregation, bulk purchase;
- c) Increasing airfreight capacity and keep the airfreight rates affordable to small Rwandan exporters and competitive with other regional players in the same horticulture commodities;
- d) Supply contract for smallholder – private sector engagement.

301. PSAC will provide support to MINAGRI via the formulation of specific guidelines for banana/coffee intercropping that could then feed the overall Rwanda Agricultural Law through Ministerial orders. It will also prepare a policy brief on other three issues and share with government and other concerned institutions. It will hire a short-term expert to prepare policy briefs.

302. *Supporting existing and new VC stakeholder platforms* such as horticulture working groups, to address the gaps in value chain development and providing inputs to policy formulation. The support will be provided for organizing meeting on specific issues, carrying out need based small research and documentation etc.

Table 58 Interventions for creating enabling policy environment

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Hiring a short-term expert through national cfp for preparation of policy briefs	NAEB Horticulture specialist							Short term expert recruited
Development of policy briefs for advocacy on -	NAEB Horticulture specialist							Four policy briefs / guidelines for influencing key stakeholders prepared. And shred with key stakeholder.
a) intercropping in coffee (banana, essential oil plants),								
b) Access to packaging material								
c) increasing airfreight capacity and maintaining affordable rates								
d) supply contact business models								
2. Support to existing and new platforms	NAEB Horticulture specialist							Horticulture Value chain platforms supported

C.1.4 Enabling youth to learn PSAC Value chains

303. PSAC will provide internship opportunities for educated youth to learn about value chains, follow-up with farmers, quality control aspects for international markets, role of financial institutions in VC development etc. About 72 students (studying graduation and postgraduation courses) over a period of six years will be engaged in the internship programme with the exporters, processors, co-operatives, district/sector agronomists, NAEB team and experts.

304. There will be two types of internships – short term for two months and medium term for 6 months. The interns will be provided with stipend (Rwf 50,000 per month) and allowance for food, travel and incidental expenses (Rwf 20,000 per month). Thus, the cost per intern-

month is Rwf 70,000. Every year 6 interns per value chain (3 for short term and 3 for medium term), thus in one year 18 interns will get exposure to PSAC value chains. The initiative will be implemented for 4 years, starting from year 2.

305. NAEB Knowledge Management Specialist will take lead in managing internship programme. NAEB and partners will prepare one day PSAC introduction programme for interns and share the reading material (VC notes, PSAC programme documents etc.). The interns will work with exporters, partners and communities as per the given assignments. NAEB, Partners and Exporters will identify the areas in which they will need support of interns and share their requests to Knowledge Management specialist. NAEB will release CfP and also engage with educational institutes for getting requests for internship. Of the selected candidates, at least 50% should be women.

Table 59 Interventions for enabling youth to learn PSAC value chains

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Preparation of one day introductory programme for interns and set of standard documents for reading along with internship rules	KM specialist							One day introductory programme for interns prepared.
Submission of internship support requests from exporters, partners and NAEB	Exporters / FIs / Partners engaged with PSAC and NAEB teams to KM specialists							Annual demand requests for internship received
Announcement of call for internship	KM specialist							Call for internship released
Selection of interns	KM specialist, VC specialist		18	18	18	18		18 interns selected and posted every year
Posting of interns	KM specialists							

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Submission of reports by interns	KM specialists							Annual internship reports received
Annual review of internship programme	KM specialist, VC specialists							Annual review of internship programme completed

C.2 Specific support to VC platforms

C.2.1 Specific Support to VC Platforms - coffee

306. *Coffee Exporters and Processors Association of Rwanda (CEPAR)* is membership-based organization of coffee farmers with 24 coffee exporters are its members. It was formed in 2012. Its efforts are focused on the coffee production integrated with CWS where farmers promoting and supporting wet processing, roasting and drying. The organization needs capacity building to serve as one of the key stakeholders of exporters and small coffee farmers who can address the issues of the members and thereby the sector. PSAC will support this business membership organization for its capacity building based on the annual plan developed by NAEB and the CEPAR members.

Table 60 Implementation plan for support to VC platforms - Coffee

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Development of annual plan	NAEB / CEPAR							
Capacity building for CEPAR in Public/private dialogue approach in advocacy	NAEB/ CEPAR	2	2	1	1	0	0	6 Training Sessions on identified issues organized.

C.2.2: Specific support to VC platforms – Tea

307. PSAC will support NAEB to complete, deploy and review (as the case may be) the implementation of the National tea register, National tea census report, National tea brand and E-Marketing platform.

308. **C.2.2.1: Review, completion and deployment of E-commerce platform.** Tea trade occurs in majority of the countries although production occurs in few countries. This situation gives rise to global and national trade networks that create and sustain demand all the way from processing factories in producer countries to supermarket shelves in importing countries. Offering Rwanda teas on an online platform as single origin teas will diversify the market base and thereby support price stabilization for the benefit of small holder farmers.

309. **C.2.2.2: Review and completion of National Tea Register (NTR).** The success of Rwanda tea industry can't be complete without the participation of small holder farmers who produce the bulk of the green leaf for processing in factories. Registration of farmers at national level will go a step further to assure importers of traceability of Rwanda tea and also provide a platform for mobilizing and disbursing funding to support economic, social and environmental projects for the benefit of farmers.

310. Some work has already been done and PSAC will support consultancy services to undertake pending finalization and deployment of the NTR

311. **C.2.2.3: Review and completion of Tea census report.** PRICE supported NAEB to undertake a census of tea bushes which was to be the basis of developing the NTR as well as the Performance Improvement Program (PIP) for implementation by the beneficiary cooperatives. However, this exercise was not conclusive and PSAC will support consultancy work to complete, validate and disseminate the census report. The report will then become a critical tool for developing and implementing projects/activities in the tea sector including the RFS and infilling.

312. **C.2.2.4: Support to National tea brand program.** PRICE supported the development of the National Tea Brand and its implementation activities. However, building a brand is an enduring process and PSAC will further support relevant activities including international partnerships in commercial and sports fields. International benchmarking on brand building practices especially with Sri-Lanka (owners of Ceylon tea brand) will also be supported.

Table 61 Implementation plan for support to VC platform - Tea

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
E- Commerce Platform								
Develop necessary arrangements to initiate tea trade through existing E-platform in the country	Tea specialist, MINAGRI IT unit for e-soko							Basic requirements to started trading through E-platform completed.

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Initiate and continue E-commerce for Rwanda tea								E-commerce platform activated
Share the information in the market circuit to strengthen brand image of Rwanda tea								The e-commerce link and information shared website and through exhibitions.
Review the experience of e-trade and plan next moves								E-commerce experience reviewed and further plans prepared
National Tea Register								
Complete the NTR preparation (currently partly done) through CfP	Tea specialist							NTR prepared after selecting expert through CfP
Deploy the NTR for traceability or invite investors								Initiated use of NTR
Tea census report								
CfP for remaining work of Tea census report	Tea specialist							CfP invited for Tea census
Initiate RFS and infilling at national level based on the information in tea census								Based in Tea census, RFS and infilling activities planned at national level.
National Tea Brand								
Initiate brand building programme through	Tea specialist							Brand building work initiated

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
commercial and sports field								

C.2.3 Specific support to VC platforms - Horticulture

313. For Horticulture, PSAC will form district level VC platforms. It will bring together all the actors in the VC such as nursery producers, farmers, processors, aggregators, banks, exporters and govt. officials etc. in which value chain development is a common thread for all. The purpose of such a crop specific value chain will be – (a) Improve understanding of Value Chain and strengthen linkages among different actors through exchange of experiences and knowledge. (b) Find out efficient as well as local solutions to overcome gaps in the chain (c) Facilitate support services (d) Prepare common plans to improve efficiency of value chains. (e) Develop local leadership involving youth and women. These platforms will be initially convened by the District Director of Agriculture and facilitate the process in such a way that a natural structure for the platform emerges over a period of time.

314. PSAC will select one platform facilitator per district as per the standard process of selection. The facilitators should be youth (more than 50% women) graduates with good communication skills and more than 50% of the selected facilitators should be women. Their role is to manage district level platform office, communicate with members, government and PSAC project team, manage information systems and databases, organize regular platform meeting, work as first point of contact for all the members etc. They will be based in district office. PSAC will provide furniture (table, chair, rack etc.) and a computer system. The facilitator will receive monthly honorarium and allowance for mobile communication.

315. Meeting of Value chain members will be organized two times per year. PSAC will provide support for venue, food and travel costs of the members. It is expected that each meeting will be attended by 20-30 stakeholders.

Table 62 Interventions on specific support to VC platforms - Horticulture

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
District level VC platform								
Preparation of Tender document for furniture and computer systems to set up platform office and selection of vendor	NAEB & SPIU Procurement officers in association with NAEB							Tender document prepared, vendor selected and order placed

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Procurement of material and setting the office	Horticulture specialist							Procured furniture and computer systems for all the offices
Recruitment of platform facilitators	District officials. NAEB Horticulture Specialist							Recruited 14 platforms facilitators (one per each district)
Organization of biannual meetings of district level VC platforms	District officials, Platform facilitator							Two meetings per year per district organized for each VC

PART III: PROJECT PROCEDURES AND PLANNING

III.1: PLANNING AND SUPERVISION

316. **Adequate implementation capacity for successful project implementation.** The SPIU has demonstrated capacity to implement complex and challenging projects. NAEB, the implementing agency, has also gained relevant expertise and capacity to lead the implementation of large projects and programme. Implementation capacity support will be provided right from the onset of the project to support implementing partners and Government staff in fine-tuning the project's poverty targeting/gender equality strategy, implementation mechanisms and Monitoring and Evaluation (M&E) tools.

317. **Planning.** Planning will be guided by the Project's strategy, logical framework and broader theory of change which will inform the development of annual work planed oriented towards planned results with clear identification of how planned activities are expected to lead to those results.

III.1.1. ANNUAL WORKING PLAN AND BUDGET (AWPB) PROCESS

318. **Principles.** The document which guides implementation and identifies activities required to each the Project objectives is the AWPB. The AWPB will follow the fiscal year, as

per planning systems in Rwanda. The AWPB development process is expected to start in October of the fiscal year. AWPBs will be cleared by the Project Steering Committee and sent to IFAD 60 days prior to the end of each programme year for no objection. The AWPB will be prepared in the format described in the IFAD guidelines for AWPBs by the SPIU with substantial participation of other implementing partners - NGOs and Government agencies.

319. The AWPB will be informed by an assessment of current implementation progress and will describe the strategic direction of the project for the coming year along with results expected (targets) under each component and how those results will be achieved. This will be complemented by a resource plan, budget and risk analysis for each result. The AWPB will include plans for training and technical assistance, M&E and procurement for the year in question. Each AWPB will include a detailed description of planned Programme activities by component, sub-component and activity, and a procurement plan for 18 months for the first fiscal year, 12 months for the following fiscal years).

320. **Roll out of the AWPB process.** The SPIU/NAEB will establish the funds available for the AWPB for a particular year as per cost tables. The Project District coordinator will align the activities to the needs of the beneficiary sectors with due regard to the performance contracts entered into by the District. The participation of District authorities and representatives of beneficiaries in this exercise will be paramount, and an activity schedule, prepared by the project district coordinator and approved by the District Council. It will be drawn up in consultation with all stakeholders at district level. There will be meetings between the district planner and service provider, they will share project documents and estimated budget, and identified activities implemented by each service providers. When activities are identified for the fiscal year, they form groups with NSEB, RAB, MINIAGRI, district and service providers start brainstorming content of action plan, and each service provider proposes activities and estimated amount.

321. Once the consultations and exchanges are done and the first draft is produced, the NAEB will ensure that the activities presented for financing are eligible. After consolidation, the draft AWPB will be submitted to the PSC for approval and later to IFAD for comments and acceptance, no later than 60 days before the beginning of the relevant financial Year. No withdrawal of funds shall be made from the Loan/Grant Accounts until the AWPB has been approved. If required, the SPIU/NAEB may revise the AWPB half yearly.

322. Each AWPB shall include, among other things, a detailed description of planned Project activities by component, sub-component and activity, and a procurement plan for eighteen months (for the first fiscal year, twelve months for the following fiscal years). The NAEB together with SPIU will establish the funds available for the AWPB for a particular year as per cost tables.

AWPB outline

The AWPB will have three sections: (i) a narrative section (in word) describing the results of the previous year and the activities planned for the upcoming year; (ii) a detailed budget (in excel) (iii) a procurement plan. This must include as a minimum:

- a. Executive Summary
- b. Summary Project Description
- c. Summary of implementation to date and results achieved
- d. Proposed Strategic Priorities for the upcoming year
- e. Description of Expected results and activities (per component and per sector)
 - i. Schedule of implementation (per month)
 - ii. Related procurement plan
 - iii. Links to the results framework
- f. Implementation constraints and risks mitigation
- g. Budget Summary (per financier, per component, per category)
- h. Detailed table per implementing agency and summary by project activity. E.g. for one activity, you may have several implementing agencies contributing to it.

III.1.2. PROJECT SUPERVISION, MID-TERM REVIEW AND COMPLETION PLANS

323. NAEB will have to produce a progress report before the supervision mission, containing information on the progress of activities, outputs, the status of implementation of the recommendations of the previous mission, the material progress of activities in relation to the project indicators and the updated logical framework.

324. Supervision and implementation support will be organised jointly by IFAD and Government of Rwanda. Supervision will be a continuous process including joint missions, as well as continuous desk review to ensure that implementation is on track. The composition of supervision and implementation support missions will largely be determined by the prevailing circumstances. Implementation support will be provided through the in-country IFAD office, the Regional Hub in Nairobi, and Technical Assistance (TA) to be mobilized especially on value chain development, M&E and Procurement.

325. The project will undertake a rigorous Mid Term Review (MTR) to evaluate efficient project spending and whether the project is on course to achieve its goal. It should be agreed between the NAEB, SPIU Coordinator, PSAC Manager and IFAD. The MTR will be informed by a Mid Term Outcome Survey and will be a key reflection moment to assess implementation performance and recommend adjustments, as may be required. The recommendations will take into consideration the likelihood of achieving the project's targets during the remaining implementation period and may modify these targets and budget allocation, if considered necessary.

326. The output of the MTR will be a MTR document, together with an Aide Memoire. This will include a revised budget to guide utilization of the remaining funds; revised

recommendations for the use of TA; and an updated PIM. The exercise should be followed up by development of a second 3-year plan for project implementation.

327. At the end of the project, a completion review will be carried out jointly and result in a by a completion report and a closing workshop in order to report on the results achieved. They will highlight not only the results, but effects and impact of the project on the target groups, and will allow the capitalization and lessons. The completion report will be prepared before the project closure date and will address, among other things, the following points: (a) the achievement of its objectives, (b) the benefits obtained from the Project, (c) the performance of the parties involved in the implementation of the project, (d) the implementation of the costs; and (e) the lessons learnt from the implementation of the project. The PCR will be also completed from different studies and in particular with the end of the project outcome survey.

328. Project closure must be planned 6 months earlier than the IFAD loan closing dates (financial closure), to ensure that various assets are handed over, and that all studies, including PCR, are completed on time. Major infrastructure and equipment are expected to be handed over to the communities, with a management plan or following comprehensive operational and management trainings.

III.2: MONITORING AND EVALUATION, KM, AND COMMUNICATION

III.2.1 MONITOR AND EVALUATION SYSTEM

329. **M&E system.** The project will develop a results-based M&E system to support decision-making and knowledge management, grounded in lessons learnt from ongoing IFAD projects in Rwanda. The system will be based on: (i) a clear results chain, based on the logical framework and economic and financial analyses; (ii) clear profiling (breaking down) of each target to act as an outcome prediction system based on output monitoring; (iii) fine-tuning of the qualitative and quantitative data collection (survey included), processing, digitalization, storage and information sharing; and (iv) quantified analysis of project results and approaches. The system will be based on automated Excel sheets (using formulas and cross-referencing), together with an electronic library for storing files, documents, progress reports, pictures. All the data will be stored on Cloud Based MIS System and same information shall be backed up in hard disk.

330. **Log-frame.** The logical framework includes Core and Project Specific Indicators (Logframe indicators and operational indicators) as proposed by IFAD; indicators which might be aggregated across projects for corporate reporting; therefore the Project should ensure to be able to report on them. As a start-up activity the logical framework will be reviewed, internalized by all parties, baseline and target figures established, and any final modifications may be made.

331. **Indicators.** In addition, as a start-up activity, the M&E team should review, further develop and possibly add indicators useful for project monitoring. This includes defining additional indicators useful for progress and results monitoring. All indicators should be profiled, ensuring that they are SMART, sex and age disaggregated, that clear data collection responsibilities have been assigned and that they are broken down per year, per sector. This will assist results-based planning. For outcome level indicators, the contribution

of each of the outputs should be established, so that achievement/non-achievement can be predicted, based on the outputs achievement, during each period.

332. **Data collection.** The NAEB Project coordinators could consider introducing the below steps to improve data collection systems:

- a. The administrative forms used to get SPIU clearance to carry out activities could be updated to include M&E information;
- b. Regular project coordination structures can be used to carry out surveys, by training Agriculture Experts (extension workers on ground) and Contact Farmers to act as enumerators;
- c. Develop simple monitoring tools and templates to track data over time;
- d. Pilot use of mobile based data collection tools to improve efficiency Which include tablets-based data entry forms, (maybe) use of GPS systems etc.
- e. The tools and methods used for data collection are inclusive and gender-friendly (in terms of enumerators with at least 50% women representation, use of local language and simplified questions for easy understanding, gender and age disaggregated data collection, interview timings suitable to women farmers and other participants etc.)

333. **Baseline and impact evaluation.** The SPIU will, as a start-up activity, determine the impact evaluation methodology of the project; this methodology will for example determine the statistic tools to be used, the use of control groups, the questions to be assessed, the sampling framework (e.g. to be representative at district level), the various different target groups to be represented etc. This methodology will form the base for the TOR to recruit a company for both the baseline survey, and later the end-line (impact) survey. It will be critical to ensure that the methodology is well-developed and that all data and analysis is well documented and stored well both on and off line, to enable analysis. The baseline, mid-line and completion surveys will be conducted in alignment with the IFAD guidelines for the measurement of Core Indicators at Outcome level (i.e. as per COI guidelines

334. **Annual outcome survey.** To supplement the outcome forecasting, and to monitor likely achievement of outcomes prior to the end line survey, annual outcome surveys will be undertaken. These should be quick surveys, asking only a handful of questions, and be easy to administer. The surveys should be carried out by agriculture officers on ground and be consolidated by M&E officers at NAEB. It is recommended that a group be selected at random and then followed up upon every year, similar to a longitudinal panel method. The questions are likely to be more qualitative in nature and, when analyzed together with the quantitative output monitoring, will give a good indication of the trend towards achievement of the project results.

335. **PSAC Evaluation Plan.** The PSAC evaluation plan is envisaged as in the table below:

Table 63 PSAC Evaluation Plan

Year	Schedule (Quarters)				Nature of Evaluation	Scope (Area of Coverage and / or Content)	Responsible Person
	1st	2nd	3rd	4th			

Year	Schedule (Quarters)			Nature of Evaluation	Scope (Area of Coverage and / or Content)	Responsible Person
1				Baseline Survey	All the selected VCs in 14 Districts	SPIU Head MIS, M&E Specialist
				Supervision Missions	All project components	NAEB Project Operation Manager, SPIU Coordinator
2				Supervision Missions	All project components	NAEB Project Operation Manager, SPIU Coordinator
				Special Studies	Specific topical area e.g gender, nutrition, climate change	Subject matter Specialists, M&E Specialist, the Head MIS
3				Mid-Term Review	All project components	NAEB Project Operation Manager, SPIU Coordinator
				Supervision Missions	All project components	NAEB Project Operation Manager, SPIU Coordinator
				Beneficiary Assessments	All project activities	SPIU Head MIS, M&E Specialist
4				and COI Survey and other special studies	Sample sectors in the district	SPIU Head MIS, M&E Specialist, District and Sector staff
				Supervision Missions	All project components	NAEB Project Operation Manager, SPIU Coordinator
				Special Studies	Specific topical area in identified	Subject matter Specialists, M&E Specialist, the Head MIS
5				Supervision Missions	All project components	NAEB Project Operation Manager, SPIU Coordinator
				Final COI Survey at completion /Impact Evaluation	All project components	NAEB Project Operation Manager, SPIU

Year	Schedule (Quarters)			Nature of Evaluation	Scope (Area of Coverage and / or Content)	Responsible Person
6						Coordinator all component heads
				Special Studies	Specific topical area in identified	M&E Specialist, the Head MIS District and Sector staff
				Supervision Missions	All project components	NAEB Project Operation Manager, SPIU Coordinator
				Endline(Completion) Survey	All the selected VCs in 14 Districts	SPIU Head MIS, M&E Specialist
				Project Completion Review	All project components	NAEB Project Operation Manager, SPIU Coordinator
				Special Studies	Specific topical area in identified	M&E Specialist, the Head MIS District and Sector staff

336. **Reporting and supervision.** The different stakeholders will have specific roles in progress reporting as follows;

- a) Quarterly Reports: All PSAC activities integrated into the district development plans will be reported upon every 3 months by respective units implementing them. Where the private sector implementers are involved in PSAC activities, the district will be responsible for monitoring the implementation and reporting on those activities in liaison with the SPs.
- b) Semi-annual Progress Reports: Consolidation of quarterly reports will be done by the SPIU to prepare consolidated 6-months progress reports to IFAD. The progress reports will include an overall assessment of PSAC's achievements against the targets in the AWP & the reports will be submitted within six weeks from the end of each reporting period.
- c) Annual Progress Reports: The annual progress reports will be a consolidation of the progress of achievements attained during a financial year and also assess the overall performance of the project against set objectives. This will be done by the SPIU with input from the district PIU and implementing partners.
- d) Back to Office Reports: These will be produced on demand and following field visits to the project area. The reports will be submitted within one week of undertaking the

field activities. The reports will contain feedback on the purpose of the field visits, the people met during the visits, the salient findings, the lessons learnt and recommendations for improvement.

- e) NAEB PSAC team will organize annual planning meeting during which deliberations will take place about annual progress and lessons learned which will form the basis for annual planning. PSAC will also organize annual learning event for the key stakeholders in which project learning will be shared. Some of the practical learnings will be shared with local cadre of communities such lead farmers, FFS coaches' youth certification inspectors, GALS champions etc. Regular sharing with community members and cadre of facilitators (lead farmers, GALS champions etc.) will be done during trainings and monthly meetings with district team members. The complex information will be simplified at community level. The major information sharing will happen through sharing of relevant data from MIS along with simple analysis.
- f) Annual outcome, and review reports: Outcome monitoring will assess the use of outputs and measure their benefits at beneficiary level whereas mid-term review will provide the complete status of the project. They will be used effectively in the planning process and making the course corrections involving IFAD.

III.2.2 KNOWLEDGE MANAGEMENT AND COMMUNICATION

337. **Learning and knowledge management (KM).** Development of Value Chain depends on skills, knowledge and services. With ease of knowledge sharing, communication among stakeholders open up and strengthens the enabling environment which brings sustainable changes in policies and practices. Further it facilitates reaching out beyond project boundaries. Being export competitiveness project, PSAC needs strong Knowledge management to look both within and outside the country and strengthen value chain development focusing on smallholders.

338. While implementing PSAC knowledge generation will happen through a) experiential learning, b) sharing of knowledge, c) well planned MEL (Monitoring & Evaluation, and Learning), research and analysis, and d) peer learnings. Capturing these aspects of knowledge and creating accessible platforms for knowledge sharing will be the core part of Knowledge management.

339. Experiential learning in PSAC: FFS is the central part of the PSAC. It provides the platform at grassroots level for every farmer to share their experience and solve the problems together. It shall bring the local experience and experts' knowledge together, thus planning is required to capture the knowledge created through over 1,600 FFS under the programme. It may provide a good outlet for capturing grassroots innovations and standardize solutions to the common problems of majority by developing effective mechanisms. Similarly, GALS is another important area where experiential learning with suitable knowledge management systems are crucial to make progress in the direction of gender equality at household level and in the VC.

340. PSAC has planned to develop district level VC specific platforms which gives representation to producers, exporters, service providers, government, etc. to discuss practical issues for strengthening VC while bringing in equality among actors. These platforms can operate on the basic principles of FFS. More in-depth approach to knowledge management of such platform can provide inputs at national level for VC development and create

belongingness where farmers can contribute at par with other actors as efficiency of chain depends on the effective role of each stakeholders.

341. Knowledge sharing: Lack of awareness of the export market to both producers and exporters was known as an obstacle. However, through various programmes, GoR's efforts and experience of export markets, some exporters have gained useful knowledge for dissemination. PSAC is envisaged to be benefitted from these knowledge sources through 'innovative trainings' to be offered by exporters along with agronomists to producers. Such attempts of knowledge management would be tapped while implementing the project and plan for effective use of it.

342. MEL, research and analysis: These are more standard methods of information gathering for effective project implementation and they provide the direction on major issues. They come in the form of knowledge package and usually well resourced. Timeliness of activity, consistency of its application, regular review with key stakeholders and follow-up are the important aspects of successful knowledge management. PSAC has proposed annual mortality of plantation to have a better understanding of the mortality rate and the reasons behind it. Timeliness of this activity, consistency of information gathering, and analysis of reasons can provide range of options to reduce mortality rate in the future if this knowledge is properly managed (in terms of proper knowledge dissemination).

343. Peer learning: PSAC has incorporated interventions like developing a cadre of internal inspectors, explore niche markets through market facilitators/ agents. The aim of these interventions is to learn quality control processes and intricacies of export market through internships for youth with certification agencies in the region and market facilitators based in diplomatic missions respectively. Sustaining this knowledge by internalizing is crucial aspect of knowledge management.

344. The above four points show knowledge management is not a static or single person's work but it is a strategic tool which needs to be effectively used at every level in PSAC, which is an important aspect of sustainable VC development. It needs to be used internally by all the VC actors to learn as well as to improve their performance and externally to share the impact of the project along with adequate rationale. The knowledge management specialist along with PSAC VC specialists would play key roles in providing the direction. This background provides the following plan for knowledge management:

Table 64 Implementation plan for knowledge management

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
Identification knowledge sources in PSAC	KM specialist. PSAC lead							Sources of knowledge for PSAC identified
Preparation of KM and communication strategy for PSAC	KM specialist. PSAC lead							KM and communication strategy for PSAC prepared
Development of implementation								KM and communication

Activity	Responsibility	Y1	Y2	Y3	Y4	Y5	Y6	Outputs
plan for KM and communication								implementation plan developed
Review of knowledge Management plan								KM plan and its progress reviewed annually.
Organization of learning events at district and national level								Learning events organized at district and national level regularly.
Development of knowledge management products								Specific KM products developed.

345. **Communication.** The project will collaborate with RAB, SPIU within MINAGRI to produce relevant knowledge products and ensure documentation of lessons learnt, best practices and success cases. Communication materials, such as press releases, extension materials, and radio spots will be prepared and distributed through a PSAC.

346. The NAEB KM Specialist is responsible for preparation of an action plan and a good presentation of the external communication. Whereas the technical coordinators and the M&E Specialist (and at times the Project Operation Manager and SPIU Project Coordinator) will contribute most of the substance, she/he will structure all standard external communications, such as recurrent reports, study reports, website material, factsheets and press releases. This includes attention to branding, lay-out and text editing.

347. A KM action plan will be prepared to (i) identify knowledge gaps and prioritization of knowledge products to be developed; (ii) ease the scaling up of best practices in the different sectors and interventions or repackaging of innovative approaches developed elsewhere; (iii) disseminate knowhow based on available communication tools (newsletter, brochures, websites, radio, knowledge gained through FFS trainings etc).

348. Website. A simple website will be developed for PSAC, preferably embedded within the website of NAEB. The website will provide access to the reports published by the project. Links will be provided to relevant information or KM products.

349. Factsheets. These provide succinct summaries of lessons learned in the Programme and shall have a wide circulation. They are essentially brief and should lead the interested reader to the concerned key informant and the relevant technical documentation. Factsheets describe lessons that the PMU thinks should be incorporated into relevant programmes and policies; and are produced to influence decisions.

PART III: FINANCIAL MANAGEMENT AND DISBURSEMENT ARRANGEMENTS

III.3.1: LENDING TERMS OF THE IFAD FINANCING

350. Rwanda is a LIC country. According to the WB-IMF DSA of January 2022, Rwanda's risk of external and overall debt distress remains moderate with limited space to absorb shocks. Under the replenishment cycle IFAD 12, an IFAD Loan of USD 30 million will be made available to Rwanda for PSAC. Rwanda is eligible to borrow PBAS resources for 80% on Super Highly Concessional terms and for 20% on Highly Concessional terms.

351. Super Highly concessional terms loans have a maturity period of fifty (50) years, including a grace period of ten (10) years starting from the date of approval by the Executive Board. Highly concessional terms loans have a maturity period of forty (40) years, including a grace period of ten (10) years starting from the date of approval by the Executive Board. The amortization of the Super Highly Concessional terms loan will be of 2,5% from years 11 to 50. The amortization of the highly concessional terms loan will be as follows: (i) 2% from years 11 to 20; and (ii) 4% from years 21 to 40. The applicable service charge will be determined at the time of approval, based on the currency of the loan (USD, EUR, SDR).

III.3.2: FINANCIAL MANAGEMENT RESPONSIBILITIES OF THE PARTIES TO THE IFAD FINANCING

352. The parties to the IFAD Loan are IFAD (designated Lender) and the Government of Rwanda (GoR) represented by MINECOFIN (the designated Borrower) and, under the aegis of MINAGRI, by NAEB (the Lead Project Agency). NAEB will be assisted by the SPIU of the IFAD funded portfolio in coordinating PSAC implementation. All parties all bear specific responsibility in project execution. The responsible offices will be held accountable for the achievement of project objectives within the framework of the law, prevailing constraints, and limits of authority and by embracing the best principles of public expenditure management.

353. **MINECOFIN** will authorize the lead project agency (NAEB) to open designated accounts (DA) and project operational bank accounts (PA) for PSAC which will be managed by the SPIU of IFAD's funded portfolio of projects, under the aegis of MINAGRI. MINECOFIN will grant all necessary credential to operate into the IFMIS for recording accounting entries and process payments.

354. **MINAGRI** will nominate the persons entitled to operate PSAC bank accounts, as well as those entitled to withdraw resources from the IFAD financing through the submission of withdrawal applications (WA) in the IFAD Client Portal (ICP).

355. MINECOFIN, the borrower, will be fully responsible to IFAD for the due and timely performance of all obligations ascribed to in the Project Loan Agreement. Obligations include: (i) ensure that all parties perform their obligations, (ii) confirm to the IFAD that GoR contributions have been availed and issued to the project as per AWPB, (iii) pay the Loan service charge and the Principal.

356. **NAEB** will provide oversight role and policy direction to the project, review the project's AWPB progress against set targets and approve accordingly. It will also ensure the funds are used economically and efficiently to deliver project goals.

357. The **SPIU financial** management coordination to PSAC will include: (i) contribution to budget planning preparation and monitoring; (ii) budget execution and treasury management; (iii) financial reporting to Government and IFAD; (iv) IFMIS implementation and customization; (v) coordination of internal/external audit; (vi) compliance with IFAD's processes and procedures and (vii) securing FM operational continuity relating the opening and the closing of projects.

358. IFAD shall be responsible for: i) extending a loan of USD 30 million; ii) opening a loan account in the name of the borrower in its books and crediting with the same amount of loan; iii) advancing initial deposit and replenishing the DA as per Withdrawal Applications; iv) making direct payments out of loan proceeds as requested by the project's clients; v) reviewing and approving project's withdrawal applications, expenditure justifications, no objection requests etc.; vi) reviewing and approving AWPB, expenditure category re-allocation requests, among others; and vii) participating in implementation support missions.

III.3.3: DISBURSEMENT ARRANGEMENTS

359. There will be one designated account (DA) opened at National Bank of Rwanda (NBR), opened in USD, to receive the proceeds from the IFAD loan. PSAC will also open and maintain two separate project operational accounts (PA) at NBR in RWF to receive (i) IFAD resources from the DA and (ii) Government cash co-financing.

360. IFAD financing will flow to DA on the basis of fund withdrawal from PSAC through submission of withdrawal applications (WA) in the on-line IFAD Client Portal (ICP). The Letter to the Borrower will specify the format of the WA, the required supporting documentation as well as the disbursement methods. The flow of funds and relevant authorization arrangements are described in the below figure 5:

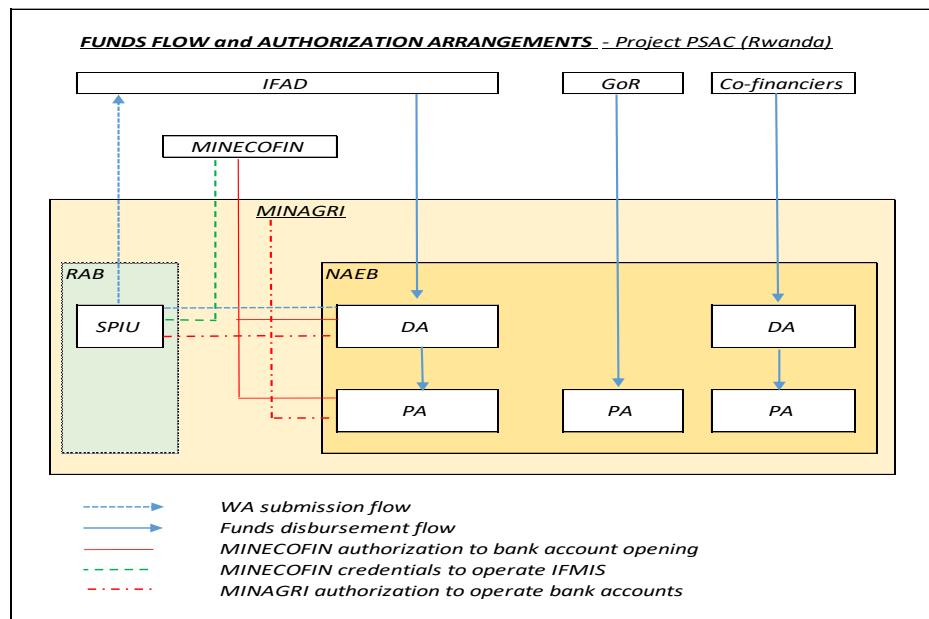


Figure 8 Funds flow and authorization arrangements

361. The DA will operate with an advance payment from IFAD (Authorized Allocation) which will be in line with expected patterns of expenditure, withdrawal application processing timeframes, and requirements for financial efficiency. The DA will be replenished following the rules set out in the IFAD Disbursement Handbook and the Letter to the Borrower.

362. In order to avoid difficulties in the replenishment of funds, the SPIU Head of Finance and Fiduciary Aspects and the Chief Accountant must ensure that all expenditures made with PSAC funds by the various offices of the SPIU, NAEB and by the other contracted service providers are duly justified by proper documentation on a strict regular basis. To avoid funds flow constraints, PSAC should replenish the designated account immediately. To ensure that funds are used for intended purposes, PSAC should provide a reporting format for financial management in line with IFAD requirements.

363. The IFAD PA operated by SPIU and NAEB will be used to make payments directly to suppliers, service providers and contractors. The GoR Counterpart PA operated by SPIU and NAEB will be used to make payments of local taxes and activities fully funded by government, again directly to suppliers, service providers and contractors.

III.3.4: FINANCIAL MANAGEMENT ARRANGEMENTS

364. **Public Financial Management (PFM).** According to latest PEFA 40 assessment, conducted in 2017, most aspect of the PFM system are functioning at a satisfactory level. The PFM system is able to produce credible national budget (including external donor support)

⁴⁰ [Rwanda 2017 | Public Expenditure and Financial Accountability \(PEFA\)](#)

with contained composition variances (PI-2) and transparent (PI-4) comprehensive (PI-5) documentation available to public. Guidance to budget preparation is good (PI-17). Cash forecasting, Treasury Single Account (TSA) consolidation and IFMIS integrated accounting secure reliable predictability of fund allocation to government entities (PI21) for budget execution. Financial integrity is secured through the IFMIS (PI-27), however accuracy and timeliness of reporting requires improvements (PI-28). Other areas of improvement are in capturing/recording of public assets and in the independence of Auditor General (PI-30).

365. PSAC is expected to use same financial management (FM) arrangements adopted by current IFAD's funded portfolio of projects, which is fully aligned to FM country systems.

366. **Organization and staff.** Two (2) accountants will be recruited by NAEB and funded by PSAC. Both will report hierarchically to NAEB-CFO with a functional reporting line to SPIU-Head of Finance and Fiduciary Aspects: 1 will be logically located at NAEB to closely support PSAC technical/operational staff and overlooking the related transactions; 1 will be located at RAB/SPIU mainly to overlook all other PSAC transactions coordinated by the SPIU and, partially, to provide ad hoc support to the SPIU-Head of Finance and Fiduciary Aspects in its coordination role of the entire IFAD portfolio. FM capacity on IFAD's practices will be rapidly built counting on the experience of the SPIU and on the learning programmes provided IFAD.

367. **Budgeting.** PSAC budget planning process is aligned to national procedures. It is generated by PSAC Operational Team with the contribution of the SPIU in its coordination and evaluation role. PSAC draft budget, as part of MINAGRI budget, is presented in the national envelope to Parliament on April. Considering that, as per standard IFAD requirement, the submission of the AWPB for IFAD non-objection is due 2 months earlier than the end of the fiscal year, it is crucial that final revisions are immediately agreed for submission to IFAD no later than mid-May (about 1 month and a half earlier than the end of the fiscal year). The new AWPB will be prepared with a minimum quarterly phasing (i) to sharply monitor any duplication of activities with the closing AWPB, and (ii) to prepare an adequate liquidity plan, by quarters, to support on time and in full the implementation of the project.

368. **Internal control.** All PSAC transactions will be authorized by the SPIU-Head of Finance and Fiduciary Aspects, the SPIU-Coordinator and NAEB-CFO as ultimate approver. NAEB-CFO will eventually delegate the authority to approve transactions to the SPIU-Coordinator within defined ceiling amounts. The Project Steering Committee (PSC) will be chaired by MINAGRI and co-chaired by NAEB and RAB. Moreover, the financial management supporting activities carried out by the SPIU in its coordination role to PSAC will include: (i) contribution to budget planning, evaluation and monitoring, (ii) budget execution and treasury management, (iii) financial reporting to Government and IFAD, (iv) IFMIS implementation and customization, (v) coordination of internal/external audit, (vi) compliance with IFAD's processes and procedures and (vii) securing FM operational continuity relating the opening and the closing of projects.

369. **Financial Records.** PSAC will keep accurate records of all financial and procurement transactions. All original documents related to Project transactions should be safeguarded, and the Project will continuously sensitize NAEB on the need to safeguard all supporting documentation related to Project activities for a period of 10 years following Project closure.

370. **Accounting/Reporting.** The Project will comply with national accounting/reporting procedure which are aligned to International Public Accounting Standards (IPSAS). The Financial Statements will be prepared in accordance with the “modified accrual basis” of accounting. PSAC will also prepare Interim Financial Reports (IFR), on a quarterly basis, inclusive of cash forecast for the next two quarters which will have to be submitted to IFAD 30 days after end of period. The format of the IFR will be specified in the Letter to the Borrower.

371. The Government IFMIS-Accounting software, mandatory for donor’s funded project, has been customized in its Chart of Accounts to be compliant with IFAD’s minimum accounting/reporting requirements by component/expenditure category/financier. This is expected to reduce the excessive manual accounting/reporting operations prone to inaccuracies and errors, with immediate impact on management decision making and bottlenecks in the processing of WA from IFAD. This first customization step is fundamental for the short term: it will allow to extract from IFMIS reliable transaction lists which will more effectively feed into manual reports. In the medium term, further customization is expected to automatically generate reports from the IFMIS (i.e. SOE, WA, DA reconciliations, IFR), as a reliable ring-fenced system.

372. **Investment Grants.** Investment grants management is detailed in PART II: Detailed Implementation Modalities – II.1 – Section A.2.2. The grants are categorized in various groups and are to be disbursed in tranches after the grantees have met the stipulated conditions. There will be a detailed grant agreement signed between the project and the grantees to stipulate these conditions including the expected financial reporting by the grantees. At the SPIU level, the disbursements to grantees will be included in the expenses at disbursements and monitored separately as detailed in section A.2.2.

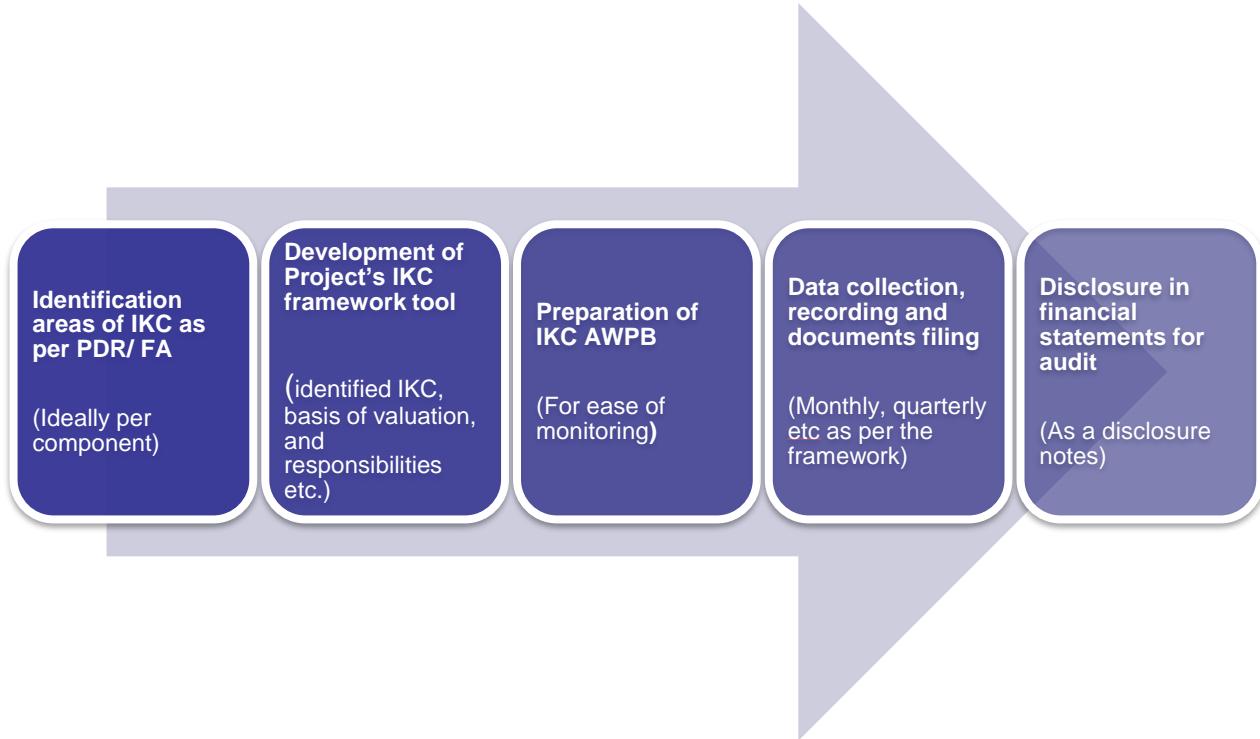
373. **Government and beneficiary contributions.** These relate to the monetary and in-kind contribution (IKC) provided by governments, beneficiaries, implementing partners, financial institutions and the private-sector to a project. It relates to direct provision of asset/services (benefits) to the project or expenditure incurred expenditure by Government, beneficiaries or other implementing partners which otherwise would need to be paid for by the project meet its objectives. In-kind contributions are crucial as they will translate the real contribution of Borrower/Recipient to the project in addition to the contribution in cash and tax exemptions.

374. It is critical to capture in-kind contributions from all sources: Government, beneficiaries and other domestic co-financiers. Process must be regular and systematic. The IFMIS will be exploited also in its M&E module to capture any in-kind co-financing (IKC) as well as those cash contributions (i.e. beneficiaries) which are not materializing through PSAC accounts (hence, IFMIS-Accounting).

375. As agreed with the Auditor General, and as part of the IFAD funded portfolio in Rwanda, PSAC will start a journey to recognize/measure/report any source of in-kind co-financing, for reporting into Notes to the Financial Statements. PSAC will start with mapping all concerned activities and with preparing procedural guidelines (PIM) on the evaluation criteria, data collection at site level and reporting. PSAC will set thresholds above which professional valuer will be required and below which PSAC technical staff will play a pivotal role, at site level, to validate the provision of contribution in kind and to collect its value. Thresholds will be set by

the SPIU following the principle of a lean evaluation process which should not represent a bottleneck to Project implementation and, in any case, which shall stay within the perimeter of national laws/regulations. IKC assessment will also follow the indication outlined in the IFAD Technical Note on in-kind co-financing.

376. Below is a simplified process for IKC:



377. The IKC should meet the following criteria for recognition: -

- IKC should directly be related to achievements of PDO
- IKC framework/tool should highlight IKC activities (per component/Sub-component), definition and measurement, monitoring tools, responsibilities and frequency and minimum supporting documents
- IKC shall be recognized at the fair market value and must be duly justified by supporting documents
- IKC recording, documentation and filing should be adequate to enable independent verification/ audit. Recording should be done regularly, at least monthly or as may be applicable
- IKC should be reflected in the Financial Statement (as a disclosure note) and be audited. It is also an additional schedule/report required for submission to IFAD as part of IFR

378. The below chart can serve as an example to prepare the IKC mapping:

APPENDIX – Monitoring MATRIX example

It is provided an EVALUATION MATRIX to be used as the basis for

- Starting an open discussion among Project, Borrower, Contributors
- Setting up an agreed system to capture IFC (to be detailed in the PIM).

ACTIVITY N. in AWPB	ACTIVITY name	CONTRIBUTOR	LOCATION	ACTIVITY description	CALCULATION method	MONITORING system	REPORTING tool at PCU
xyz	PCU office rent	Government	Capital city	Equivalent rent value for a space of xx square meters	Market price survey conducted/certified by a public work valuation officer	Yearly booking in the PCU accounting software	- Included into quarterly IFR; - Included in the notes of the audited FS
xyz	Rehabilitation of ponds	Beneficiary village	Village xyz	Beneficiary will contribute with feeds, fingerlings, fencing, harvesting nets	Evaluation at fair market value (from local market)	- Village community Register/list contributions duly signed by village contributors and verified by the village chairman; - PCU fishery officer validation. - PCU acc. Software or other system	- Included into quarterly IFR - Included in the notes of the audited FS

379. **Government contribution** can be in the form of tax financing (i.e. VAT) and is normally assessed in Costab at Design. However, during implementation, it may be difficult to capture those cases of tax exemption regimes (i.e. associated to services/goods from public entities) which count as contribution in-kind but cannot be recorded directly into IFMIS due to technical limitations of the system. In these cases, PSAC will prepare an off-line evaluation, focused on selected vendor's transactions, to reflect fully counterpart co-financing. Evaluation procedure will be further outlined in the PIM.

380. **External Audit.** The current projects are all being audited by the Office of the Auditor General (OAG) as mandated under the Government Act/Law. The Office has legal personality and financial and administrative autonomy; hence, while discharging its responsibilities, the Office is independent and does not receive any injunctions from other organs. The OAG has been a member of INTOSAI and AFROSAI for the past thirteen years, and the financial audit methodologies applied conform to international standards. Reviews of the quality of the OAG reports for existing projects indicate highly satisfactory performance ratings, with positive comments given for the level of detail of the audits and use of acceptable standards (INTOSAI auditing standards). It is recommended therefore that PSAC will also be audited by the OAG. A complete set of Financial Statements specific to PSAC will be prepared in accordance with International Public Sector Accounting Standards (IPSAS) – modified accrual basis, audited by the OAG and submitted to IFAD before 31st December.

III.4: PROCUREMENT

381. **General Principles for Procurement Responsibilities.** The designated borrower/recipient (MINECOFIN) has the primary responsibility for procurement and its management, whereas IFAD has a fiduciary responsibility to ensure that its proceeds and the funds it administers are used solely for the intended purposes stated in the applicable

financing agreement(s), as well as to ensure that its own financing or the financing it administers is not used to finance illegal acts connected with money-laundering and terrorist financing.

382. The designated borrower is legally and operationally in charge of all procurement transactions for a project, utilizing IFAD proceeds for these purposes.

383. IFAD's fiduciary responsibility is exercised through oversight and advisory roles. In this latter role, IFAD promotes capacity-building to achieve economy, efficiency and social equity, primarily through its support activities.

384. **Applicable procurement framework.** Procurement under the PSAC project shall be carried out according to Rwandan procurement regulations to the extent that they are consistent with the IFAD Project Procurement Guidelines⁴¹. The law governing Public Procurement in Rwandan is Law no. 62/2018 of 25/08/2018 governing public procurement⁴² and the Ministerial Order no. 002/20/10/TC of 19/05/2020 establishing regulations on public procurement⁴³. A Standard Manual for Public Procurement (Public Procurement User Guide) is in place for use by procurement entities⁴⁴.

385. **Standard procurement documents and IFAD systems.** PSAC project will use the full package of standard procurement documents⁴⁵ released by the Rwanda Public Procurement Authority, which will be adapted to include mandatory references to IFAD policies such as the Revised IFAD Policy on Preventing Fraud and Corruption⁴⁶, the IFAD policy to preventing and responding to sexual harassment, sexual exploitation and abuse⁴⁷, the Anti-Money Laundering and Countering the Financing of Terrorism Policy⁴⁸ and IFAD's Social, Environmental and Climate Assessment Procedures (SECAP)⁴⁹. PSAC project will be set up on the No-Objection Tracking Utility System (NOTUS) and Contract Monitoring Tool (CMT) function of the IFAD Client Portal (ICP) from project start up, thus ensuring effective supervision and prior review of procurement processes by IFAD.

386. **Procurement Plan.** A procurement Plan will be prepared for the first eighteen (18) months of the project this will be followed by successive twelve (12) month plans synchronized with the annual work plan and budget (AWPB) during implementation. The Procurement Officer will therefore participate in the preparation of the AWPB. The Procurement Officer will provide guidance on market prices in order to ensure that budgets are realistic. The Procurement Plan will be development using the IFAD Procurement Plan template. IFAD will provide a no objection to the procurement plan and once the no objection is provided, it shall serve as the basis for procurement implementation under the project.

387. **Institutional Arrangements.** Coordination and central procurement capacities will be focused in the Procurement Unit of the existing Single Project Implementation Unit (SPIU), which has an experienced Sr. Procurement Officer acting as Head of Procurement for all IFAD-

⁴¹ Available here: <https://www.ifad.org/en/project-procurement>

⁴² Available here: <https://www.rppa.gov.rw/index.php>

⁴³ Available here: <https://www.rppa.gov.rw/index.php>

⁴⁴ Available here: <https://www.rppa.gov.rw/publications>

⁴⁵ Available here: <https://www.rppa.gov.rw/publications>

⁴⁶ Available here: <https://www.ifad.org/en/-/document/policy-on-preventing-fraud-and-corruption-in-its-activities-and-operations>

⁴⁷ Available here: <https://www.ifad.org/en/-/document/ifad-policy-to-preventing-and-responding-to-sexual-harassment-sexual-exploitation-and-abuse>

⁴⁸ Available here: <https://www.ifad.org/en/-/document/anti-money-laundering-and-countering-the-financing-of-terrorism-policy>

⁴⁹ Available here: <https://www.ifad.org/en/secap>

funded projects implemented by the SPIU. A Procurement Officer will be recruited to support the procurement functions under the PSAC project and will be reporting to the Head of Procurement of SPIU. The Procurement Officer's procurement related responsibilities will therefore be supervised by the Head of Procurement of SPIU. At the NAEB institutional level, for the purposes of maintaining sound administrative oversight, the Procurement Officer will be supervised by the NAEB Chief Finance Officer.

388. For better coordination, the Procurement Officer will be stationed at NAEB offices in order to coordinate with the rest of the project team.

389. **Implementation Arrangements.** The PSAC project will be implemented using shared responsibilities between the NAEB and the SPIU. This will ensure that both institutions share their synergies for seamless implementation. IFAD will provide fiduciary oversight and advice during the implementation.

- **Chief Budget Manager(CFO)** NAEB will approve the final contract awards and also sign all the contracts.
- **SPIU Coordinator** will approve all processes from publication to the provisional notification.
- **Head of Procurement of SPIU** will coordinate all the procurement activities ensure that they are carried out efficiently to achieve value for money and that all requests submitted are eligible and in accordance with the IFAD Project Procurement Guidelines and requirements as well as the National Procurement Law. She/he will prepare all no-objection request for transmission to IFAD and will act as the liaison for all procurement related correspondences with IFAD.
- **Procurement Officer** will support the project team to initiate procurement activities starting from the procurement plan, providing inputs to the development of Terms of Reference and Specifications and processing all procurement transactions through the e-procurement platform and supporting the Tender Committee. ToR of the procurement officer is attached in Annex I.

390. **Tender Committee.** A tender committee will be constituted for the PSAC project. The tender committee will be drawn from the technical staff of the PSAC project and will work as established by the Law governing public procurement management in Rwanda Law n° 62/2018 of 25/08/2018. As provided in the Procurement Law Article 10, Public tender committee for the PSAC project will perform the following functions; (i) evaluate bids; (ii) recommend tender award; (iii) provide recommendations on all issues relating to public procurement; (iv) provide advice on tender documents before their publication; (v) recommend tenders to be awarded; (vi) make recommendations on any change to be carried out on the procurement contract.

391. **E-Government.** For more efficiency and transparency, the GoR has developed an electronic procurement system currently operating under e-government⁵⁰. All procurements for goods, services, works and no-consulting services will be handled through the platform

⁵⁰ Available here: <https://umucyo.gov.rw/>

these will include and not limited to: advertising, submission of bids, opening of bids, evaluation of bids, contract negotiation, contracting etc.

392. **Contract Management.** All contract management activities will be managed by the technical staff of the project who will ensure compliance with the conditions of the contract. The project will be responsible for ensuring that all goods are delivered as agreed in the contract and milestones are met within the established timeline. Any amendments to the Contracts shall be handled by the tender committee as required by the established law and also in compliance with IFAD procurement guidelines.

393. **Supervision.** The overall supervision of Public Procurement activities is vested in the Rwanda Public Procurement Authority (RPPA). One of the key mandates of the organization is to ensure organization, analysis and supervision in public procurement matters. In this regard, the RPPA will provide the procurement supervision to the PSAC project as provided by law. IFAD will be responsible for supervision of procurement activities through the reviews required for no-objection requests. IFAD will also undertake post review supervision for activities below the applicable prior review thresholds. Procurement supervision will also be done during scheduled project supervision missions. Day to day supervision of procurement activities at the project level will be undertaken by the Head of Procurement of SPIU. Refer to Annex IV for the Supervision Plan.

394. **Capacity Development.** Capacity development in procurement is key towards the achievement of the fundamental principles of transparency, competition, economy, effective, efficient and fast work, fairness and accountability. IFAD will ensure that new procurement staff recruited to the PSAC project receive relevant training while at the same time updating the existing skills of staff working at the SPIU. The main objectives of capacity building will be to increase skills in procurement management of IFAD staff that are involved in procurement. Capacity in procurement will be delivered using the following methodologies:

1. Technical Assistance support in procurement which will be provided during scheduled project supervision mission as follows:
 - Ascertain procurement capacity within the PMU, availability of dedicated staff, and the adequacy of their experience and qualifications.
 - Assess procurement staff training needs and ensure that relevant training is planned and provided to them in a timely manner, before or during the project start-up workshop. Assess need for and ensure timely delivery of more basic/general training for other PMU staff.
 - Ensure procurement principles, provisions and procedures as stipulated in the IFAD Project Procurement Guidelines and Procurement Handbook, Financing Agreement and Letter to the Borrower, PIM, standard templates (e.g. bidding documents for goods, works and services) and related systems are available and fully explained to procurement and project management staff
2. Structured training which will be organized and delivered by the IFAD East and Southern African Division.
3. BUILD PROC Programme, which is a capacity-building programme in procurement for agricultural and rural development. The programme offers **relevant, comprehensive, accessible and sustainable certification programme** in procurement to procurement officers working for agricultural and rural development. New staff will be encouraged to enroll into the programme.

395. Procurement methods and IFAD prior review thresholds. Proposed methods of procurement for goods, works, consulting services and related non-consulting services, as well as the IFAD prior-review thresholds will be laid out in the Letter to the Borrower of PSAC as may be amended from time to time.

396. The procurement section of this PIM has a dynamic nature. It will be reviewed and updated periodically based on lessons learned during implementation and on developments that may occur during the Project's life. Any changes/amendments to the procurement section will be made in order to improve the Project's efficiency and effectiveness and will be subject to IFAD's No-Objection. See table 62 – Procurement and Prior Review Thresholds.

Table 65 Procurement and Prior Review Thresholds in USD

Prior Review Thresholds				
Category	Goods and goods-related Non-Consulting Services	Works and works-related Non-Consulting Services	Consulting Services and related Non-Consulting Services and/or MoU/Agreements	Individual Consultants
Threshold	≥ US\$ 100,000.00	≥ US\$ 200,000.00	≥ US\$ 80,000.00	≥ US\$ 40,000.00
Procurement Method Thresholds				
	CQS	QBS/LCS/FBS	QCBS	ICS
Consulting Services and related Non-Consulting Services	≤ US\$100,000	< US\$200,000	≥ US\$200,000	ICS is to be used for all selection for individual consultants, regardless of value
	Shopping		NCB	ICB
Goods and goods-related Non-Consulting Services	≤US\$3,000		>US\$3,000 to <US\$250,000	≥ US\$250,000
Works and works-related Non-Consulting Services	≤US\$3,000		>US\$3,000 to <US\$1,000,000	≥ US\$1,000,000

* All Direct Contracting and Single-Source Procurements are **Prior Review** (in alignment with IFAD Procurement Handbook), or based on the thresholds stipulated in the LTB

** The exchange rate at time of submission will be used for reviews.

SECAP Assessment Risks relevant to Procurement

397. Procurement under the PSAC project will be undertaken in such manner to reduce the risks identified in the SECAP Guidance to the SPO throughout the procurement cycle. These will cover specific actions in procurement process including, but not limited to the following:

- Technical specifications to include list/reference to all approved chemicals in tender documents; Use of ethically sourced materials; use of only allowable chemicals; use of WHO-FAO approved pesticide and WHO-FAO codes for safe labelling, packaging, handling, storage, application and disposals of pesticide are respected;
- Procurement of raw materials will be carried out in an ethical manner as the instructions to be included in the related bidding documents;
- Suppliers of fertilizer and pesticides will be required to operate in accordance with SECAP standard 2 (reference to the exclusion list); To include evaluation of proposed Pest Management Plans by the bidders as necessary.
- Integration of environmental and social safeguard criteria in the selection of service providers, including microfinance institutions.
- Agreements with Participating Financial Institutions should include a requirement for a functional ESMS.
- Contractors/suppliers adhere to the relevant labour laws, ensure compliance to national and international laws on Labour, including prohibition of child labour by referring to the directives of the ILO on the minimum working age and available National Labour Law;
- Compliance to occupational safety and health (OSH) requirements including Safety and health training on the proper use and maintenance of personal protective equipment;

398. Contractors, suppliers and service providers will be required to respect the IFAD Policy to preventing and responding to sexual harassment, sexual exploitation and abuse and mandatory references to safe policies will be included in the bidding documents and contracts entered into.

Integration of SECAP risks into Procurement plans

Introduction

399. This section provides indication to the SPO on the SECAP risks to be incorporated into procurement plans. While the general integration of SECAP requirements into procurement documents is described into ANNEX 4, Volume 1 of the SECAP, the project specific risks are as identified by the SECAP online tool. The ES specialist has identified, through the SECAP environmental and social screening checklist, the issues in the table below that need to be mitigated through procurement. In case the SPO has ambiguity as to the guidance provided by the ES specialist in the rightmost column of the below Results Table, then the SPO will need to collaborate with the ES specialist and relevant members of the PDT in order to reach an agreement as to how these ES issues can be dealt with best through procurement mitigation measures that the Borrower must be required to put in place with respect to procurement parameters like:

1. Technical Specifications
2. Bidder Qualification
3. Bid Evaluation Criteria
4. Contract Clauses

400. For Example, if use of harmful types of pesticide is an issue in the project area, then it can be dealt with through the specifications of the pesticide and both the ES specialist and

the SPO will agree that the project will use a "WHO-FAO approved pesticide and that WHO-FAO codes for safe labelling, packaging, handling, storage, application and disposals of pesticide are respected". If the project involves work in a sensitive cultural heritage area or an area where biodiversity is to be protected, then the successful past experience of the contractor in working in such zones is critical and the ES specialist will select "Bidder qualification" and "Bid Evaluation Criteria". If labour conditions or indigenous peoples' rights are often compromised in the project's area, then the ES specialist may select "Contract Clauses" and give whatever further guidance is possible for SPO. If deforestation or extensive use of natural resources in the project area is an issue identified by the ES specialist, then the ES specialist will chose "specifications" and "Bid Evaluation Criteria" and agree with the SPO to specify legally-harvested timber (or timber certified with the relevant label) and agree as to the evaluation criteria to be used to promote resource efficiency (e.g. evaluation criteria to favour energy efficient pumps, efficient transformer sub-stations, fuel saving equipment etc.).

401. The ES specialist, relevant members of the PDT and the SPO will need to consult together and pool their collective expertise in the various disciplines in order to arrive at the right mitigation measures to be reflected in the PRM. In this manner downstream work by the SPO in prescribing the project requirements for the Procurement Plan (PP) and PDR are facilitated and can be readily reflected in the PIM and the choice of bidding documents and contract provisions.

Environmental and Social Safeguards			
Resource Efficiency and Pollution Prevention	Risk Rating	Consequence	Guidance for SPOs
2.1 Could the project involve or lead to the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	Moderate	Moderate Pollutants may possibly be released, either routinely or by accident, but treatment systems are proven and verified. Receiving environment is highly sensitive.	Agricultural productivity activities in the selected value chains will result in the increased use of agrochemicals. Technical specification and bid evaluation criteria to include list/reference to all approved chemicals in tender documents. Waste handling facilities to be included.
2.4 Could the project involve or lead to significant consumption	Moderate	Moderate The project will require consumption of raw materials, energy, and/or	Procurement of raw materials will be carried out in an ethical manner as the instructions to be

of raw materials, energy, and/or water?		water. This will be a significant component of the project, but impacts can be appropriately managed.	included in the related bidding documents
2.6 Could the project involve inputs of fertilizers and other modifying agents?	Moderate	Moderate The project requires use of fertilizers, but options are available to replace polluting fertilizers with alternatives.	Agricultural productivity activities in the selected value chains will result in the increased use of agrochemicals. Suppliers of fertilisers will be required to operate in line with SECAP safeguard standard 2 List/ refer to all approved chemicals in tender documents
2.7 Could the project involve or lead to procurement, supply and/or result in the use of pesticides on crops, livestock, aquaculture or forestry?	Moderate	Moderate The project requires use of pesticides, but options are available to replace potentially polluting pesticides with alternatives.	Agricultural productivity activities in the selected value chains will result in the increased use of agrochemicals. The project will not supply or procure pesticides that contain active ingredients that are banned or restricted under applicable international treaties and agreements, or meet the criteria of carcinogenicity, mutagenicity or reproductive toxicity as set forth by relevant international agencies. Refer to the list of approved pesticides in the tender documents
Cultural Heritage	Risk Rating	Consequence	Guidance for SPOs

3.1 Could the project be located in areas that are considered to have archaeological (prehistoric), paleontological, historical, cultural, artistic, and religious values or contains features considered as critical cultural heritage?	Moderate	Moderate <p>The project is thought to be close to an area that is considered to have archaeological (prehistoric), paleontological, historical, cultural, artistic, and religious values or contains features considered as critical cultural heritage. The site has not been surveyed, and so the presence of cultural heritage is not well known.</p>	<p>Agricultural production may include expansion into new areas</p> <p>The project will operate within SECAP standards requirements for Cultural Heritage and be on the lookout for chance finds.</p>
3.4 Could the project involve or lead to adverse impacts to sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	Moderate	Moderate <p>The project is thought to be close to an area that is considered to have archaeological (prehistoric), paleontological, historical, cultural, artistic, and religious values or contains features considered as critical cultural heritage. The site has not been surveyed, and so the presence of cultural heritage is not well known.</p>	<p>Agricultural production may include expansion into new areas</p> <p>The project will operate within SECAP standards requirements for Cultural Heritage and be on the lookout for chance finds.</p>
Labour and Working Conditions	Risk Rating	Consequence	Guidance for SPOs
5.1 Could the project operate in sectors or value chains that are characterized by working conditions that do not meet national labour laws or international commitments? (Note:	Substantial	Moderate <p>The project operates in sectors or value chains that have, in the past, not met national labour laws, or international commitments, but is now</p>	<p>Measures relating to working conditions, labour laws, and international commitments will be included in the technical specifications of bidding documents and contractors will be</p>

<p>this may include discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants)</p>		<p>adequately nationally regulated. However, international value chains are not regularly audited for environmental or social performance.</p>	<p>required to abide by them.</p>
<p>5.4 Could the project: (a) operate in a sector, area or value chain where producers and other agricultural workers are typically exposed to significant occupational and safety risks, and/or (b) promote or use technologies or practices that pose occupational safety and health (OSH) risks for farmers, other rural workers or rural populations in general? (Note: OSH risks in agriculture might include: dangerous machinery and tools; hazardous chemicals; toxic or allergenic agents; carcinogenic substances or agents; parasitic diseases; transmissible animal diseases; confined spaces; ergonomic hazards; extreme temperatures; and contact with dangerous and poisonous animals, reptiles and insects. Psychosocial hazards might include violence and harassment.)</p>	<p>Substantial</p>	<p>Moderate The project operates in a sector, area, or value chain where workers are occasionally exposed to significant OSH risks, and where regulation is known to be weak or non-existent.</p>	<p>Measures relating to OSH, aimed at protecting project workers from injury, illness or impacts associated with exposure to hazards encountered in the workplace or while working will be included in the technical specifications of bidding documents and contractors will be required to abide by them</p>

Community Health, Safety and Security	Risk Rating	Consequence	Guidance for SPOs
6.7 Could the project lead to the potential for gender-based violence, including sexual harassment, exploitation and abuse, as a result of labour influx, land redistribution, or other actions that alter community dynamics?	Moderate	Minor Minor changes to community dynamics. Resulting serious recorded cases of gender-based violence and/or sexual exploitation. Gender-based violence protocols in place.	Contractors, suppliers and service providers will be required to respect the IFAD Policy to preventing and responding to sexual harassment, sexual exploitation and abuse and mandatory references to safe policies will be included in the bidding documents and contracts entered into
6.8 Could the project lead to increases in traffic or alteration in traffic flow?	Low	Negligible The project will not lead to an increase in traffic, or alteration of traffic flow.	The increased productivity and roads to access the market may lead to increased traffic. Traffic rules applicable in the rural road network will need to be adhered to and road signs installed according to the national regulations.
6.9 Could the project lead to an influx of project workers?	Moderate	Moderate The project is partly dependent on an influx of project workers, but the majority of workers are local. Risks of impacts have been planned for, and protocols are in place	Moderate risks are associated with seasonal labour for the value chains of the project which can be managed through adherence to labour laws and labour management plan of the project
Physical and economic resettlement	Risk Rating	Consequence	Guidance for SPOs
7.4 Could the project result in impacts on or changes to land tenure arrangements and/or community-based property rights/customary rights	Moderate	Moderate The project will result in moderate changes to land tenure arrangements and/or community-based property rights/customary	The project will not operate in areas where land tenure issues will be prevalent but will operate within SECAP standards requirements

to land, territories and/or resources?		rights. Legal recourse and other forms of arbitration/conflict resolution are available.	for resettlement procedures. The grievance redress mechanism should be communicated to contractors and communities
Financial intermediaries and direct investments	Risk Rating	Consequence	Guidance for SPOs
8.1 Could the investment be granted to an institution that does not have an environmental and social policies and an associated environmental and social management system (ESMS) in place (transparent, publicly available)?	Moderate	Minor The institution has an ESMS in place. Reports are not publicly available.	Integration of environmental and social safeguard criteria in the selection of service providers, including microfinance institutions. Agreements with Participating Financial Institutions should include a requirement for a functional ESMS
8.2 Could the investment be granted to an institution with insufficient capacities (i.e. unqualified personnel e.g. ES Officer) to implement the ESMS?	Moderate	Minor The institution employs an ES Officer, and employs field staff to implement the ESMS.	Agreements with Participating Financial Institutions should include ensure the institution has capacity to effectively implement ESMS

PART IV: ANNEXES

ANNEX 1: DRAFT ToRs OF PROJECT STAFF

The following ToRs are to complement the PSAC project staff that to be recruited by NAEB.

(1)ToRs for Operation Manager

Roles and responsibilities

- Main duties: Under the direct authority of the CEO/NAEB and the Project National Steering Committee of the Project, the Operations Manager is in charge of the overall management of PSAC's activities. S/he will respect all financing agreements signed between the Government of Rwanda, SPIU MINAGRI and the External International Donors and any subsequent official documented agreements related to the management of the Project (Aide mémories of missions, back-to-office reports, evaluation reports, mid-term reviews, etc.). S/he will report to the authorities mentioned in the above agreements and will issue the financial statements and physical progress reports timely and in the recommended formats.
- Specific Duties:
 - a) Project development, including:
 - providing orientations for the development of the Project strategy and methodology;
 - guiding the development of the most appropriate implementation tools and management methods to ensure Project performance, in accordance with national policies and with the financing agreements;
 - ensuring coordination and team working of PSAC staff, local actors and programme partners within RAB and outside;
 - liaising with SPIU team and coordinate with district teams for smooth implementation of the project;
 - ensuring appropriate synergies between Project components to maximise their impact;
 - ensuring timely programme reviews, preparation of draft AWPB as well as draft exit strategy for PSAC.
 - b) Project implementation, including:
 - supervising the implementation of Project activities in accordance with the financing agreements, with the decisions of the National Steering Committee and with the agreements with IFAD;
 - ensuring that project targeting strategy is properly implemented;
 - supervising the preparation, negotiation and oversight of memoranda of understanding, agreements and other contracts with project partners and services

- providers;
- ensuring and overseeing the implementation of the gender action and youth engagement plan;
 - preparing annual work plans and budgets, and progress and thematic reports;
 - executing the approved budget, and ensure payments;
 - identifying areas which require support from external consultants, and recruiting them;
 - guiding the efforts of consultants, experts and contractors towards the realization of planned Project outputs and evaluating their performance;
 - providing overall leadership to eight specialists (M&E, coffee, tea, horticulture, gender and social inclusion, access to finance, environment and KM) and coordinate accounts and procurement division. and coordinate with accounts and procurement officers to ensure their timely inputs to meet the project objectives and outputs;
 - in association with KM specialist, organize regular learning programme events and
 - coordinating and managing the inputs of the PSAC staff into preparation of the AWPB, monitoring activities and supporting supervision and follow-up missions and the mid-term review.
- c) Project monitoring, including:
- overseeing the setting up process and effective operation of the M&E system;
 - ensuring the solid internal use of the M&E system;
 - ensuring the timely preparation of progress and financial reports;
 - Project external relations, including the coordination of activities with other projects pursuing similar objectives, within and outside Rwanda;
 - Project administrative management, including i)reviewing and approving pre-selection of project partners, bidding documents, job descriptions and terms of reference for PSAC staff and external services providers; ii)supervising and managing PSAC staff (up to their full integration in the RAB units);iii) maintaining internal transparency for the most important technical and project management decisions through regular meetings with PSAC staff; iv) ensuring proper use and conservation of Project assets, in line with the national legislation and financial agreements.

Outputs (expected results):

- Project general objective, specific objectives and project activities timely and progressively reached within the frame of the financial agreements;
- Planning and budgeting process implemented timely on a participatory approach;
- Project financial and physical progresses available to the MINAGRI Programme 3 and to all project partners on a regular basis as per national rules and regulations and in accordance with the provisions of the financial agreements;
- Disbursement procedures respected and adequate and appropriate percentage of disbursement of funds per year, per component or sub-component compared to the AWPBs and to the indicative final design report;
- Project impact information regularly updated and available to all project partners for measuring the results of the project for all components;

- Good communications with all project partners, including the project staff;
- Faculty of development and argumentation of new strategies to reach the global objective of the project and the mission or vision statement of RAB;
- Excellent relations with the parent ministry, donors and other ministries sector.

Qualifications

- A university degree, preferably in economics, agricultural economics, management or business administration. Practical experience of at least 10 years in project management and planning, in or with internationally financed multi rural sectorial projects. Proven skills in commercial negotiations, communications and management of human resources. Fluent in English or French (reading, writing and speaking) with a very good knowledge of the second language (French or English). Fluent in Kinyarwanda. Sound computer skills in major software (MS Office, email and internet). Working under pressure and meet deadlines in an interdisciplinary team.

(2) ToRs for Coffee Specialist

Main duties:

- The Coffee Specialist reports initially to the Program Manager of Value Chain Development. S/he will have the responsibility of all activities related to the Coffee VC and provide technical and institutional support to its implementation. Specifically, s/he will:
 - Guide and participate in the preparation of the component Annual Work Plan and Budget (AWPB);
 - Provide technical support to project partners in coffee development, market analysis and capacity building to establish strong organisational structures and effective marketing systems;
 - Ensure project targeting strategy is properly implemented in Coffee VC interventions.
 - Provide support to cooperatives and groups with regard to market orientation;
 - Support establishment and functioning of public private producer partnerships (4 Ps);
 - Ensure timely availability of quality and affordable inputs (seedling, fertilizer etc.) to farmers;
 - Facilitate development of innovations to transform smallholder production and marketing into sustainable and resilient profitable enterprises;
 - Facilitate empowerment of key actors in the coffee value chain to operate efficiently and profitably;
 - Facilitate systems for the generation and dissemination of market information;
 - Facilitate the establishment and strengthening of producer and trade associations to increase their bargaining power in the input-output market continuum;
 - Facilitate the establishment and functioning of coffee Coordination Platforms;
 - Facilitate the provision of financial services, input supply and other business

- services to coffee actors;
- Participate in developing and operating the Project M&E activities and the project learning system (PLS).

Minimum Qualifications:

- Masters degree in the relevant field (agronomy, agriculture, international rural development), preferably MBA Marketing;
- 5 years of experience in a similar job specifically in the coffee sector; experience in project management, implementation, M&E, research, value chain development and business oriented approach for economic development;
- Proven experience working with the private sector to build and sustain mutually beneficial market linkages, preferably with experience working in the private sector;
- Strong coordination, networking and relationship building skills;
- Excellent communication, presentation, writing and negotiation skills;
- Organized, punctual and attention to detail oriented;
- Fluent in English or French (reading, writing and speaking) with very good knowledge of the Second language (French or English). Fluent in Kinyarwanda;
- A team player and have ability to work in team setting, taking initiatives and performing multiple tasks;
- Proficient in use of MS Office (Word, Excel and PowerPoint);
- Able to travel to project sites.

(3) ToRs for Tea Specialist

Main duties:

- The Tea Specialist reports initially to the Program Manager of Value Chain Development. S/he will have responsibility of all activities related to the Tea VC development and provide technical and institutional support to its implementation. Specifically, s/he will:
 - Guide the participatory preparation of the component Annual Work Plan and Budget (AWPB);
 - Provide technical support to project partners in tea development, market analysis and capacity building to establish strong organisational structures and effective marketing systems;
 - Ensure project targeting strategy is properly implemented in tea VC interventions.
 - Provide support to cooperatives and groups with regard to market orientation;
 - Support to the establishment and functioning of public private producer partnerships (4Ps);
 - Ensure timely availability of quality and affordable inputs (seedlings, fertilizer etc.) to farmers;
 - Facilitate development of innovations to transform smallholder production and marketing into sustainable and resilient profitable enterprises;
 - Facilitate empowerment of key actors in the tea value chain to operate efficiently and profitably;
 - Facilitate systems for the generation and dissemination of market information;

- Facilitate the establishment and strengthening of producer and trade associations to increase their bargaining power in the input-output market continuum;
- Facilitate the establishment and functioning of Tea Coordination Platforms;
- Facilitate the provision of financial services, input supply and other business services to tea actors;
- Participate in developing and operating the Project M&E activities and the project learning system (PLS).

Minimum Qualifications:

- Bachelor degree in the relevant field (agronomy, agriculture, international rural development);
- 5 years of experience in a similar nature of jobs specifically in tea sector: experience in project management, implementation, M&E, research, value chain development and business-oriented approach for economic development;
- Proven experience working with the private sector to build and sustain mutually beneficial market linkages, preferably experience working for the private sector;
- Excellent writing skills;
- Strong coordination, networking and relationship building skills;
- Excellent communication, presentation and negotiation skills;
- Organized, punctual and detail oriented;
- Fluent in English or French (reading, writing and speaking) with very good knowledge of the Second language (French or English). Fluent in Kinyarwanda;
- Ability to work in team setting, taking initiatives and performing multiple tasks;
- Proficient in use of MS Office (Word, Excel and PowerPoint);
- Able to travel to project sites.

(4) ToRs for Horticulture Specialist

- The Horticulture Specialist reports to the Operations Manager. S/he will have responsibility of all activities related to the Horticulture VC development and provide technical and institutional support to its implementation. S/he will:
 - Participate in the participatory preparation of the component Annual Work plan and Budget (AWPB);
 - Provide technical support to project partners in horticulture development, market analysis and capacity building to establish strong organizational structures and effective marketing systems;
 - Ensure project targeting strategy is properly implemented in horticulture VC interventions;
 - Provide support to cooperatives and groups with regard to market orientation;
 - Support to the establishment and functioning of public private producer partnerships (4Ps);
 - Ensure timely availability of quality and affordable inputs (seedlings, fertilizer etc.) to farmers;
 - Facilitate development of innovations to transform smallholder production and marketing into sustainable and resilient profitable enterprises;

- Facilitate empowerment of key actors in the horticulture value chain to operate efficiently and profitably;
- Facilitate systems for the generation and dissemination of market information;
- Facilitate the establishment and strengthening of producer and trader associations to increase their bargaining power in the input-output market continuum;
- Facilitate the establishment and functioning of Value Chain Coordination Platforms;
- Facilitate the provision of financial, input supply and other business services to value chain actors;
- Participate in developing and operating the Project M&E activities and the project learning system (MIS).

Minimum Qualifications:

- Master's degree in the relevant field (agronomy, agriculture, international rural development), preferably MBA Marketing;
- 3 years of experience in a similar nature of jobs specifically in coffee/tea/horticulture sector; experience in project management, implementation, M&E, research, value chain development, and business-oriented approach for economic development;
- Proven experience working with the private sector to build and sustain mutually beneficial market linkages, preferably experience working for the private sector.
- Excellent writing skills;
- Strong coordination, networking and relationship building skills;
- Excellent communication, presentation and negotiation skills;
- Organized, punctual and detail oriented;
- Fluent in English or French (reading, writing and speaking) with very good knowledge of the second language (French or English). Fluent in Kinyarwanda;
- Ability to work in team setting, taking initiatives and performing multiple tasks';
- Proficient in use of MS Office (Word, Excel and PowerPoint);
- Able to travel to project sites.

(5) ToRs for Gender and Social Inclusion Officer

Roles and responsibilities

- Under the general supervision of the project director, the project targeting and gender specialist will perform activities in five main areas to mainstream social inclusion.

Project implementation

- Advise and support the project manager, other members of the PMU and field officers in the effective mainstreaming of targeting, gender and social inclusion in project activities.
- In close collaboration with the PMU, develop full targeting and gender strategies and action plans to be updated regularly.

- Work with each specialist in the PMU in critically reviewing project design to see how each component or subcomponent addresses gender issues, and identify opportunities for strengthening implementation from a gender perspective.
- Review basic project implementation processes to provide feedback and suggestions on how to achieve the best possible project outcomes with respect to targeting, gender equality and women's empowerment, and social inclusion.
- Ensure that activities of the targeting and gender strategies are reflected in the following: i) Preparation of the AWPB; ii) Design and implementation of the project M&E system; iii) Project progress reports; iv) Project supervision
- Participate in the development of detailed TORs and tender documents of national and local service providers to various project components to ensure that target groups will be able to participate effectively in all components and meet the project's targets.

M&E and knowledge management

- Together with M&E and knowledge management staff, establish an M&E system that captures and analyses disaggregated data on gender and social inclusion.
- Document and share M&E, learning and communication products.
- Analyse data to ensure that there are no adverse impacts on target groups as a result of project implementation, and suggest remedial measures if necessary.

Capacity-building

- Undertake regular capacity assessment on gender and social inclusion issues and provide capacity-building for staff at the field level, PMU, implementing partners and service providers.

Communication

- Liaise with the IFAD country office and gender team on questions regarding gender in implementation, knowledge-sharing and other aspects.
- Serve as a channel of communication between the project and others working on gender issues in government, implementing agencies, other development projects and IFAD.
- Help project colleagues access the information they may need on gender issues and share good practices.

Advocacy and networking

- Be familiar with gender policies of the institutions linked to the project, including national policies and those of ministries, implementing institutions and financing agencies, including IFAD.
- Establish linkages with other gender, women's or social inclusion programmes implemented by national, international and intergovernmental agencies.

- Present evidence-based information on good practices in gender equality and women's empowerment in national forums.

(6) ToRs for Procurement Officer

Place of assignment: Kigali, Rwanda

Duties and reporting lines: Reporting to the Head of Procurement Department of the SPIU, the Procurement Specialist will be in charge of all procurement processes carried out under PSAC Project, from the identification of the need to the completion of the contract.

Tasks and responsibilities

- Establish and regularly update a data base of technical specifications of goods to be acquired by the project and a data base on suppliers, service providers, contractors for tendering process;
- Prepare bidding documents and requests for proposals;
- Undertake publication formalities and/or send the bidding documents to prospective bidders;
- Attend any bid opening sessions and establish attendance and opening session reports in close collaboration with project parties and with project internal tender committee;
- Organize the panel of evaluation of bids or proposals;
- Attend the evaluation team of bids as non-scoring member and assist with the elaboration of evaluation reports;
- Communicate with RPPA, NAEB and IFAD through the Head of Procurement Unit for all problems pertaining to the procurement process;
- Organize the reception of goods and works delivered by the suppliers and contractors (Client's certificate of reception);
- Carry out any other assignment or relevant duties in the field of his/her competences as may be assigned by the PC and the Authorities.

Outputs

- Effective and efficient procurement process of acquisition of goods services and works at the PMU level and respect of the basic principle of the best value for money.
- Pragmatic and systematic filing system of procurement documents at the PMU level;
- Reception of goods and works in accordance with the technical specification and the bidding documents;
- Full satisfaction of participants in workshops, seminars, travels on the practical dispositions taken for their organization including payment of allowances and board and lodging conditions.

Competencies

- Possess competencies in public procurement and contract management;

- Possess the ability to give sound advice on procurement issues that would impact on the project's financial and physical performance;
- Good communication and interpersonal skills required;
- Strong personal management and communication skills;
- Excellent knowledge of MS Office, internet use and procurement databases.
- Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability;
- Highest standards of integrity, discretion and loyalty

Qualifications and experience

Education

- Bachelor's Degree in Procurement/Supply Chain Management/Economics/Accounting/Finance or other relevant degree;
- Master's Degree in Procurement or any related field is an advantage;
- Professional qualification in procurement from an internationally recognised and accredited institution (i.e. CIPS) desired.

Experience

- At least 8 years of experience in project procurement funded by international organizations, preferably international development partners;
- At least 5 years' experience in effectively managing teams;
- Extensive knowledge of IFAD procedures is an advantage.

Language Requirements

- Fluency in written and spoken English and Kinyarwanda;
- Demonstrated capacity to produce high quality technical reports.

Duration of the assignment: The duration of the assignment will be one year, renewable depending on satisfactory performance.

(7)ToRs for Environment Specialist

Tasks and Responsibilities

Specific responsibilities and duties will cover four main areas of activity:

Area (1):

- Support, manage and co-ordinate the project's SECAP risk management issues to ensure the implementation of the Environmental, Social and Climate Management Framework (ESCMF), Climate Risk Assessment (CRA), sub-project site specific Environmental and Social Management Plans (ESMPs), Environmental Checklists, Integrated Pest Management Plans (IPMPs), etc.
- Evaluate needed updates as necessary to ensure that the project SECAP risk management instruments are always up to date, and

- Manage procedures including the establishment of an appropriate field structure in conjunction with the district level environmental officers, to ensure the appropriate level of support to technical personnel;

Area (2):

Establish a Grievance Redress Mechanism/ feedback mechanism and advising the NAEB and key stakeholders in the best practice of monitoring and reporting on the social and environmental impact of the project.

Area (3):

Support in the co-ordination of capacity building and training activities to ensure the principles and procedures for Environmental, Social and Climate Management Framework (ESCMF) are well understood and complied with by stakeholders.

Area (4):

Advise/guide the consultancy firms recruited to develop the SECAP risk management Instruments (ESCMF, ESMPs, IPMP, ERA, etc) on appropriate standards in line with IFAD's SECAP and the Government of Rwanda Environmental standards. Detailed responsibilities under each area are listed below:

Area (1): Project SECAP risk management instruments Implementation support

- Continuously review and update the developed project SECAP risk management instruments in line with current SECAP developments;
- Support the NAEB in the co-ordination, management and implementation of the project SECAP risk management instruments in compliance with the SECAP Policies and the Government of Rwanda Environmental standards.
- Support the NAEB in the development and rolling out of a SECAP risk management monitoring and reporting system against the Environmental and Social Management Framework (ESCMF) provisions.
- Support the project line ministries, and all responsible parties to achieve the maximum SECAP risk management efficiency in their assigned tasks;
- Support the project to ensure that safety and health concerns of the workers and the general public are addressed during pre- construction, construction and implementation phases of the project civil works;
 - Provide assistance to NAEB and applicant communities in screening of proposed sub-projects and assigning environmental category;
 - Visit proposed sub-project sites to assess baseline conditions and potential site-specific impacts;
 - Advise on anticipated environmental impacts and possible mitigation measures, and on the relevant type of environmental review to be undertaken and documentation to be prepared (e.g. sub-project specific Environmental Assessment and/or Environmental Management Plan);

- review sub-project specific environmental documentation and give recommendations as needed, to applicant communities and designers, for finalizing the documents;
- Participate in evaluation of sub-project proposals and advise on environmental eligibility and acceptability of proposals, based on guidance provided in the ESCMF and on personal experience;
- Working with NAEB Procurement staff, ensure that environmental compliance is incorporated as appropriate in contracts for goods and services (mainly civil works contracts) and ensure that contractors are fully aware of their responsibilities in this regard;
- During implementation of the approved sub-projects, undertake regular environmental monitoring and supervision in order to verify whether and how provisions of the project ESCMF and sub-project specific ESMPs are followed by all relevant stakeholders (designers, contractors, beneficiaries);
- Report regularly to the NAEB Coordinator in writing on the results of monitoring visits, promptly identify any environmental issues or cases of incompliance, and make recommendations for dealing with those issues. In conjunction with the NAEB Coordinator, discuss compliance status and measures to re-establish compliance with contractor s and/or beneficiaries as appropriate, including agreeing on specific steps and timing for any remediation/corrective actions;
- Closely collaborate with technical staff and engineers of the PIU to ensure that environmental measures are incorporated at all stages of sub-project preparation and implementation, including site selection, sub-project design, preparation and evaluation of bidding documents and bids, preparation and supervision of contracts;
- Provide contribution to the NAEB's regular progress reports on the project implementation.

Area (2): Establish a Grievance Redress Mechanism in Line with the ESCMF requirements.

- Develop the project grievance redress/feedback mechanism and design the complaints register using an established methodology in consultation with the NAEB;
- Co-ordinate the formation of Grievance Redress Committees before the commencement of construction or any identified potentially impactful activities to resolve issues;
- support the establishment and training of a selected focal person within the NAEB to handle Grievance Redress issues and facilitate the resolution of issues;
- Technically support the NAEB in creating awareness of the Grievance Redress Mechanism amongst all the stakeholders through public awareness campaigns; and support dissemination of information to the concerned local communities as proposed in the ESCMF.
- Develop a system to document information on grievances and redress and progress for monthly/quarterly reporting.

Area (3): Support in the co-ordination of training and awareness raising activities

- Support in the efficient co-ordination regarding SECAP Instruments considerations to be taken into account in the sub-project preparatory activities;
- Support the identification of the capacity and training needs of the NAEB, the Ministry, District Offices and other Responsible Parties regarding:
 - Training all farmers in proper Fertiliser application regimes and encouragement to use organic fertilizers
 - Training the Farmers in climate change adaptation approaches
 - Training the cooperatives in Group Dynamics, Gender equality, youth engagement and other socially related subjects.
 - Training of SPIU, NAEB, NAEB District Focal Persons, District Administration Staff, Proximity Extension Staff and farmers in Environmental and natural resources Management, Waste management, etc
 - Training in Pesticides, and integrated pest management
- Advise on the co-ordination of the delivery of the requisite training.

Area (4): Advise/guide the consultant firms firms recruited to develop the SECAP risk management Instruments (ESCMF, ESMPs, IPMP, ERA, etc) on appropriate standards in line with IFAD's SECAP and the Government of Rwanda Environmental standards

- Supervise the development of the requisite SECAP risk management Instruments (ESCMF, ESMPs, IPMP, ERA, etc) for the PSAC.
- Provide guidance to the firms to ensure that the SECAP risk management Instruments identify and assess social and environmental impacts of the project and its area of influence; evaluate alternatives; consider appropriate avoidance, mitigation, management, and monitoring measures; address all relevant issues related to the SECAP Policies and Standards;

Qualifications and Experiences

Key Qualifications:

To adequately address the core issues of this position, the Environmental Specialist should possess the following:

- Master's degree or above in environment, sociology, economics, development, or a closely related field.
- At least seven years of experience related to social and environmental standards and impact assessment in an international development context.
- Technical background and experience in developing safeguards for agriculture, land use and management projects.
- Knowledge of Human rights (including human rights-based approach and human rights impact assessment); gender equality and women's empowerment (including gender mainstreaming and gender analysis).

- Demonstrated knowledge of cultural heritage (including chance find procedures, physical and intangible cultural resources).

Competencies

Functional Competencies:

- Excellent drafting, documentation and communication skills in English.
- Knowledge of Climate Change and project management skills.
- Proven record on similar documentation work at the National level.

Corporate Competencies:

- Promote the highest standards of ethics and integrity.
- Support creativity and innovation.
- Help create an enabling environment for open communication.
- Share knowledge and support a culture of learning.
- Demonstrate fairness and transparency.

Language:

- Fluency in written and spoken English and Kinyarwanda;
- Demonstrated capacity to produce high quality technical reports.

(8) ToRs for Accountant

Key responsibilities and scope of work:

Under direct supervision of the Chief Accountant, the specific duties of the Accountant are as follows:

- Keep the petty cash;
- Capture in the books and file all supporting documents of expenditures paid from the petty cash;
- Prepare all documents that are required for the payment of suppliers' invoices duly approved by his supervisors;
- Take delivery of documents forwarded to the Accounting Department for payment;
- Monthly declaration of withholding tax deducted from suppliers' invoices;
- Any other assignment or relevant duties in the field of his/her competences as may be assigned by his supervisors.
- Verification of supplier's invoices for payment;
- Timely posting of all project accounting vouchers on the accounting software;
- Exercise proper custody of all posted vouchers and other accounting documents;
- Verification and checking of bank statements and accounting software printouts;
- Supervise and direct the accounting and logistical functions, to ensure efficiency;
- Preparation and submission of periodical financial reports on deadlines;
- Preparation of Withdrawal Applications;
- Regular spot check of petty cash fund and other reconciliation reports;
- Timely replenishment of operation account with project bank account;

- Authorisation of payments vouchers;
- Acting on the position of the Chief Accountant in his absence;
- Facilitate financial audits and implementation support missions;
- Regular follow up of smooth functioning of the accounting software, and make contact with ICT staff and software suppliers;
- Submission of account printouts by components to the heads of components for analysis and comments;
- Give advice to management on accounting and administration matters;
- Liaise with bankers for bank matters;
- Any other relevant duties as may reasonably be assigned by the Chief Accountant.

Qualifications:

- At least a specialized degree in accounting and finances from a recognized high school;
- Practical experience of at least 5 years in a project financial management unit and acquainted with accounting procedures in the public administration sector in or with internationally financed projects;
- Previous experience with IFAD procedures and financial regulations would be an added advantage; a good knowledge of computer applications in accounting would be essential;
- Fluency in English or French (reading, writing and speaking) with a very good knowledge of the second language (French or English). Fluency in Kinyarwanda is essential;
- Able to work under pressure and meet crucial deadlines.

Duration: **2 years** renewable upon positive performance assessment with a probation period of 6 months.

(9) ToRs for Access to Finance Specialist

a) Access to Finance Specialist

Main duties s/he will:

- Guide the participatory preparation of the component Annual Work plan and Budget (AWPB);
- Negotiate agreements (and be the contract manager) with BRD Development Fund (BDF) for the performance-based grant facility and the guarantee facility and monitor their implementation;
- Supervise and monitor service providers hired to implement the component. This will include organising the annual panel of clients to assess quality and pertinence of services provided;
- Manage partnership with Financial service providers in Tea Facilitate development of innovative financial services in the Coffee, Tea and Horticulture VCs;
- Ensure project targeting strategy is properly implemented in Coffee VC interventions.
- Provide technical support to project partners in value chain development to ensure access to financial services;
- Participate in Component Steering Committees;
- Participate in developing and operating the Project M&E activities and the project learning system (PLS).

Minimum Qualifications:

- Master's degree in finance, management, economy or related field;
- 10 years of experience in banking/microfinance sector or in financial services project; experience in project management, M&E, research, value chain development, and business oriented approach for rural economic development;
- Proven experience working with the private finance sector;
- Excellent writing skills coupled with strong coordination, networking and relationship building skills;
- Excellent communication, presentation and negotiation skills;
- Organised, punctual and detail oriented;
- Fluent in English or French (reading, writing and speaking) with very good knowledge of the second language (French or English). Fluent in Kinyarwanda;
- Ability to work in team setting, taking initiatives and performing multiple tasks;
- Proficient in use of MS Office (Word, Excel and PowerPoint);
- Able to travel to project sites.

Duration: **2 years** renewable upon positive performance assessment with a probation period of 6 months.

(10) ToRs for M&E Specialist

Main duties: The M&E Specialist will be responsible for monitoring project progress and reporting the project performance, targets in the logical framework for the project. M&E specialist reports to the operation manager. In particular, s/he will:

- Develop and establish a pragmatic and participatory learning system (PLS) within NAEB/SPIU to capture input-output data as well as impact on project development objectives;
- Identify appropriate monitoring indicators for each component (disaggregated data by sex, age) and ensure that they are used in measuring the project progress;
- Systematic collection of monitoring data provided by concerned specialists, collation of the information and compilation of quarterly comprehensive M&E and progress reports;
- Providing feedback to concerned specialists for onward transmission to the cooperatives;
- Analysing data (linking activities to outputs, and outputs to impact) and preparing analytical reports for project management on implementation progress, performance and impact;
- Measuring achievements against targets and measuring the impact of project activities on beneficiaries through agreed indicators and using both data that flows regularly from the MIS system and additional data collected through COI surveys, participatory workshops with the beneficiary groups and participatory impact assessment studies that s/he will organize;

- Coordinating activity planning through AWPBs within NAEB/SPIU in collaboration with relevant project staff, and also monitoring performance of all project stakeholders including service providers;
- Ensuring that all participating institutions and project staff maintain updated records on their activities and feed this information into the overall PLS in accordance with MIS;
- Carrying out regular internal evaluations, so as to give early warning on project performance;
- Assist in the preparation of the experience-based Annual Work plan and Budget (AWPB).

Qualifications:

- Advanced degree in project management, rural development, agricultural economics or business administration. Proven knowledge and practical experience of at least 5 years in project M&E. Fluent in English or French (reading, writing and speaking) with very good knowledge of the second language (French or English). Fluent in Kinyarwanda; Excellent oral and written communication skills; Sound computer literacy (Microsoft office and statistical software), prepared to work in an interdisciplinary team, under pressure and meet crucial deadlines.

Duration: **2 years** renewable upon positive performance assessment and with a probation period of 6 months.

(11) ToRs for Knowledge Management and Communication Specialist

Main duties: The Knowledge Management and Communication Specialist will be responsible for capturing and sharing information on SPIU and NAEB activities. In particular, s/he will:

- Develop and implement processes to ensure that lessons learned and good practice are captured systematically, shared, and used to improve project implementation;
- Ensure documentation and wide sharing of project results;
- Support advocacy efforts through providing evidence of impact gathered through the project learning system (PLS), closely linked to knowledge management activities;
- Set up and facilitate regular feedback to participating cooperatives (separate per value chain) and institutions on project and partner institution performance;
- Establish capacity building needs of key staff, including private and public service providers;
- Develop or adapt relevant tools and processes for SPIU staff to collect, process, analyse, store and share information and knowledge, and ensure relevant staff have the capacity to use them;
- Use information technology for effective knowledge management;
- Develop relevant guidelines for building an institutional culture of learning and sharing;

- Ensure that innovative experiences, learning and good practices are captured, synthesized, documented and shared continuously within the project, within MINAGRI, NAEB and RAB, with the IFAD Country Programme Team (CPT) and with in-country partners, other partners;
- Ensure that lessons and good practice emerging from the project support decision making and policy dialogue;
- Assist the Planning and M&E Officer in the preparation of the experience-based Annual Work plan and Budget (AWPB);
- Provide communication support to project participants, including building understanding of the project objectives and potential benefits;
- Foster broad knowledge-sharing and learning within the Component Steering Committees.

Qualifications:

- Bachelor degree in Information/ Knowledge Management, Information Science or agronomy; At least 5 years of relevant experience in information management. Demonstrated experience in developing and managing information systems and in training users in their use; Sound understanding and awareness of issues relating to the access and use of information and knowledge in Africa and a good understanding of the development environment; Strong analytical and problem solving skills (creative, innovative, persistent and resourceful) to develop and build functioning information system and monitoring tools; Excellent oral and written communication skills; Demonstrated knowledge and experience of team building concepts; a team player with excellent interpersonal skills and ability to work within a multicultural and multidisciplinary environment. Knowledge of databases is an asset, but not a requirement.

Duration: **2 years** renewable upon positive performance assessment and with a probation period of 6 months.

**ANNEX 2: DRAFT TERMS OF REFERENCE FOR RECRUITMENT OF THE SERVICE PROVIDERS TO
IMPLEMENT ENHANCED GALS+ IN PSAC**

I. Background and context

The Promoting Smallholder Agro-export Competitiveness Project (PSAC) is a project implemented by the Ministry of Agriculture and Animal Resources (MINAGRI) under the National Agricultural Export Development Board. The project is co-financed by the International Fund for Agricultural Development (IFAD) and the Government of Rwanda (GoR). PSAC intends to be a transformative project focused on selected export-driven value chains (coffee, tea and various strategic commodities in the horticulture sector). As an integrated export value chain and rural development project, its focus will be on improving the competitiveness of agricultural export driven value chains through promoting climate smart productivity enhancing technologies, reduction of post-harvest losses, infrastructural development, use of climate-resilient agricultural practices, backward and forward market linkages, enhanced quality control/assurance to ascertain compliance with export market requirements, and access to financial services by using a value chain approach. This approach is also expected to enhance women and youth leadership and advocate for smallholder sensitive policy formulations.

Two main categories of beneficiaries will be targeted through complementary interventions meant to support their participation in commercial and inclusive value chains: (i) rural smallholder farmers grouped as much as possible along Producer Organizations (POs), with a strong focus on women and youth; (ii) off-takers processors/exporters, who can be cooperatives, individuals or rural SMEs.

The project will be implemented in fourteen (14) districts distributed across Rwanda, with a particular emphasis on the Western region, that is also including some of the most vulnerable rural population. The intervention Districts are: Nyamasheke, Rutsiro, Karongi, Nyabihu and Rusizi in Western Province; Huye, Nyaruguru, Nyamagabe, Nyanza and Ruhango in Southern Province; Rulindo and Musanze in Northern Province and Kayonza*, Rwamagana and Bugesera in Eastern Province.* Kayonza is only for trials of essential oils.

In this framework, PSAC wishes to recruit an organization with expertise in the implementation of the enhanced Gender Action Learning System (GALS+). The organization should be familiar with the use of GALS methodology in the agriculture sector, including value chains, climate change and nutrition with focus on women's economic empowerment.

The Gender Action Learning System (GALS) is a structured community-led empowerment methodology aiming at economic, social and political transformation. It gives women, men and youth more control over their lives to catalyse a movement for gender justice. GALS includes a wealth of instruments, visual diagramming tools, principles and peer-to-peer learning mechanisms that can be adapted in many ways for empowerment in rural development programmes. Using the power of symbols and principles of inclusion, it uses a set of tools that enable individuals and households to plan their lives and enterprises, identify and negotiate their needs and interests for gender-equitable livelihoods improvement and

value chain development. For the enhanced GALS, aspects of youth inclusion, improved nutrition outcomes as well as climate adaptation have been incorporated into the methodology. The main trainers are community members themselves based on self-interest and business cases. The tools are also used by cooperatives and other value chain actors and by organisations, enabling them to change gender and power relations that constrain them from achieving their visions. GALS provides a structured process for multi-stakeholder negotiation for gender equality and improved livelihoods.

PSAC envisaged training of 4,599 FFS lead farmers, 250 FFS coaches and upscaling GALS into 24,495 Households from 15 districts (including Kayonza).

The project will integrate GALS into the Farmer field school (FFS) to foster behavioral change of farmers and household members. FFS, in fact, will be used as entry points to develop the GALS methodologies with the target groups.

II. Objectives of the assignment

The main objective of this assignment is to implement the Gender Action learning System (GALS) catalyst phase⁵¹, Mainstreaming phase and Movement building Phase to RDDP context with integration of the methodology into at least 1,633 FFS groups to foster behavioral change of farmers and household members.

The training will target directly 4,599 individuals who can reach 24,495 individuals in their respective 1,633 FFS groups.

Targeted Champions to be trained per value chain, (2-3 lots) could be used

Value chain	Number of FFS	Number of FFS Coaches	Number of lead farmers
Coffee	1300	172	3900
Tea	108	36	324
Horticulture	225	25	475
	1633	233	4699

⁵¹ The Catalyst phase is GALS phase 1. It includes: The Change catalyst workshops, The Individual reflection and Community Action Learning (CAL), The Participatory Gender Review (PGR) workshop.

Description of Services The GALS methodology adapted to PSAC will be used to build the capacity of PSAC FFS to implement the approach across the intervention zones of the project. The recruited organizations (2-3 Organizations) will be responsible to: Phase III (Movement building Phase): Developing networks and collaborative structures to increase participation and influence of marginalised groups for more gender equitable and inclusive policies, decision making and planning). Tasks include:

- Organize exchanges visits between champions from different FFS groups and district (*Number of exchange visits to be defined*)
- Establish linkages with other GALS networks
- Apply the GALS methodology (catalyst phase tools, process peer-to-peer learning mechanisms and monitoring) adapted to PSAC in the selected project's areas;
- Facilitate change catalyst workshops to develop a pool of local "champions": who make changes in their own lives and emerge as change makers who will influence others;
- Allow FFS lead farmers and coaches to grasp the distinguishing gender, participatory and leadership principles of GALS and build/strengthen their skills as GALS facilitators
- To respect all the steps of GALS for ensuring that the trainees will be able to understand all the tools and the process and are ready to change other group members and their community;

The recruited service providers will be responsible to deliver GALS training respecting the following phases:

Phase I (Catalyst phase): Strengthened capacities of community champions into FFS groups to apply the first phase of GALS. Tasks include:

- Induction workshop for introduction of the methodology to the facilitators and core team
- Identification of FFS groups and GALS champions
- Prepare and organize the change catalyst workshops of 4 to 6 days for FFS lead farmers and coaches. (*Number to be defined*)
- To organize some Community Action Learning workshops (This is one of the step of the phase 1 (Catalyst phase). This is a peer training where people trained will introduce the methodology into their groups.
- To organize Participatory Gender review workshops.

Phase II (Mainstreaming phase): Integrating GALS into PSAC interventions; strengthening negotiation power of marginalized actors and negotiation win-win strategies between marginalised and powerful stakeholders for gender equality, social inclusion and sustainable livelihoods. Tasks include:

- Prepare and organize workshops (*Number to be defined*) introducing GALS mainstreaming tools (workshops at National level and workshop at each district (*Number to be defined*)

III. Duration of the assignment

The duration of the assignment is for two years and half with a one-year renewable contract starting from the time of signing the contract. (The contract can be renewable upon the progress and performance of the service provider).

Activities		Time schedule of activities to be performed																						
		Year 1									Year 2													
		1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11
Inception meeting	x																							
Induction and introduction workshop to the facilitators and the core team	x																							
Identification of FFS groups and GALS champions	x																							
Change catalyst workshops at community level	x	x																						
Community action learning			x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	
Participatory Gender review workshops (For staff and core team)				x																				
Participatory Gender review workshops (At community level)					x	x																		
Participatory Gender Review: Consolidation workshop.						x																		
Develop localized manual or adjust it based on the process followed.					x																			
Roll-out Change Catalyst Workshops facilitated by champions from the pilot and facilitators (staff/service providers)						x	x																	

Activities		Time schedule of activities to be performed																						
		Year 1									Year 2													
		1	2	3	4	5	6	7	8	9	1 0	1	1	1 2	1	2	3	4	5	6	7	8	9	1 0
Roll out individual life planning and community action learning, supported by champions and facilitators (staff/service providers)								x	x	x	x													
Roll out PGR Replication of the catalyst phase in multiple target communities										x	x													
Reflection meeting and refining plans for next year									x															
Prepare and organize workshops introducing GALS mainstreaming tools for community															x	x								
Organize exchanges visits between champions from different FFS groups and district																			x	x	x	x		
Establish linkages with other GALS networks																			x	x				

IV. Reporting Requirement

- Deliverables for Year 1

No	Description	Timeline
1	Inception report with detailed methodology, tools, timeline and monitoring plans.	7 days after effective date of the contract
2	Report of the Induction and introduction of the methodology to the core team including GALS facilitators who will be assigned to the training of the community (FFS groups).	One month after effective date of the contract
3	List of identified of FFS lead farmers to be trained	Two months after effective date of the contract
4	Report of Change catalyst workshops at community level and Progress on Community action learning	
5	Report on Participatory Gender review workshops (For staff and community)	10 months after signing the contract
6	Annual Report (final consolidated report)	After completion of the assignment (12 months)

Note: Deliverables for the Year 2 shall be determined based on the performance of the service provider.

V. KEY PERSONNEL

Requirement and qualification of Key staff

Per each lot the bidding Organization should have 1 Team leader familiar with GALS and at least 3 facilitators who are able to facilitate trainings and follow up.

No	Position	Qualification	Experience
1	Team Leader (1)	TBD	More than 5 years of work experience of GALS implementation as team leader
2	Facilitators (3-5) the number of facilitators to be defined later	TBD	Working experience as GALS facilitator (3 year)
		TBD	Working experience as GALS facilitator (3 year)
		TBD	Working experience as GALS facilitator (3 year)

ANNEX 3: DRAFT TERMS OF REFERENCE FOR THE BASELINE SURVEY

I. PROJECT INFORMATION

These Terms of Reference are elaborated with regard to the baseline study of IFAD funded and Government of Rwanda implemented 'Promoting Smallholder Agro-export Competitiveness Project (PSAC)'. The purpose of the ToR is to provide background information on the Project, to define the scope of work, the services and results to be rendered by the Consultant as well as the format and manner in which the reports should be prepared.

GENERAL INFORMATION ABOUT PROMOTING SMALLHOLDER AGRO-EXPORT COMPETITIVENESS PROJECT (PSAC)

The project goal is 'to increase incomes of the rural poor, by supporting inclusive and sustainable agri-exports value chains'. The project development objective is 'to support the inclusion of rural poor in targeted export-driven value chains, by increasing their climate resilient productive capacity and market access'. The project outcomes will be achieved through the implementation of three inter-related components: (i) Enhance smallholders' climate smart production and productivity in selected export-driven value chains; (ii) Enabling business environment along selected export-driven value chains; and (iii) Policy support and coordination.

Due to the specific features of each export-driven VC, their respective interventions and implementation modalities across the components will be adapted to close identified gaps and ensure optimum competitiveness.

PSAC's targeting strategy is made up of geographical targeting and social targeting. In terms of geographical targeting, the project will cover 14 Districts in Rwanda.

The project aims to reach out to 56,695 households. Its main target groups are: (i) smallholder farmers involved in the production of target export oriented crops including; tea, coffee and horticulture; (ii) women; and (iii) youth. Different measures have been foreseen to target these groups. They include direct targeting (e.g. using quotas for women and youth), self-targeting (e.g. promoting group activities), empowerment and capacity building (e.g. leadership training), enabling measures (e.g. policy strengthening) and procedural measures (e.g. allowing realistic in-kind beneficiary contributions).

The result matrix of the project, which includes all project indicators, is annexed to these TOR.

Theory of change -PSAC Theory of Change (ToC) is based on the assumption that poor smallholder farmers are able to equitably increase their productive capacity, their resilience to economic, environmental and climate-related risks and their access to markets through their direct inclusion in export-driven value chains in 14 districts of Rwanda. In addition to these, women and youth face additional challenges given their low access to productive assets, skills, services and limited participation and capacity to influence decisions in groups which also need to be considered. PSAC aims to support smallholder organized in groups (including women and youth) by equipping them to enhance their knowledge, skills and practices to participate at different levels of the coffee, tea, and horticulture value chains. PSAC will address the needs of its target group through a comprehensive support package

that includes technical and financial literacy skills development packages, as well as linkages to markets and financial services. As the project is expected to contribute to the broader development of the target value chains, it will tap into the ecosystem created by the Agribusiness Hub grant in the country to provide support to individual youth to access wage and self-employment. This will be done through a partnership with Kilimo Trust and its partners. In doing so, the project will cater to the specific needs of youth of different ages.

Five different pathways for women's empowerment and gender transformative outcomes are included in the PSAC TOC. Firstly, the project will create economic opportunities (e.g. community-based nurseries), expand plantation areas dedicated specifically to women and improve women's access to finance. These interventions will improve women's access to and control over productive assets, inputs, produce, financing and capacity building opportunities. Secondly, PSAC will strengthen business management capacity of Rural Producer Organisations, which is expected to also improve women's positioning and bargaining power within the selected value chains. These interventions are assumed to enhance women's voice in decision-making and increase their representation and leadership in producer organizations. Thirdly the introduction of gender sensitive and climate smart productivity enhancing technologies will address women's time poverty and enable their enhanced participation in productive activities. Fourthly, the enhanced Gender Action Learning System (GALS+) will be implemented to tackle discriminatory social norms and to generate gender transformative changes and improved intra-household gender relations. GALS+ will also be used to address livelihood challenges related to nutrition, climate adaptation and youth inclusion. Lastly, promoting an inclusive policy environment in the coffee, tea and horticulture sector will aim to tackle structural gender inequality on an institutional level

II. OBJECTIVES OF THE ASSIGNMENT

National Agricultural Export development Board (NAEB) is commissioning a Baseline Survey to collect quantitative and qualitative baseline data from the various target groups to be supported through the PSAC programme. All services of the Consultant described herein shall be performed in close cooperation with the Ministry of Agriculture (MoA), the beneficiaries and relevant implementing partners in the target districts.

The main objective of the study is to develop the sample design, conduct the data collection and analysis and report writing of the baseline survey to be used for the project evaluation process.

The purpose is to determine the status quo of all data feeding into definition of indicators of the project as per the results matrix and collect all other relevant information in the project locations. These will be used as the reference points to progressively measure and evaluate the PSAC's performance against the set targets during and at the end of project implementation. The baseline survey will be conducted on a sample of beneficiaries from the eligible population. Baseline data provide information on beneficiaries and comparison groups before the project is implemented and are important for measuring pre-intervention outcomes and establish benchmark information for selected indicators. The analysis of baseline data will also be used to assess targeting effectiveness, that is, whether or not the PSAC is going to reach its intended beneficiaries.

Collected data will also provide verifiable information on the current status of the targeted households. Information collected during the survey may also be used to re-design the project's targets in order to allow more effective implementation where possible.

In addition, the baseline information should allow the project to further understand the starting point of key elements of the work against which later progress will be measured and tracked. Finally, the study should also provide information on the stakeholders and beneficiaries to inform decision making and to further strengthen contribution of PSAC towards poverty reduction and food and nutrition security of rural households.

Specific objectives

The specific objectives for the consultancy are as follows:

- Determine the baseline values of the outcome level indicators, and when necessary, of the output indicators in the program result matrix (based on a sample).
- Validate the current proposed set of indicators and make necessary adjustments.
- Understand the status of the existing agricultural production infrastructure in the target localities, utilization, gaps and natural resources which contribute to increased agricultural production in the target areas.

III. METHODOLOGY AND TOOLS TO APPLY

The scope of the services required under these ToRs include the collection of data at the appropriate levels of analysis. The set of indicators to be collected will be based on Programme's log-frame indicators. The study will follow a quasi-experimental approach.

Please note that tenderers are invited to comment and suggest strategies to comply with the tools and methodologies mentioned in this ToRs.

Tools

For this Consultancy the following tools are to be applied at minimum:

- Questionnaires, surveys, interview guidelines (based on IFAD Core Outcome Indicators guidelines)
- Any tools considered appropriate according to industry best practice.

The type and application of the tools will be discussed during the contract negotiations and inception phase.

Methodology and consultant responsibility

The following overarching principles should be respected:

- Participation of men and women from the targeted communities will be considered instrumental in the study. Whenever possible the consultant (or consultant team) will make use of focus groups and emphasize on community inputs as much as possible.
- The consultants (consultant team) should ensure that gender and youth are duly taken into account and analysed, taking into account IFAD's Gender and Social Inclusion Framework.
- The consultants (consultant team) shall conduct and perform all necessary training, planning, field investigations and related works as described herein with due care, diligence and with due regard to the overall and project goals. The data collection tools need to be adapted to the context and tested in the field.
- The consultants (consultant team) is required to liaise and collaborate with the line ministry and relevant implementing partners. The consultants (consultant team) will

- be expected to make use of / include consultants with local knowledge of Rwanda.
- The consultants (consultant team) shall assess social aspects, legal background, financial and economic as well as institutional aspects and a review of the current technical design to ascertain how the results of the study and recommendations fit into PSAC's log frame.

Inception phase: During the inception stage the consultants shall review all the relevant project documents. These shall include but not limited to: PSAC's log frame, Project Design Report, Gender and Social Inclusion Framework among others. The consultants will summarise all available data and carry out a gap analysis to better define, which data they will need to collect to provide a full set of baseline data for the project as a whole as well as for each sub-component.

The consultant/s will prepare an Inception Report containing the proposed detailed work plan, Survey methodology including study design, determination of suitable sample size for the different components) and methodologies for each component of the assignment. Furthermore, the report will contain the developed questionnaires (HH and FGDs), surveys, interview guidelines and the training material which will be used by the enumerators. This Inception Report will be submitted to NAEB who shall review and transmit with comments for IFAD no objection

Literature Review: The consultants will carry out literature review comprising reading of project materials, secondary data including the proposal, result matrix and other relevant project documents.

Survey Design: The Consultants will draft the survey design, including sampling design and sample size. This project will benefit approximately 56,695 households of whom 40% will be women and 30% youth. The design will also include preparation, field testing of the questionnaires and finalization of the survey tools (questionnaire and data entry templates) and survey manuals. Furthermore, the consultants will prepare data tabulation and analysis plan. Data entry and quality control processes should also be described to ensure reliability of the data.

Overall, the consultants will provide detailed methodological guidance on preparation and design, data collection and management, training of enumerators, data analysis and compilation of draft report and proposal for final baseline survey report. All the tools and reference materials developed will require translation and should reflect local context.

The consultants will be required to design the following:

- a) **Quantitative research methodology and tools:** Results from this methodology and tools will provide responses to all the indicators to set out the project baseline data while also supporting program staff to test and make the required adjustments to the project milestones or strategies indicated in the result matrix. The result matrix will be used by the consultants to develop questions that would provide all the required data and information accordingly. Data will be disaggregated according to project relevant groups by considering women and youth in the target area.
- b) **Qualitative research methodology and tools:** The consultants will develop qualitative questionnaire and identify the most appropriate participatory

methodology to provide detailed understanding about the current agricultural techniques used, widely used agricultural inputs and sources, market linkages and & climate-resilient technologies &practices. The information from these will be used to fine-tune the quantitative data collection tools and determine the baseline data for the current practices and types of techniques while verifying the milestones of the project by the end of the project.

- **Sampling:** The Consultants will provide details on the sample frameworks and sample size based on the project proposal and the nature of indicators in the result matrix. For both qualitative and quantitative samples, the sampling frameworks should be of a sufficient size and representativeness to allow reasonable levels of certainty that the findings are representative for the target population.
- c) **Survey Implementation:** The consultants will train selected enumerators (survey team) on the survey tools, manuals and methodology. Training will cover data collection, data entry. The consultants will ensure the smooth implementation of the survey with a quality control and backstopping strategy (to be detailed in their proposal). The consultants will be responsible for data quality, data cleaning, management and analysis.
- d) **Survey Report:** The Consultants will undertake data analysis and provide baseline survey report according to the consultancy purposes and the result matrix indicator requirements.

IV. SCOPE OF WORK

Outcome of Baseline Study

The main outcomes of the study are to:

- The validation of the indicators on outcome and output level as proposed in the approved result matrix of the project;
- The Baseline values and verification of the target values for outcome and output level indicators;
- The proposition of possible modification of indicators and values for outcome and output level;

The result matrix (see appendix 4) is the key reference to obtain the expected outcomes of the baseline study. Project documents and study reports will provide further information of the project.

Key deliverables

For the purpose of this study, the consultant is expected to deliver the following

- Inception Report: The consultant is expected to submit Inception Report one week after the inception meeting with the project team. The inception report should include a working calendar and delivery schedule.
- Methodology and Sampling (as part of the inception report): The consultant is expected to develop the methodology and sampling tools in English which must get SPIU's approval before the actual data collection starts.

- Development of the survey questionnaire based on the draft provided by the project.
- Development of the sampling design
- Clearance by Project Team and IFAD of pilot sampling design and the questionnaire.
- Develop interview manuals and instructions for field staff
- Training of interviewers for the pilot study.
- Pilot study fieldwork.
- Revision of the pilot study questionnaires.
- Analysis of pilot study results, introducing adjustments to the draft questionnaire.
- Development of the Final Questionnaire.
- Development of an appropriate data management system with adequate quality controls.
- Clearance of the final questionnaire and sampling design by Project Team and IFAD.
- Fieldwork activities: including field work preparation (recruitment of interviewers, printing), staffing and enumerator training, administrative approvals, qualitative and quantitative data collection and data quality control. The training manual for field staff and enumerators should be included in the final package.
- Data processing, Analysis and Final Report: The consultant is expected to address feedbacks by SPIU, IFAD while preparing the final report. The final report shall be submitted within 15 days once a complete feedback and comments received are addressed. While writing the report, the institution will work in close collaboration with the Project Team and other implementing partners, to enable a learning process and to maximise transparency and accountability. Once the surveys have been conducted and their quality controlled, the analysis of the results should be presented in a report. The report summarizes the conclusions emerging from the analysis and includes the following elements:
 - the description of the methodology used
 - the questionnaire (including electronic format)
 - the list of villages/communities surveyed
 - the results of the survey
 - the updated log frame (at least CIs at outcome levels)
 - the ToC and its description based on the results of the survey
 - the analysis and interpretation of the results (detailed analysis with statistical significance and summarized tables for each indicator)

Datasets: the raw data set collected during the study should be annexed to the report.

The expected tasks for the institution should be performed in accordance with a mutually agreed schedule. Final deliverables should be submitted according to this schedule and within the limits of the contract duration.

Deliverables are subject to agreement by the Project Team and IFAD and preliminary versions should therefore be submitted by the institution in time allowing for comments to be shared and if required changes to be introduced by the institution.

V. COMPETENCIES

Institution expertise and required qualifications

The selected institution shall possess the following qualifications:

- Previous experience in carrying out evaluation surveys is a compulsory requirement, including demonstrated experience in designing and conducting evaluations and of organizing surveys on the scale of this project (including survey and sampling design)
- Strong capacity and experience in planning and organizing survey logistics
- Good network of experienced enumerators, supervisors and data entry clerks
- Strong capacity in data management and statistics
- Strong capacity in survey analysis and reporting of results
- Strong interpersonal skills and a team-oriented spirit
- Experience doing household survey work and carrying out evaluations in the relevant sector.
- Strong background in statistics and econometrics.

Key staff

The proposed team should consist of reasonable number of qualified and experienced professionals having proven track record in designing and implementing socio-economic and baseline studies and/ or evaluation studies and having good depth of understanding of rural development as well as of gender and social inclusion. The bidders are expected to propose a study coordinator/Team Leader and appropriate number of experts, field supervisors, enumerators and support staff.

Minimum **key professional staff positions** (recommended):

- **One study coordinator/team leader:** Advanced degree in economics, statistics, agricultural economics or related field. At least five years relevant experiences in conducting impact evaluations, large quantitative survey implementation and analysis, experience in household and agricultural data collection and analysis required, ability to coordinate teams and ensure timely reporting. General understanding of targeting, gender and social inclusions issues in the area of IFAD's work.
- The study coordinator/Team Leader will be in charge of coordinating the planning, implementation of the studies and ensuring that the work is conducted following the highest professional standards. The individual will be in charge of ensuring that the quality control and supervision mechanism in place for the survey is effective, manage the data collection team and ensure that each member performs their specific scope of work.
- **One expert in survey implementation and field supervision:** Minimum five years' experience with large survey implementation, experience in implementing household and agricultural surveys required. Preferably with previous experiences in conducting surveys in Eritrea.
- **One socio-economic researcher:** Advanced degree in economics, agricultural economics or related fields, at least five years' experience in analysing survey data using SPSS/STATA or equivalent software. Strong background and experience in

statistics and econometrics is required. Ability to write clearly and concisely in English. Previous experience in impact evaluation is preferred.

- **One computer specialist in data entry and data bases:** Minimum experience of three years with large survey data sets and data entry software required. The data specialist will develop appropriate data management system with adequate quality controls, and finalize the data management system before the data collection team moves to the field. The data management system would also be organized in such a way as to deliver partial datasets on a regular basis to the Project Team.

Minimum **key support staff positions** (recommended):

- **Field supervisors:** Minimum of 2-3 field supervisors should be hired (best ratio would be 1 supervisor every 4 enumerators). They should be chosen based on the institution's best practices. Some degree of knowledge of local languages is expected at least from a sufficient number of the supervisors. At least two years' experience in conducting or managing household surveys is required.
- **Survey enumerators:** Minimum of 8-10 enumerators should be hired. Minimum qualifications include knowledge of local language. Preference should be given to candidates with experience in quantitative data collection in rural Eritrea, namely, on the themes of the questionnaire.
- **Data entry technicians:** Minimum qualifications include knowledge of local language and advanced computer skills. Preference should be given to candidates with experience in quantitative data entry and/or previous experience in survey work.

VI. PROPOSAL CONTENT

Interested consulting companies should submit their applications consisting of the following documents/information to demonstrate their qualifications:

- **Technical Proposal** will include: the profile of the company, relevant experience for the assignments, staffing (CV of each team member), proposed methodology to perform the assessment, the size of the sample to be analyzed, the work plan and schedule (activities) and resources (including number of person-day).
- **Financial proposal** will obligatory include the consulting fee and operational expenditures related to the assignment. The survey company will provide a break-down of the budget by the activities mentioned in the Activities section above.

Expression of Interest (EOI)

Interested and qualified institutions must submit the following documents:

- Declaration of Understanding of the Terms of Reference
- Approach and methodology
- Proposed detailed budget
- Detailed CV
- Copies of Academic and Professional Certificates
- Samples of similar deliverables from previous experiences
- References letters

Budget

The institutions shall provide its technical and financial proposals, with detailed estimates of the budget including staff charges, travel, equipment, hardware, software, ground surveys, technical meetings, report preparation, and other related activities.

The Technical and Financial Proposals must be submitted to IFAD, as per the rules and procedures of competitive bidding.

ANNEX 4: PROCUREMENT SUPERVISION PLAN

1. Introduction

The overall supervision of Public Procurement activities in Rwanda is vested in the Rwanda Public Procurement Authority. One of the key mandates of the organization is to ensure organization, analysis and supervision in public procurement matters. In this regard RPPA will provide the procurement supervision to the PSAC (Promoting Smallholder Agro-export Competences) project as provided by law. IFAD will be responsible for supervision of procurement activities through the reviews required for no-objection requests. IFAD will also undertake post procurement supervision for prior review thresholds. Procurement supervision will also be done during scheduled project supervision missions. Procurement activities at the project level will be supervised by the Head of Procurement of SPIU on a day to day basis.

2. IFAD's Project Supervision Role for the PSAC Project

The review of project procurement processes during project implementation is an essential part of IFAD's fiduciary responsibility. In supervising projects and providing implementation support, IFAD aims to ensure that project procurement processes conform with national procurement laws and regulations and are consistent with the IFAD Project Procurement Guidelines and Procurement Handbook, any ancillary IFAD Procurement Documents/Templates, and other applicable policies, guidelines and procedures.

3. Scope of Supervision

The Procurement Risk Assessment undertaken during the PSAC project design mission returned a rating of Low Risk and therefore the extent and intensity will be based on a standard supervision scope as provided in the IFAD procurement Manual and will include the following:

- i. PRM Reviews
- ii. Prior review
- iii. Post review
- iv. Project Supervision
- v. Review of the Procurement Plan
- vi. Internal Supervision

3.1 PRM Reviews

The PRM is a tool that underpins IFAD's risk-based approach to project procurement oversight. Its principal aim is to ensure adequate mitigation of key risks of a project implementing agency failing to perform the procurement processes it will be responsible for in a sound and efficient manner. During the design of the Promoting Smallholder Agro-export Competences (PSAC) project a Procurement Risk Assessment was undertaken which entailed updating the previous PRM assessment country level dimensions and conducting an institutional level dimension assessment of the National Agricultural Export Development Board (NAEB) which is the project the implementing agency.

Determination of the scope and intensity of procurement reviews will follow a risk-based approach informed by PRM assessments, issues identified in previous procurement reviews, and taking into account the project's stage of implementation. For every ongoing project, the PRM assessment will have to be updated once a year during project supervision.

3.2 Prior review

Conducted when a CD is required to provide a NO to a procurement document and process undertaken by the designated borrower. Prior review is an additional risk mitigation measure during the various stages of a procurement process. For the PSAC project prior review will include a review of the following documents: the Procurement Plan, bid documents, evaluation reports and award recommendations, draft contracts and its amendments.

CD and PMU are required to use NOTUS to manage NOs; through NOTUS, PMUs submit documentation to IFAD for prior review and issuance of NOs.

Prior review will address the following:

1. Compliance with Financing Agreement and Letter the Borrower, or any subsequent changes reflected in mission reports (e.g. Supervision, Mid-Term Review, Back-to-Office Reports, Aide-Memoires, correspondence, etc.) and consistency with the approved AWPB and PP
2. Adequacy and Quality of the Bidding Documents
3. Review of compliance with relevant provisions in the IFAD General Conditions for Agricultural Development Financing, Project Procurement Guidelines, Procurement Handbook, any ancillary IFAD Procurement Documents/Templates, IFAD Policy on Preventing Fraud and Corruption, the Financing Agreement and Letter to the Borrower
4. The evaluation was done in compliance with IFAD guidelines and in compliance with applicable laws of the country.
5. Draft Contract consistency between the draft contract and the contract form provided as part of the bidding document, and between the price contained in the contract and that in the evaluation report (to which IFAD provides its NO)

Refer to checklist *appendix: No-Objection Checklists for Prior Review of the IFAD Procurement Manual*

3.3 Post Review

This is the assessment by IFAD in the context of supervision and implementation support or desk-based reviews of procurement conducted by the Borrower/Recipient for a sample of contracts or ongoing procurement activities. The assessment will ensure procurement principles, provisions and procedures as stipulated in the IFAD Project Procurement Guidelines and Procurement Handbook, Financing Agreement and Letter to the Borrower, PIM, standard templates (e.g. bidding documents for goods, works and services) and related systems are available and fully explained to procurement and project management staff. A minimum of ten percent of ongoing contracts should be reviewed. The sampling should be risk-based and take into consideration: (i) the PRM assessment, with the riskier projects having a larger sample, and (ii) the contract risk rating, to ensure that riskier contracts constitute a higher proportion of the sample. The following will be assessed:

1. Bidding Process (for each procurement)
2. Evaluation Process (for each procurement)
3. Award and Negotiations (for each procurement)
4. Contract, Contract Administration and Management Process (for each procurement)
5. Identify issues and weaknesses (and the relevant underlying causes of these issues and weaknesses) in contract administration and management and recommend improvements.
6. Review of issues identified in the previous review and aide-mémoire and procurement related issues identified in project audit reports.
7. Review of project's procurement filing system and the ease of document retrieval.
8. Periodic review of any significant changes in the Borrower/Recipient's procurement system and practices, and ensure project procurement procedures and systems are updated accordingly.
9. Ascertain procurement capacity within the PMU, availability of dedicated staff, and the adequacy of their experience and qualifications.
10. Assessment of further procurement staff training needs and ensure relevant training is planned and provided to project management and procurement staff in a timely manner.
11. Field visits as necessary to complete the above tasks, especially when an issue is identified in contract management.

Refer to checklist *appendix: No-Objection Checklists for Prior Review of the IFAD Procurement Manual*

3.4 Project Supervision

As part of a procurement review undertaken during supervision, a project's PRM will need to be reviewed and updated in light of evolving conditions or circumstances, for example, with respect to the national procurement system, improvement/deterioration of project procurement performance, overall implementation progress and results delivery. As a result, procurement and prior review thresholds may be revised, and other existing risk mitigation measures may be adjusted or new ones implemented. The procurement plan will also be reviewed during supervision and any updates that may be agreed will be done and the revised PP sent for No-objection.

Supervision missions will spot check the procurement documentation associated with prior reviews as well as assess procurement processes conducted by the Borrower/Recipient for a sample of contracts not subject to prior review as shown below:

1. Review Procurement Plan (PP)
2. Review of the procurement process
3. Review of final contract
4. Review of contract implementation
5. Review of project's procurement filing system and the ease of document retrieval

Refer to checklist *appendix No-Objection Checklists for Prior Review of the IFAD Procurement Manual*

3.5 Procurement Plan reviews

Procurement Plans should be reviewed on a periodic basis (preferably quarterly), such as when a PP Update⁵² is submitted, prior to giving a NO for a PP Upgrade⁵³, and at any other point in time as determined by the CD e.g. when supervision and/or implementation support activities take place. Review of a PP will assess the following:

Consistency with the latest approved AWPB:

1. Nature and quantity of goods/works/services is consistent with the activities in the AWPB
2. Procurement schedule is consistent with the implementation schedules in the AWPB (the delivery of goods, works and services correspond to targets in the AWPB)
3. Procurement budget is adequate
4. Selection of procurement methods are in compliance with the provisions of the Letter to the Borrower
5. The estimates indicated seem realistic
6. Adequacy of procurement packaging:
7. Procurement activities are systematically and logically grouped according to the categories of the procurement (goods/works/services)
8. Packaging has been done in a way that generally facilitates the use of the most competitive and efficient procurement method, that ensures the best value for money and that avoids pseudo-packaging
9. Progress in implementing and updating and upgrading the PP, including identifying significant delays and causes, proposing adjustments to the PP and recommending improvements relating to planned/ongoing procurement processes (e.g. in the preparation of the bidding documents).

3.6 Internal Supervision

The Head of Procurement of SPIU will responsible for the supervision of all day to day procurement activities of the PSAC project. She will undertake the following activities:

1. Review the Procurement Plan
2. Monitor the day to day implementation of the PP
3. Review the following documents before they are submitted for no-objection:
 - TORs/Specifications
 - Requests for expressions of interests
 - Request for proposals
 - Bidding documents
 - Evaluation reports
 - Draft contracts

Refer to Procurement Performance Indicator for Supervision Reporting

⁵² An “update” of the PP entails solely the addition of actual items in the PP. This includes actual dates, amounts and methods. The planned items are not affected.

⁵³ An “upgrade” to the Procurement Plan entails the addition of new procurement items, the change of the procurement method from a more to less competitive method, or the (upward or downward) modification of the budget estimate in the Plan that exceeds 10%

Appendix 1. Supervision Plan

S/N	Type of supervision	Purpose of the supervision	Responsibility	Outputs	Frequency
1	PRM Reviews	PRM assessments, issues identified in previous procurement reviews, and taking into account the project's stage of implementation For every ongoing project, the PRM assessment will have to be updated once a year during project supervision.	Senior Procurement Officer (SPO) or Consultant ⁵⁴	<ul style="list-style-type: none"> • A summary of the project's main procurement risks and corresponding mitigating actions to address and minimize their impact/likelihood • Assigned Ratings • Write up for the Aide Memoire 	Once every year
2	Prior review	Review procurement documentation associated with prior reviews as well as assess procurement processes conducted by the Borrower/Recipient for a sample of contracts not subject to prior review.	Senior Procurement Officer (SPO) or Consultant CD ⁵⁵ will issue the no objection based on the	No-objection by concerned CD/CPM	Based on Requests

⁵⁴ Whenever SPOs do not conduct a PRM assessment update or procurement review themselves, they will be responsible to review and clear the following items prior to their finalization and recording in the Operational Results Management System (ORMS) or in other procurement management systems:

PRM assessment updates; Procurement indicator ratings and supporting justifications; Procurement review summaries; recommended actions for improvement; Procurement related inputs for Supervision Aide Memoires and Management Letters; and Procurement Review Working Papers to be annexed to Supervision Reports.

⁵⁵ CD may delegate this responsibility to SPOs only, on a case-by-case and time-bound basis (e.g. when on annual leave or duty travel with limited internet connectivity) upon written request to the SPO by email, copying the Regional Division Director and the Lead Procurement Adviser, OPR.

S/N	Type of supervision	Purpose of the supervision	Responsibility	Outputs	Frequency
			recommendation from SPO		
3	Post review	The purpose is the assessment by IFAD of the procurement processes conducted by the Borrower/Recipient for a sample of contracts that are not subject to prior review.	Senior Procurement Officer (SPO) or Consultant	Procurement Review Working Paper ⁵⁶	As scheduled
4	Project Supervision	Spot check the procurement documentation associated with prior reviews as well as assess procurement processes conducted by the Borrower/Recipient for a sample of contracts not subject to prior review Update the PRM (see 1 above)	Senior Procurement Officer (SPO) or Consultant	Supervision Aide Memoire and the Management Letter.	As scheduled
5	Review of Procurement Plan	Procurement Plans should be reviewed on a periodic basis (preferably quarterly), such as when a PP Update ³ is submitted, prior to giving a NO for a PP Upgrade ⁴ , and at any other point in	Senior Procurement Officer (SPO) or Consultant	Updated procurement plan	Quarterly

⁵⁶ The Procurement Review Working Paper will be attached to the Supervision Report as Annex 6, and will serve to complete the following actions within the supervision reporting process:

Assign a rating for the procurement performance indicator supported by a short justification for the rating (Annex 1 to this module details the rating criteria for this indicator);
 Prepare a summary of the procurement review's findings and conclusions;
 Formulate any necessary recommended actions for improvement; and, Prepare any necessary procurement related inputs for the Supervision Aide Memoire and the Management Letter.

S/N	Type of supervision	Purpose of the supervision	Responsibility	Outputs	Frequency
		time as determined by the CD/CPM, e.g. when supervision and/or implementation support activities take place.			

ANNEX 5: PROCUREMENT RISK MATRIX

IFAD Procurement Risk Matrix					
Division					
Country	RWANDA				
Project	Promoting Smallholder Agro-export Competitiveness Project (PSAC)				
Date	23-Jun-22		NET RISK RATING		
INHERENT RISK RATING		2.83			2.96
#	Description of Risk Feature	Rating	Assessment Basis	Remarks	Recommendation /Mitigation
A	COUNTRY RISK ASSESSMENT	2.90			Rating
1	Legal and Regulatory Framework	3.00			3.00
a	Country procurement law, regulations and manual exist	3	3 they all exist; 2 only two exist; 1 only one exist or none	The law governing public procurement management in Rwanda is Law n° 02/2018 of 25/08/2018 and Ministerial Order N° 002/2018/10/TC of 19/05/2020 establishing regulations on public procurement. A manual exist in the form of Public Procurement User Guide which was released by the Rwanda Public Procurement Authority in November 2020.	3
b	Existence of Standard Bidding Documents for Goods, Works and Services	3	3 all exist, 2 only for NCB & ICB, none for Shopping, 1 none exists	SBD for goods, consultancy services, small consultancy services, works and small works are available in both English and French. There is no SBD for shopping. These are compliant with IFAD SDB. The SPIU uses the complete set for all procurement services.	3
c	Procurement Monitoring	3	Use PEFA Framework, see worksheet for details	This dimension has been rated 'A' by PEFA. Procurement data maintained by RPPA was seen to be comprehensive, and published annually. Such monitoring data is accessible on the RPPA website (http://www.rppa.gov.rw), including audits of procuring entities.	3
d	Procurement Methods	3	Use PEFA Framework, see worksheet for details	This dimension was rated 'A' by PEFA in the 2016 assessment. Procurement methods were observed to be followed according to the law. The RPPA maintains comprehensive data in the annual reports on all the methods used.	3
e	Public access to procurement information	3	3 for all, 2 for some, 1 for none	The PEFA identified the following criteria for assessing public access to procurement information: legal and regulatory framework for procurement; government procurement plans; bidding opportunities; contract award (purpose contractor and value); data on resolution of procurement complaints and annual procurement statistics. The introduction of Rwanda's online e-procurement system (UMUCYO, accessible here: umucyo.gov.rw) has increased public access to every information on bids and contracts. RPPA through its website also publishes a comprehensive set of information through its reports and reports of the Independent Review panel which includes data on resolution of procurement complaints. Legal and regulatory framework documents are also available	3
2	Accountability and Transparency	2.80			3.00
f	Procurement Complaints Management	3	Use PEFA Framework, see worksheet for details	The Independent Review Panel meets the following PEFA criteria: (1) is not involved in any capacity in procurement transactions or in the process leading to contract award decisions; (2) does not charge fees that prohibit access by concerned parties; (3) follows processes for submission and resolution of complaints that are clearly defined and publicly available; (4) exercises the authority to suspend the procurement process; (5) issues decisions within the timeframe specified in the rules/regulations (6) issues decisions that are binding on all parties (without precluding subsequent access to an external higher authority)	3

b	Country Corruption Perception Index score	2	The score is published on Transparency.org. 0 to 29 = 1, 30 to 60 = 2, 61 to 100 = 3	The 2021 Transparency International Corruption Perception Index ranks Rwanda at position no 52 with a score of 53/100.	As per paragraph 69 of the IFAD Procurement Guidelines, IFAD requires that its own staff, the staff of Borrowers/Recipients (including beneficiaries of IFAD financing) and all bidders, suppliers, contractors and consultants that are signatories to IFAD financed contracts observe the highest standards of ethics and integrity during the execution of procurement activities. This position is clearly stated in IFAD's Policy on Preventing Fraud and Corruption in its Activities and Operations. The Government of Rwanda has also enacted the necessary laws and has set up institutions to address corruption. The primary anti-corruption agency is the Office of the Ombudsman which is constitutionally independent and carries a wide mandate of preventing and fighting against corruption and injustice.	3
c	2-tiered system to handle complaints	3	3 as stated, 2 only a single level system, 1 no system	A two tier system exists. The 1 st one is the Procurement entity and the second one is the Independent Review Panel. Bidders. A prospective bidder or actual bidder may, at any stage of the procurement proceedings and in accordance with the law, apply for a review of any conduct in the procurement proceedings with respect to the law or any other procurement regulations. The normal order of appeal is first to the Procuring Entity and if not resolved then to the Independent Review Panel.		3
d	Existence of a debarment system	3	3 full existence, 2 existence of complaints body that is the authority, 1 does not exist	Chapter IV of the Law n° 62/2018 of 25/04/2018 governing public procurement provides the provisions for debarment. Rwanda Public Procurement Authority is vested with the power to approve the suspension or approve the debarment of bidders in public procurement. One of the provisions of Article 179: Procedures for debarment from public procurement, provides that the Rwanda Public Procurement Authority must establish a list of bidders debarred from public procurement and publish it through newspapers, on its official website and on one single portal website for public procurement. To suspend or approve the suspension and debarment bidders in public procurement.		3
e	Existence of an independent and competent local authority responsible for investigating corruption allegations	3	3 existence of independent Anti-Corruption agency, 2 existence of an office within a government ministry/agency that carries out some/all of these functions, 1 does not exist	The primary anti-corruption agency is the Office of the Ombudsman which is constitutionally independent and carries a wide mandate of preventing and fighting against corruption and injustice. The office of the Ombudsman was established by article 182 of the Rwanda Constitution of 4 th July as amended to date, to reinforce good governance in public institutions and emphasizing transparency. The establishment of the organization and functioning of the office of the ombudsman in Rwanda is established by Law N. 25/2003 of 15.08/2003		3
B	PROJECT INSTITUTIONAL RISK ASSESSMENT	2.76				2.93
1	Capability in Public Procurement	2.80				3.00
a	Existence of a Procurement Unit with at least 2 staff members (Design stage, reference is to govt agency) Existence of a Procurement Officer (Implementation)	2	3 as stated, 2 one staff member, 1 does not exist (at Design stage) 3 as stated, 2 someone else doing Procurement, 1 procurement function not consistently handled by anyone	The National Agriculture Export Development Board (NAEB) has a Procurement Unit which is under the Chief Finance Officer (CFO). The Unit has one Procurement Officer who handles all procurement related work and is also secretary to the Tender Committee.	A position of a Procurement Officer is recommended for the PSAC project. The Procurement Officer will report to the Head Procurement SPIU and also work closely with the project team at NAEB.	3
b	Staff member(s) have at least 7 years experience in donor-funded public procurement	3	3 as stated, 2 for less than 7 years and/or experience in public procurement but not donor-funded, 1 for less than 3 years experience	The Procurement Officer at NAEB has over ten (10) years experience in public procurement.		3
c	What is the general quality of documents produced by the procurement office?	3	3 for very good bidding documents, evaluation reports and contracts, 2 for mediocre documents, 1 for documents with bad quality	The general quality of documents produced by the procurement office was judged to be adequate.		3
d	Do procurement staff have immediate access to the legal and regulatory framework documents?	3	3 for all, 2 for some, 1 for none	The legal and regulatory framework documents are all available on the RPPA website. The procurement staff is well acquainted with the newest developments in the legal and regulatory procurement framework.		3
e	Are the procurement and financial management functions separated?	3	3 for total separation, 2 for some separation, 1 for procurement being done by FM staff	The financial and procurement management functions are separated. The Procurement Reports to CFO but there is no conflict in the functions.		3

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 Project Design Report

2	Public Procurement Processes	2.73			2.86
I	Procurement Methods	2.50			2.50
a	Procurement methods for Goods consistent with IFAD Guidelines	2	3 as stated, 2 for national or international, 1 for none	The procurement methods for goods are generally consistent with IFAD's Project Procurement Guidelines except at the level of thresholds for shopping. According to the national thresholds, any procurement activity whose value exceeds RWF 3,000,000.00 (equal to, approximately, USD 3,000.00) is to be carried out via open competitive bidding.	2
b	Procurement methods for Works consistent with IFAD Guidelines	2	3 as stated, 2 for national or international, 1 for none	The procurement methods for works are generally consistent with IFAD's Project Procurement Guidelines except at the level of thresholds for shopping. According to the national thresholds, any procurement activity whose value exceeds RWF 3,000,000.00 (equal to, approximately, USD 3,000.00) is to be carried out via open competitive bidding.	2
c	Procurement methods for Services consistent with IFAD Guidelines	3	3 for large-value method for firms, small value method for firms and method for individual consultants; 2 for two of the above; 1 for only one or less	The procurement methods for consultancies are generally consistent with IFAD's Project Procurement Guidelines.	3
d	Easy access to bidding documents by foreign firms	3		Foreign firms can easily access bids through the e-procurement system provided they have gone through the required registration process.	3
II	Procurement Planning	2.67			3.00
a	Are procurement plans prepared ahead of time and consistent with annual work plans/budgets?	3	3 prepared ahead and consistent, 2 one of either, 1 none	Procurement plans are prepared ahead of time in consistency with the annual workplans/budgets.	3
b	Do procurement people participate in the annual work planning processes?	3	3 if required by regulation, and practised, 2 if required by regulation, 1 if none of above	Yes the Procurement officer's inputs are required at the level of the preparation of the procurement plan(s).	3
c	Are Procurement Plans done using an effective format with planned and actual rows across 3 different categories	2	3 for all, 2 for some, 1 for none	The procurement plan is in the eprocurement platform. However its format is different and does not have provision for planned and actual rows	3
III	Procurement Processes	3			3
a	Minimum number of quotations established by law	3	3 for three or more; 2 for two, 1 if it does not state or less than two	A minimum of 3 quotations is established by law.	3
b	Minimum number of days for advertised procurement under competitive bidding processes	3	3 for minimum of 30 days; 2 for minimum of 20 days; 1 for less than 20 days or not stated	As provided in the Procurement Law time allotted to the preparation of tenders must not be less than thirty (30) calendar days. For International open tender, the time allotted must be between forty five (45) and ninety (90) calendar days. For request for quotation it is 3 days.	3
c	Is there enough time provided for bidders to ask questions and receive answers in the bidding process?	3	3 if bidders have a minimum of 3 days for the RFQ method and 7 days for competitive methods to ask questions, 2 if less than 3 days for RFQ and less than 7 but more than 4 days for competitive methods, 1 if not mentioned in RFQ and less than 4 days for competitive procurements	After publication of tender notice, any prospective bidder may ask the procuring entity to provide explanations as to the content of the tender document within three sixth (3/6) of the deadline period for the submission of tenders as of the date of tender notice publication. The procuring entity provides the requested clarifications within one sixth (1/6) of the deadline period for the submission of tenders as of the receipt of the last request for clarifications.	3
d	Are clarifications provided to all bidders?	3	3 for all, 2 for some, 1 for none	Yes this is done as provided in the law which states that Without disclosing the source of the request, the procuring entity must communicate to all prospective bidders clarifications requested and response provided.	3
e	Are bids received prior to the deadline securely stored?	3	3 for all, 2 for some, 1 for none	In the e-procurement system, bid submission closes automatically at the deadline. Bids are securely stored electronically.	3
f	Are procurement securities securely stored?	3	3 for all, 2 for some, 1 for none	Original procurement securities are kept under lock and key.	3
g	Are public bid openings conducted for advertised procurements, and within an hour of receipt of bids?	3	3 for both, 2 for bid openings being conducted more than an hour after receipt, 1 for bid openings not being conducted	Yes as provided in the law which states that the interval between the deadline prescribed by the procuring entity for the submission of bids and the time for the opening of bids does not exceed one (1) hour.	3
h	Are minutes of bid openings taken, and sent to bidders who submitted bids?	3	3 for both, 2 for minutes being taken but not being sent, 1 for none	The e-procurement system displays the opening bid report to every bidder through the e-procurement portal immediately after bid opening.	3

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i	Are evaluations conducted by a suitably qualified ad-hoc evaluation committee?	2	3 for both, 2 for qualified but not ad-hoc, 1 for ad-hoc or none	The tender committee of NAEB has been established according to the law governing public procurement management. In Rwanda is Law n° 62/2018 of 25/08/2018 and Ministerial Order no. 002/20/10/TC of 19/05/2020 establishing Regulations on Public Procurement, which establishes that the Chief Budget Manager of every procuring entity must appoint a public tender committee for a term of 3 years, which may be renewed only once.	For the PSAC project, there will be a specific Tender Committee which will be constituted to serve the project. It is expected that the Committee will comprise technical staff that are key in the implementation of the project. Tender Committee will be appointed as per the law governing public procurement.	2
j	In evaluation, is responsiveness based on criteria requirements in the bidding documents?	3	3 for all, 2 for some, 1 for none	Responsiveness criteria are specifically stated in the bidding documents.		3
k	Are evaluations completed within the bid validity period?	3	3 for all, 2 for some, 1 for none	The bid validity period is no more than 120 days. Evaluation should be within 21 days from the date of opening of bids except when there are sound reasons raised by the procuring entity, as prescribed by the procurement regulations. No issues of bid validity period being exceeded was recorded.		3
l	Are conditions precedent to contract effectiveness clearly stipulated in the contract? (i.e., advance payment security, performance security, insurance, etc.)	3	3 for all, 2 for some, 1 for none	All conditions precedent to contract effectiveness are clearly stipulated for standard contracts for goods, works or services published on RPPA website.		3
m	Does the agency maintain a complete record of the process? This would include copies of all public advertisements, pre-qualification documents (if used), the pre-qualification evaluation report documenting any decisions not to pre-qualify certain potential bidders, the bidding documents and any addenda, a record of any pre-bid meetings, the bid opening minutes, the final bid evaluation report (including a detailed record of the reasons used to accept or reject each bid), appeals against procedures or award recommendations, a signed copy of the final contract and any performance and advance payment securities issued, etc.	3	3 for all, 2 for some, 1 for none	All documents including correspondences are filed in soft copies. These are filed based on the Procurement Filing Checklist (Attached to all the files that were assessed) and it includes works, goods, non-consultancy services and consultancy documents and correspondences from advertisement to contract closure.		3
n	Are all contracts awarded advertised publicly?	3	3 for all, 2 for some, 1 for none	All signed contracts are advertised publicly on the e-procurement system.		3
iv	Contract Administration and Management	2.82				3.00
a	Existence of authority levels in the contract management process	3	3 for existence, 2 for some practice, 1 for none	Contract managers are guided by the provisions of the Law governing public procurement Chapter III, Contract Execution. NAEB uses the provisions of the Law governing Public Procurement which states that any amendment increasing or decreasing the contract value to more than 20% requires a new tender. Only amendments of upto 20% are therefore allowed.		3
b	Existence of approval thresholds for contract amendments	2	3 for existence, 2 for some practice, 1 for none		As provided in the IFAD Procurement Handbook, the procuring entity must obtain approval of the contract amendment from the appropriate approval authority. IFAD's no objection is required for all prior-review contracts where the amendment (a) increases the original contract value by more than 10 per cent; (b) extends the original contract duration by 25 per cent or more. Therefore IFAD's threshold is broader.	3
c	Is there an effective contract monitoring system/framework in place?	3	3 for all, 2 for some, 1 for none	A contract monitoring form is kept and updated by accounts department. Procurement files include relevant information concerning the execution of the contract.		3
d	Is there a process to monitor delivery of goods to verify quantity and quality?	3	3 for all, 2 for some, 1 for none	There is an inspection and reception committee appointed by the Chief Budget Officer.		3
e	Is there a framework for approval of deliverables and payment process for consulting services contract?	3	3 for all, 2 for some, 1 for none	As per the Terms of Reference the deliverables which may include Inception report, Interim reports, draft report & final reports etc. will be validated by the user department through the process specified in the TORs.		3
f	Is there a process for resolution of final payment and contract closure?	3	3 for all, 2 for some, 1 for none	The final payment follows the contract provision and depend on the contract type. For works and supply contract, the receiving committee and the respective contract manager confirms both the quantity and quality as per the specification, which then provides the basis for making the final payment. For consultancy or studies contract, most of the contract have a provision of presenting the final report to the NAEB management for their validation, therefore their payment is always based on this validation		3

g	Are contract disputes handled in accordance with a formal complaints/arbitration system?	3	3 for all, 2 for some, 1 for none	Contract disputes are handled using a three tier system as provided in the Contract namely through amicable settlement with the procuring entity. If this fails (2) through arbitration in accordance with Kigali International Arbitration Centre rules and if there is no resolution (3) through litigation in the national courts.		3
h	Are works contracts supervised by independent engineers or a named project manager?	2	3 for all, 2 for some, 1 for none	Works contracts are supervised by the relevant Departments of the Ministry of Infrastructure as the work involved may apply. For example all building works apart from very small works that do not engineers specifications and SOQs are supervised by Rwanda Housing Authority. Therefore there is no independent hired engineers. An important point to note is also that most works contracts are undertaken using force Account.	For the PSAC project IFAD will require that Force Account be used only when the size, nature and location of the works make competitive bidding unsuitable; the Fund is satisfied that the construction facilities of the borrower are adequate and efficient; and the borrower has the capability to do the work expeditiously at a reasonable cost.	3
i	Are contracts completed on schedule and within the approved/contracted contract price?	3	3 for all, 2 for some, 1 for none	The Contracts that were reviewed showed that contracts are completed on schedule and within the approved/contracted contract price.		3
j	Does the organization have contract registers that register all contracts (with names, prices and dates), per procurement category?	3	3 for all, 2 for some, 1 for none	All contracts are registered on the e-procurement platform		3
k	Are adequate contract administration records maintained? (These would include contractual notices issued by the supplier, contractor, purchaser or employer; a detailed record of all changes or variation orders issued affecting the scope, qualities, timing or price of the contract; records of invoices and payments; progress reports, certificates of inspection, acceptance and completion; records of claim and dispute and their outcomes; etc.)	3	3 for all, 2 for some, 1 for none	All documents including correspondences are processed through the e-procurement platform. The documents including correspondences are filed in soft copies. These are filed based on the Procurement Filing Checklist (Attached to all the files that were assessed) and it includes works, goods, non consultancy services and consultancy documents and correspondences from advertisement to contract closure.		3
Risk Rating System						
3	L : Low Risk	L				
2	M : Medium Risk					
1	H : High Risk					

ANNEX 6: REFERENCE OF MEMORANDUM OF UNDERSTANDING (MoU) TEMPLATE



REPUBLIC OF RWANDA
RWANDA AGRICULTURE AND ANIMAL RESOURCES
DEVELOPMENT BOARD

Rwanda



Memorandum of Understanding

“MoU”

Between
XXX

Through

SPIU of IFAD Funded Projects
And

Ministry of Agriculture and Animal Resources (MINAGRI)
For

This Memorandum of Understanding, hereunder referred to as "MoU" is entered into by and between:

XX through SPIU of IFAD Funded Projects, having its principal place of business at

And

The **Ministry of Agriculture and Animal Resources (MINAGRI)**,.... represented by, the Acting Coordinator of SPIU/MINAGRI, here under referred to as "**the Service Provider**";

WHEREAS

To this effect and for the implementation of the the client and the Service Provider, collectively referred to as "**PARTIES**" and individually as "**PART**".

HEREBY AGREE AS FOLLOW:

Article 1: Purpose of this MoU and Scope of activities

Article 2: Value of the activities and Terms of Fund Disbursements.

2.1 Value of activities to be executed

The total estimated amount for all activities to be done by the Service Provider is..... Rwandan **Francs** taxes exclusive.

Details related to the activities and related budget are on the annex.

2.2 Terms of Funds Disbursements

The client shall transfer the funds for activities/works to be executed by the Service Provider in accordance with following installments:

All payment will be done on the following bank account:

Article 3: Documents forming this MoU

Parties in this MoU hereby acknowledge being in possession of the following MoU documents listed below in the order of their priority.

- 1) This MoU;
- 2) ... Narrative Text.

Those documents are considered as complementary and explanatory to each other. In case of conflict or ambiguity between any of the above listed documents, priority shall be given in the order as listed above.

Article 4: Partnership Mechanisms

This MoU expresses a convergence of will between “Parties”, it indicates an intended common line of action and parties imply legal commitment.

Parties agree that, upon execution of this MoU, completion of planned activities and their execution shall be done based on availability of required resources and funds.

Parties intend to use their best efforts in good faith to work together to achieve the Project Objectives.

Whenever necessary during the implementation, parties shall hold several meetings to discuss any issue, and the Service Provider shall accept any invitation to participate in the Project management-meeting if need be.

Article 5: The use of funds

The funds shall be exclusively received by the Service Provider for the activities performed and described in this MoU and other supporting documents.

The client is entirely and fully responsible and accountable of the disbursement of funds under this MoU.

Article 6: Execution of activities

The Service Provider shall execute the activities and/or perform the services as set out in the approved Annual Work Plan and Budget (AWPB) for..... Financial Year (FY) and in accordance with this MoU.

For activities related to the acquisition of maize and beans grains, the Service Provider will work with

.....

Activities to be done under this MoU are subject to revision in consideration of any revision done on the approved AWPB.

Article 7: Reporting requirement

The Service Provider shall submit financial and progress reports to the project.

Article 8: Performance evaluation

The performance evaluation of the implementation status shall be carried out by client/project staff in accordance with performance indicators and Project' targets, quantity and quality of the work, timeframe as well as the terms in particular to this MOU. If necessary, the evaluation report shall be discussed during a joint meeting where parties will be agreed on the findings and way forward to address issues highlighted in the report.

If needed, a participative workshop to identify Service Provider's weaknesses and strengths, based on which parties will agree on measures to be taken to improve the situation or to replicate the successful operations in other sites.

Article 9: Coordination of activities under this MoU

The Client appoints following staff to ensure the coordination of activities under this MoU:

The team will be responsible and accountable for:

Article 10: Force Majeure

No party shall be liable for breach of any aspect of this Agreement where this breach can be reasonably ascertained to have been occasioned by an act of Force Majeure including but not limited to Acts of

War, Rebellion, Lockouts, Strikes or Blockades, Government Policy, Pandemic, Natural Disaster or any other Act which was not reasonably foreseen at the date of signing of this MoU.

In case of force majeure, parties shall make a joint assessment aiming at analyzing the case and agreed on the way forward.

Article 11: Governing Law, privileges and conflict of interest

This MoU is governed by and construed in accordance with the laws of the Republic of Rwanda.

Nothing in this MoU or relating thereto shall be construed:

- (i) As relieving the Service Provider from conforming to any national law applicable in its relations to third Parties, including its employees, or to any national law applicable to it by reason of trade, business or activities. The Service Provider shall comply with applicable laws and shall keep the client informed of any conflict or problem arising in relation to national authorities.
- (ii) As constituting a waiver of privileges or immunities that may be conferred on the client, or as conferring any privileges or immunities on the Service Provider or its employees.

Article 12: Settlement of disputes

Any dispute between the parties arising out of the interpretation or implementation of this MoU shall be settled amicably through consultations and negotiations between the parties. In the event after ten (10) days amicable settlement of a dispute has failed, either party shall be at liberty to exercise its option to terminate this MoU.

However, in the event such dispute is subject to liability or to any other unfulfilled obligation, the concerned party shall be held responsible to the other.

Articles 13: Termination

The client reserves the right to terminate this MoU or a part thereof (one or several activities of the AWPB) if it considers that the continued implementation of the MoU is impossible or impractical for either of the following reasons:

- Unforeseen causes beyond the control of the client such as, the lack of funds from the donor, the revision of the AWPB, the cancellation or termination of the financing agreement for KIIWP2;
- In the event of repeated default, delay or unsatisfactory performance on the part of the Service Provider;

If some activities under this MoU should be terminated, the following shall apply:

- The client shall complete all payments that may be due up to the effective date of termination;
- The Service Provider shall take all reasonable measures in order that any work/activity in progress is delivered to avoid any loss or damage;
- Adjustments to amounts due and any claims arising from or connected to termination of this MoU or part thereof shall be dealt with in accordance with the pertinent provisions of this MoU.

The notices of termination shall specify the reasons for termination and take effect starting from the date indicated in the notice. However, it is understood that the provisions of this MoU applicable to the winding up of the MoU, the liquidation of claims and the settlement of disputes shall remain in force for such additional period as may be necessary.

Article 14: Change and amendments

No modification of or change in this MoU, waiver of any of its provisions or additional provisions shall be valid or enforceable unless previously approved in writing by the parties to this MoU or their duly authorized representatives in the form of an amendment to this MoU duly signed by the parties hereto.

The client may, at any time, give written notification of change agreed between the GoR and the donors in the activities of the AWPB of KIIWP2 to be executed and/or their delivery schedule, even if such changes do increase the activities under this MoU, involve additional expense, or reduce the time frame within which the activity must be completed.

Article 15: Duration and Annual Addendum to this MoU

Subject to the provisions of article 6, this MoU is concluded for a period of ... (X) months from the effective date.

If needed, this period can be extended to allow the Service Provider to finalize all activities;

Also, this MoU can be subject to annual addendum in accordance with approved AWPB.

The annual addendum shall base on the following:

- Approved annual work plan for the next fiscal year;
- Quality of activities completed;
- Comply with MoU provisions and other supporting documents;

Article 16: Confidentiality

Each party agrees that it shall not, at any time, after executing the activities of this MoU, disclose any information in relation to these activities without consent of both parties.

Article 17: Notices

Any notice affecting the rights or obligations of either party to this MoU shall be given in writing and delivered in person, physical address or by email to the addressee given below:

Article 18: Procurement

All procurement activities to be carried out under this MoU shall be in conformity with the Letter to the as may be amended from time to time, and shall be conducted in accordance with the

Law No. 62/2018 of 25/08/2018 governing public procurement and the Ministerial Order No. 002/20/10/TC of 19/05/2020 establishing regulations on public procurement, to the extent such are consistent with the IFAD Projects Procurement Guidelines, as may be amended from time to time.

Article 19: Corrupt and Fraudulent Practices

19.1 The Revised IFAD Policy on Preventing Fraud and Corruption in Its Activities and Operations (hereinafter, the "Revised Policy") applies to individuals and entities that receive, apply to receive, are responsible for the deposit or transfer of, or take or influence decisions regarding the use of proceeds from IFAD financing or financing managed by IFAD, including, but not limited to, implementing partners, Project Partners, contractors, suppliers, subcontractors, sub-suppliers, bidders, consultant and any of their agents or personnel (all such individuals and entities are collectively referred to as "Third Parties" or "Third Party"). Pursuant to the Revised Policy, Third parties shall refrain from engaging in the following practices, which are considered to be prohibited practices when engaged in connection with an IFAD-financed and/or IFAD-managed operation or activity:

- (i) a "corrupt practice" is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value in order to improperly influence the actions of another party;
- (ii) a "fraudulent practice" is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party in order to obtain a financial or other benefit or to avoid an obligation;
- (iii) a "collusive practice" is an arrangement between two or more parties designed to achieve an improper purpose, including improperly influencing the actions of another party;
- (iv) a "coercive practice" is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to improperly influence the actions of that or another party;

(v) an “obstructive practice” is

(aa) deliberately destroying, falsifying, altering or concealing evidence that may be material to an investigation by IFAD or making false statements to investigators in order to materially impede an investigation by IFAD;

(bb) threatening, harassing or intimidating any party in order to prevent that party from disclosing its knowledge of matters relevant to an investigation by IFAD or from pursuing such an investigation; and/or

(cc) the commission of any act intended to materially impede the exercise of IFAD's contractual rights of audit, inspection and access to information, provided for under article 19.2 below.

19.2 In pursuance of this policy:

(i) Third Parties shall disclose, in the course of a procurement process or any time thereafter, information relating to themselves or any of their key personnel concerning:

(a) relevant criminal convictions, administrative sanctions and/or temporary suspensions;

(b) agents engaged in connection with a procurement process or the execution of a contract, including the commissions or fees paid or to be paid; and

(c) any actual or potential conflict of interest in connection with a procurement process or the execution of a contract;

(ii) Third Parties shall promptly report to IFAD any allegations or other indications of prohibited

practices that come to their attention by virtue of their involvement in an IFAD-financed and/or IFAD-managed operation or activity;

- (iii) IFAD possesses jurisdiction to investigate allegations and other indications of prohibited practices and to impose sanctions on Third Parties for such practices in connection with an IFAD-financed and/or IFAD-managed operation or activity;
- (iv) Third Parties shall fully cooperate with any investigation conducted by IFAD, including by making personnel available for interviews and by providing full access to any and all accounts, premises, documents and records (including electronic records) relating to the relevant IFAD-financed and/or IFAD-managed operation or activity and to have such accounts, premises, records and documents audited and/or inspected by auditors and/or investigators appointed by IFAD;
- (v) Third Parties shall maintain all accounts, documents and records relating to an IFAD-financed and/or IFAD-managed operation or activity for a period of 3 (three) years after completion of the bid;
- (vi) should IFAD determine that a Third Party has engaged in any of the prohibited practices defined under article 19.1 above, it may impose on the Third Party any of the administrative sanctions provided by the Revised Policy, Section F, (ii);
- (vii) during the course of an IFAD review or investigation, or pending the conclusion of a sanctioning process, IFAD may decide, at any time, to temporarily suspend payments to a Third Party or to temporarily suspend its eligibility to participate in IFAD-financed and/or IFAD managed operations and activities for an initial period of six (6) months, subject to a possible extension of that suspension for an additional period of six (6) months, as provided by the Revised Policy, Section F, (i);
- (viii) public entities receiving IFAD financing or financing managed by IFAD and any of their agents or personnel and private entities receiving IFAD financing or financing managed by IFAD and any of their agents or personnel shall terminate or suspend the contract if such termination or suspension is required as a consequence of a temporary suspension or sanction imposed or recognized by IFAD;
- (ix) furthermore, Third Parties' attention is drawn to IFAD's policy of unilaterally recognizing debarments imposed by other International Financial Institutions if such debarments meet the requirements for mutual recognition under the Agreement for Mutual Enforcement of

Debarment Decisions.⁶⁹

Article 20: Sexual Harassment, Sexual Exploitation and Abuse

24.1 The Fund requires that all beneficiaries of IFAD Funding, including the employer and any bidders, implementing partners, Project Partners, suppliers, sub-suppliers, contractors, sub-contractors, consultants, sub-consultants, and any of their agents (whether declared or not) and personnel comply with IFAD's Policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse. For the purpose of this provision, and consistent with IFAD's Policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse as it may be amended from time to time, the terms set forth below are defined as follows:

Sexual harassment means "any unwelcome sexual advance, request for sexual favour or other verbal, non-verbal or physical conduct of a sexual nature that unreasonably interferes with work, alters or is made a condition of employment, or creates an intimidating, hostile or offensive work environment.

Sexual exploitation and abuse means "any actual or attempted abuse of a position of vulnerability, differential power, or trust, for sexual purposes, including, but not limited to, profiting monetarily, socially or politically from the sexual exploitation of others (sexual exploitation); the actual or threatened physical intrusion of a sexual nature, whether by force or under unequal or coercive conditions (sexual abuse)".

24.2 Employers, suppliers and bidders shall take all appropriate measures to prevent and prohibit sexual harassment and sexual exploitation and abuse on the part of their personnel and subcontractors or anyone else directly or indirectly employed by them or any of subcontractors in the performance of the contract. Purchasers, suppliers and bidders shall immediately report to the purchaser or IFAD any incidents of sexual harassment and sexual exploitation and abuse arising out of or in connection with the performance of the contract or prior to its execution, including convictions, disciplinary measures,

⁶⁹ The Agreement for Mutual Enforcement of Debarment Decisions, dated 9 April 2010, was signed by five of the leading International Financial Institutions, namely, the African Development Bank Group, the Asian DevelopmentBank, the European Bank for Reconstruction and Development, the Inter-American Development Bank and the World Bank Group.

Article 21: Money Laundering and Terrorist Financing

The Fund requires that all beneficiaries of IFAD funding or funds administered by IFAD, including the employer, any bidders, implementing partners, Project Partners and suppliers, observe the highest standards of integrity during the procurement and execution of such contracts, and commit to combat money laundering and terrorism financing consistent with IFAD's Anti-Money Laundering and Countering the Financing of Terrorism Policy.

For the Client:

For the Service Provider:

Acting Coordinator

SPIU/MINAGRI

Email: info@minagri.gov.rw

Notice shall be considered as effective as of the date of delivery to the addressee.

Article 22: Entry into Force and effectiveness

This MoU comes into force on the date of its signature.

Date: / / 2021

For MINAGRI:

For RAB – SPIU/IFAD
Funded Projects:

For Approval:

Rwanda

Promoting Smallholder Agro-Export Competitiveness Project Project Design Report

Annex 9: Integrated Project Risk Matrix (IPRM)

Mission Dates: 09-27 May 2022

Document Date: 14/12/2022

Project No. 2000003934

Report No. 6186-RW

East and Southern Africa Division
Programme Management Department

Overall Summary

Risk Category / Subcategory	Inherent risk	Residual risk
Country Context	Moderate	Low
Political Commitment	Moderate	Low
Governance	Low	Low
Macroeconomic	Low	Low
Fragility and Security	Moderate	Low
Sector Strategies and Policies	Moderate	Moderate
Policy alignment	Low	Low
Policy Development and Implementation	Substantial	Moderate
Environment and Climate Context	Substantial	Moderate
Project vulnerability to environmental conditions	Substantial	Moderate
Project vulnerability to climate change impacts	Substantial	Moderate
Project Scope	Substantial	Moderate
Project Relevance	Moderate	Low
Technical Soundness	Substantial	Moderate
Institutional Capacity for Implementation and Sustainability	Substantial	Moderate
Implementation Arrangements	Moderate	Low
Monitoring and Evaluation Arrangements	Substantial	Moderate
Project Financial Management	Substantial	Moderate
Project Organization and Staffing	Substantial	Moderate
Project Budgeting	Moderate	Low
Project Funds Flow/Disbursement Arrangements	Substantial	Moderate
Project Internal Controls	Moderate	Low
Project Accounting and Financial Reporting	Moderate	Low
Project External Audit	Low	Low
Project Procurement	Low	Low
Legal and Regulatory Framework	Low	Low
Accountability and Transparency	Low	Low
Capability in Public Procurement	Low	Low
Public Procurement Processes	Low	Low
Environment, Social and Climate Impact	Moderate	Low
Biodiversity Conservation	Substantial	Moderate
Resource Efficiency and Pollution Prevention	Moderate	Moderate
Cultural Heritage	Moderate	Low
Indigenous People	Moderate	Low
Labour and Working Conditions	Substantial	Moderate
Community Health and Safety	Moderate	Moderate
Physical and Economic Resettlement	Moderate	Low
Greenhouse Gas Emissions	Low	Low
Vulnerability of target populations and ecosystems to climate variability and hazards	Low	Low

Risk Category / Subcategory	Inherent risk	Residual risk
Stakeholders	Substantial	Moderate
<i>Stakeholder Engagement/Coordination</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Stakeholder Grievances</i>	<i>Moderate</i>	<i>Low</i>
Overall	Moderate	Moderate

Country Context	Moderate	Low
Political Commitment	Moderate	Low
Risk: Over the last 20 years, Rwanda has enjoyed political stability which, combined with good governance and policy consistency, has created an enabling policy environment ensuring successful delivery of development programs. However, counterpart funding in some previous IFAD-supported projects has been below the expected levels. In addition, improving participatory approach will be required in order to increase ownership of project's beneficiaries in its areas of intervention.	Moderate	Low
Mitigations: GoR has already demonstrated strong commitment in co-financing PSAC and in attracting additional co-financiers (CORDAID, Heifer International, etc.). GoR has also committed to provide cash contribution for taxes on a timely basis and report promptly on any in-kind contributions. For the latter, GoR has recruited a valuer to work with on-going and future IFAD-supported projects including PSAC. In addition, NAEB management is committed to improve coordination with partner institutions at district and national level in order to avoid any deviation from agreed implementation arrangements.		
Governance	Low	Low
Risk: Since the year 2000, the GoR has been implementing comprehensive and ambitious decentralization reforms, which materialized by the adoption of the National Decentralization Policy in May 2000 and thereafter revised in 2012. The Policy's objective is to promote good governance, reduction of poverty as well as efficient, effective, and accountable service delivery. While progress has been achieved through strengthening the capacities of districts and the territorial reorganization of decentralized state entities, some challenges still persist. In some areas, farmers seem to ignore that it is both their right and duty to participate in the planning and evaluation of local administrative entities' performance contracts (Imihigo). It is therefore a real challenge for leaders and civil society to make sure those citizens are aware of their rights and duties.	Low	Low
Mitigations: The GoR has enhanced its efforts to prevent corruption by identifying and reducing vulnerability to corruption. A number of multi stakeholder consultative bodies have been established, including the National Council to fight against Corruption and Injustice and Corruption Advisory Councils at national, district, sector, and cell levels. In order to mitigate the COVID-19 related risks (lockdowns, etc.), over 68% of the population have been already vaccinated as at July 2022, and the process is ongoing. This will facilitate implementation of the project and gatherings of stakeholders for better consultations on emerging issues and possible solutions. In addition, PSAC and implementing partners (including local administration) will involve beneficiaries in planning and evaluation of their achievements based on a grievance redress mechanism.		
Macroeconomic	Low	Low

Risk: Rwanda's public-sector led development model has shown limitations, as public debt has increased significantly in recent years. Rwanda's heavy reliance on large public investments (12.3% of GDP in 2019) led to substantial fiscal deficits financed mainly through external borrowing. Consequently, the debt-to-GDP ratio rose to 56.7% in 2019 (from 19.4% in 2010) and is estimated to have reached 71.3% of the GDP in 2020. Low domestic savings and high energy costs are some of the major constraints to private investments. Growth is expected to accelerate to 8.1% in 2022 if the effect of the pandemic on households and businesses wanes, and to 8.5% in 2023 as the financial services sector and agricultural output pick up. However, COVID-19 restrictions will likely keep headline growth below trend.	Low	Low
Mitigations: Regional integration offers significant benefits for the project in particular and for the country in general including greater potential for economies of scale, opportunities for learning to export and produce higher-quality goods, and cooperation to improve trade facilitation. Regional trade will be enhanced by boosting trade with non-East African Community (EAC) members. The African continental free trade area (AfCFTA) can boost growth and trade integration. In addition, experience gained from PRICE in access to international markets will benefit to PSAC beneficiaries through NAEB as the implementing agency for PRICE and now for PSAC.		
Fragility and Security	Moderate	Low
Risk: The low bankability of smallholder farmers may lead to financing only those more familiar with the financial sector, and would deviate the project benefits to the less vulnerable people (elite capture). In addition, while the long-term impact of the Ukraine war is still unknown, the rise in the cost of fertilizers, fuel and equipment costs like greenhouse materials has already affected the country and may continue in the next few years. This may reduce the investment capacity of the target beneficiaries, and at the same time erode their take-home income if the international selling prices are not adjusted accordingly.	Moderate	Low
Mitigations: It will be critical to work with service providers who have expertise in the promotion of the interests of the most vulnerable in the financial sector. The project and NAEB will explore partnerships with those who have a strong experience in Rwanda. Besides, a strong targeting strategy will be put in place, with favourable conditions for more vulnerable groups (women, women-headed HHs, youth). PSAC will also strive to promote systematically the use of manure vs. inorganic fertilizers, which should help reduce the burden of increased fertilizers costs. The greenhouse equipment, foreseen to be co-funded in PSAC through matching grants, has been budgeted on a high side right at design to avoid under-estimation and low uptake in the next years.		
Sector Strategies and Policies	Moderate	Moderate
Policy alignment	Low	Low
Risk: The policy environment surrounding PSAC is relatively favorable as laws and strategies in place are fully supportive of the development of export crops unless there is another outbreak of the COVID-19 pandemic that may limit consultations among stakeholders.	Low	Low
Mitigations: The PSTA4 (priority area 3 related to inclusive markets and value addition) as well as the NAEB Strategic Plan offer an excellent enabling environment for the project.		
Policy Development and Implementation	Substantial	Moderate

Risk: Rwanda being a landlocked and developing country with limited land availability (0.4ha per HH), faces difficulties in managing logistics issues (such as high air freight, limited space availability etc. which are important for developing competitive value chains) and ensuring basic food security (especially for coffee producers) while justifying exports. Also, smallholders and exporters face difficulties in accessing affordable as well as easy finance. All these issues pose risks in developing competitive value chains.	Substantial	Moderate
Mitigations: As a mitigation measure, PSAC will work on critical issues of VC development through need-based research and creating evidence-based solutions which can be shared widely as well as used for policy dialogue. While creating evidences through interventions like HEGF, PBGF, capacity building of PFIs in value chain financing, developing new financial products etc., it also engages with multiple stakeholders, including GoR to work on developing smallholder friendly and competitive value chains through policy advocacy initiatives. A set of policy issues identified to work towards these aspects cover cost of financing, creating cargo facility, effective use of development fund for tea farmers, etc.		
Environment and Climate Context	Substantial	Moderate
Project vulnerability to environmental conditions	Substantial	Moderate
Risk: The environmental vulnerabilities for PSAC activities include erosion, which may increase due to cultivation on slopes. This will lead to land degradation and possible siltation of water channels. The current soil fertility conditions entail increased use of agro-chemicals for the desired levels of production, which will lead to point pollution in some locations. Current land uses will also pose a risk to PSAC, as changes will be required in some areas to allow for the infrastructure development and expansion of cultivation areas.	Substantial	Moderate
Mitigations: The risks resulting from environmental conditions will be managed through the capacity building of smallholders in environmental management and efficient resource use, including agro chemicals, erosion control measures such as vegetated contours, shade trees in cultivation, crop diversification and inter-cropping and water conservation and focus on rehabilitation and rejuvenation of existing production areas.		
Project vulnerability to climate change impacts	Substantial	Moderate
Risk: The main climate change risks to reaching the PSAC objectives include rising temperatures and rainfall variability with more intense rainfall in some areas, shorter rainy seasons and potential droughts in some locations. High temperatures may lead to decreased yields and quality, increased pests and diseases incidences, poor drainage in low-lying areas and soil erosion that results in reduced water holding capacity and soil fertility.	Substantial	Moderate
Mitigations: Climate change adaptation measures under PSAC include capacity building for the producers on land husbandry activities and resource use efficiency, agroforestry belts in tea plantations, protective agriculture for some of the horticulture value chains, water use efficient irrigation systems and use of improved tea clones and coffee varieties.		
Project Scope	Substantial	Moderate
Project Relevance	Moderate	Low

Risk: Coffee, Tea and selected value chains in Horticulture are identified as priority for exports by GoR. Tea and coffee are traditional export crops of Rwanda whereas Horticulture oriented value chains are emerging. Each value chain poses different kind of risks for smallholders due to certain internal and external factors. Coffee is prone to high price fluctuation and may have negative impact on food security due to limited intercropping opportunities and international price fluctuations. Tea takes longer time to reach to production with full potential and so initial investment in maintenance is high. Also, the poor road conditions combined with limited means of transport lead to high post-harvest losses. In case of horticulture, exporters as well as producers have limited experience of markets and still suffer from limited quantities of produce demanded by the markets (e.g. macadamia, avocado). Besides, along all value chains, access to financial services remain a challenge for smallholder farmers, often limiting their capacity to invest to improve their competitiveness. PFIs may not consider the proposed PSAC support relevant to their business model, and the PFIs would continue business as usual and would not be interested in the support offered.	Moderate	Low
Mitigations: Mitigations: PSAC has planned to mitigate potential risks considering all available opportunities. Its planned interventions include policy advocacy (e.g. for intercropping banana in coffee plantation), improving infrastructure facilities (e.g. feeder road in tea pockets), developing backward and forward market facilitation (e.g. market intelligence, mechanisms to recover part of the loss due to price fluctuations, enhanced quality assurance to comply with international market standards), increasing the availability of raw materials through new or rehabilitated plantations, and formulating appropriate investment schemes to improve the financial inclusion of smallholder farmers (e.g. matching grants, export guarantee facilities, credit lines, development of adequate loan products for specific value chains, revolving fertilizer scheme for tea producers) In order to manage critical interventions and build capacity of stakeholders in the value chain, partnerships with strong and experienced technical support agencies (Cordaid, Heifer International, etc.) are identified.		
Technical Soundness	<i>Substantial</i>	<i>Moderate</i>

<p>Risk:</p> <p>Risk: Price fluctuations in the international markets: Price fluctuations in the international markets affect exporters as well as smallholders. Rwandan value chain actors are not using specific mechanism to deal with it. Also, they have limited experience of horticulture exports. Thus, chances of facing risks related to price fluctuations are more. The price fluctuation observed in export price of Rwandan coffee from 2012 to 2020 under PRICE project was in the range of -23% to +35%. Some exporters of chili stopped exporting after experiencing high price fluctuations. Thus, it may pose a risk against generating sustainable income if negative fluctuation remains frequently high. This also applies in tea as prices are sensitive to trade volumes that in turn depend on weather conditions in producing countries. Moreover, prices are also affected by political stability and policies of importing countries especially if the exports markets are not concentrated as is the case in Rwanda. For example, it is notable that Rwanda has not diversified its tea markets as the following destinations are buying over 68% of total tea i.e. Pakistan (39.8%), United Kingdom (15.18%), and Kazakhstan (13.8%)</p> <p>High mortality of horticulture seedlings: High mortality rate of horticultural seedlings may jeopardize the plans of development of plantation mainly mango, avocado and macadamia and thereby affect the Value chain development. The mission has particularly noted that the existing macadamia seedling survival rate is low, possibly due to climatic reasons specific to Rwanda</p> <p>High cost of packaging materials in horticulture market remains an important issue raised by the exporters.</p> <p>High cost of fertilizers: Fertilizer costs are subject to disruptions in global value chains as well as fluctuations in exchange rate of local currencies. (see also fragility and security section)</p> <p>Access to finance: For the rural finance activities implemented with PFIs, the project in its initial years up to MTR will have an inherent risk of limited evidence for farm-level impact due to the medium/long term nature of the work.</p> <p>Limited uptake of HEGF: BRD has been managing PRICE supported Horticulture Export Guarantee Facility. The fund was set up to contribute in reduction of collateral related risks and also provided subsidized loan for OPEX. However, the fund encountered the challenge of low uptake by exporters in spite of the fact that many exporters showed interest in it. There is a risk if the uptake of the HEGF continues to remain low reflecting limited scope to engage smallholders in the export value chains of Horticulture subsector.</p> <p>Foreign Currency Exchange fluctuations: Tea is normally traded in USD but farmers receive payments in RWF. This poses a major risk to their earnings when the exchange rate is unfavourable.</p>	Substantial	Moderate
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Mitigations:		
<p>Price fluctuations in the international markets: The issue of price fluctuation can be mitigated as the exporters develop sufficient experience as well as if they are provided with sufficient market information / facilitation support. The project plans to review the horticulture market exploration study conducted under PRICE to understand comparative advantage for Rwandan exporters for key products - chili, mango, avocado, French beans etc. This study if updated and shared with exporters can provide a good idea about right time to put product in market. Also, two more interventions are planned to address the issue – i) Provision of a market facilitators who will be posted in key diplomatic missions (UK, Belgium, Dubai, DRC) to facilitate in-country market intelligence and trade procedures; ii) Promotion of brands of tea, coffee and horticulture products that display the uniqueness of the Rwandan produce.</p> <p>High mortality of horticulture seedlings: This point had been highlighted as one of the important 'lessons learnt' during the PRICE project and also raised during the mission. Following mitigation measures are suggested and need to be considered during the design phase: (i) Facilitate development community-based nurseries to reduce risks during transportation and improve accessibility. It will also help develop local skills and remedial actions can be available within community; (ii) Nursery raising will not be stand-alone activity but well linked with plantation demand from the identified target group; (iii) Considering poor survival rate of Macadamia seedlings, nursery raising will be split into community as well as private nurseries with the support of an international expert (from regular and good quality macadamia seedlings producing country like RSA); (iv) Maintenance of orchards will be an in-built component of the project, at least for first two years to ensure critical care of plants at early stage, including with grant support to invest in Efficient Irrigation Technologies; (v) The plantation work will be properly phased and plant mortality rates will be reported on annual basis to keep appropriate plan for mitigation.</p> <p>High cost of packaging materials in horticulture: this issue will be addressed through the Rwanda Horticulture Working Group strategies to organize bulk purchases and storage.</p> <p>High cost of fertilizers: This risk is mildly mitigated by the fact that disruption in supply chains will also lead to increase in tea prices since tea is normally traded in USD. At the local level, the industry will be supported to make decisions on whether the prices in each year are at a level that can guarantee economic returns. In a year where the benefits cannot be realized, it would not be prudent to import the fertilizers. Tea farmers will also be encouraged to routinely apply manure on their farms based on soil analysis results. In addition, a strong emphasis will be put on the use of manure as opposed to inorganic fertilizers in the horticulture interventions (see also fragility and security section)</p> <p>Access to finance: To ensure appropriate targeting and ability to measure results of PSAC activities implemented with PFIs, the targeting and lending products will be in full alignment with the PSAC value chain activities, and a specific M&E approach will be developed to measure Access to Finance short term and medium-term outputs and outcomes.</p> <p>Limited uptake of HEGF: BRD has already started working on this challenge. It has conducted a survey of 22 exporters (out of 40 horticultural exporters in the country) and identified issues as well as provided recommendations. The recommendations include - awareness generation among PFIs about banking facilities for exporters, technical support to exporters (on issues such as cost structuring, book keeping, business management, preparation of bankable proposals etc.) and multi-stakeholder response for policy advocacy on high air freight and sufficient availability of airline transport / cargo facility. PSAC will support BRD to address these issues, enhance experience of exporters in dealing with markets, build capacity of PFIs in value chain financing to exporters and also engage with multi-stakeholders for advocacy. It has proposed to extend HEGF for CAPEX, thus covering major needs of exporters.</p> <p>Foreign Currency Exchange fluctuations: this is another topic to be addressed at policy level. PSAC will leverage on the optimization of the farmers' 5% contribution to the tea development fund, so as to ensure stabilized take-home income when the RWF/USD exchange rate is not favourable.</p>		
Institutional Capacity for Implementation and Sustainability	Substantial	Moderate
Implementation Arrangements	Moderate	Low

Risk: Limited technical capacity, governance and institutional capacities of project stakeholders can lead to slow disbursement, lower project benefits as well as delays in implementation. Restrictions related to COVID-19 pandemic may prevent movement to target areas and sustained in-field presence.	Moderate	Low
Mitigations: Overall, NAEB has already acquired a solid experience of implementing IFAD projects through the 9-year PRICE project. The PSAC team at NAEB will be filled with competent and experienced staff recruited on competitive basis. Proximity services and monitoring will be ensured via NAEB Focal Persons in each target district, as well as direct engagement with local authorities, esp. district and sector agronomists. Besides, NAEB and other Government institutions have put in place mechanisms to hold virtual meetings in case of COVID-19-related restrictions. Vaccination rate in Rwanda is among the highest in Africa, and the Government is aiming at 100% vaccination among public servants.		
Monitoring and Evaluation Arrangements	Substantial	Moderate
Risk: The PRICE M&E showed following constraints and risks: (i) The focus of the M&E system was on generation of quantitative data where as project had to depend on external studies for qualitative data and there was no specific plan for compiling qualitative data. Therefore, the team continued implementation without clear idea about qualitative progress. For a large project with centralised M&E system, not having key qualitative data poses risks e.g. high mortality of horticultural seedlings came to light almost at the end of the project and the team missed a chance to take corrective actions. (ii) The increased load at SPIU (one officer managing multiple projects) led to weak M&E of PRICE (iii) Lack of organized sharing of information in terms of regular learning events with external agencies/stakeholders to explore the possibilities of engaging with others and awareness generation among selected target group for promotion of successful ideas.	Substantial	Moderate

Mitigations: The lessons learned from PRICE have guided the implementation modalities and organizational framework of PSAC: (i) A comprehensive system with regular compilation of quantitative as well as qualitative data which can guide the implementation team will be developed. The qualitative data collection method will have appropriate tools to maintain consistency of data collection and analysis e.g., Annual performance assessment of enterprise-oriented producer organizations (ii) A dedicated M&E Specialist will be allocated to the project, who will work closely with the implementation team. (iii) Knowledge management and sharing will have a plan to include annual learning events, spread of project messages for wider audience and ensuring key learnings to be put into practice on regular basis. NAEB team will benefit from other IFAD learning events within the country and region through exchange of learning and developing better understanding about systems and M&E aspects. (iv) The project will build the capacity of M&E Staff as well as entire programme implementation team through training and on the job learning (during initial period) to make them well versed with the system and data collection and its use. The team will need IFAD support to learn IFAD M&E manual, good practices in other countries which could be tried out under PSAC (use of ICT), IFAD COI guidelines in planning the exercises. (v) Inclusion of periodic qualitative information collection methods in the M&E system can allow a full understanding of the reason behind some quantitative results and facilitate planning of timely appropriate remedial measures. Some specific qualitative tools will be used such as annual assessment of cooperatives (to understand capacity building needs - to be carried out by Cordaid), annual survey on horticulture plant mortality along with analysis of reasons and remedial actions etc. Considering the need, additional FGDS may be conducted. During the PRICE project, high mortality of horticultural seedlings came to light almost at the end of the project and the team missed the chance to take corrective actions. If periodic quantitative information on mortality percentages are linked with qualitative analysis to identify the reason, the risk will be reduced.		
Project Financial Management	Substantial	Moderate
Project Organization and Staffing	Substantial	Moderate
Risk: Under the aegis of MNAGRI, NAEB will be the LPA. However, the SPIU of IFAD funded portfolio is currently established under RAB (the LPA for all other on-going IFAD's projects). Each on-going project has 1 dedicated Accountant, hired and located at RAB, reporting the SPIU-Finance Manager. Moreover, PSAC will enlarge the portfolio managed by the SPIU bringing extra workload. Considering the above, there is a risk that un-clarity in the reporting lines as well as logistical set up and increasing portfolio complexity may lead to non-adequate FM organizational arrangements.	Substantial	Moderate
Mitigations: 2 accountant will be hired by NAEB and funded by PSAC. Both will report hierarchically to NAEB-CFO with a functional reporting line to SPIU-Finance Manager: 1 will be logically located at NAEB to closely support PSAC technical/operational staff and overlooking the related transactions; 1 will be located RAB mainly to overlook all other PSAC transactions coordinated by the SPIU and, partially, to provide ad hoc support to the SPIU-Finance Manager in its coordination role of the entire IFAD portfolio. FM capacity on IFAD's practices will be rapidly built counting on the experience of the SPIU and on the learning programmes provided IFAD		
Project Budgeting	Moderate	Low
Risk: Low budget credibility due to unrealistic estimates and un-clarity in roles and responsibilities in the planning process. Moreover, risk in timely budget submission to IFAD due to alignment to country procedures for national budget submission to Parliament.	Moderate	Low

Mitigations: the budget planning process is generated by PSAC Operational Team with the contribution of the SPIU in its coordination and evaluation role. PSAC draft budget, as part of MINAGRI budget, is presented in the national envelope to Parliament on April. Therefore, it is crucial that final revisions are immediately agreed for submission to IFAD no later than mid-May (about 1 month and a half earlier than the end of the fiscal year). The new AWPB will be prepared with a minimum quarterly phasing (i) to sharply monitor any duplication of activities with the closing AWPB, and (ii) to prepare an adequate liquidity plan, by quarters, to support on time and in full the implementation of the project.		
Project Funds Flow/Disbursement Arrangements	Substantial	Moderate
Risk: The complex organizational structure impose operational clarity to ensure timely flow of resources to PSAC. Moreover, the lack of a solid liquidity plan associated to the AWPB as well as prompt/regular submission of WA may disrupt access to funds and delay implementation.	Substantial	Moderate
Mitigations: the Funds Flow chart (annexed to Design Reports) clearly outlines key responsibilities (i) to authorise opening of bank accounts (MINECOFIN), (ii) to authorise signatories to operate bank accounts (MINAGRI), (iii) to authorise persons entitled to submit WAs to IFAD via the ICP portal, (iv) to provide credentials to operate the IFMIS for accounting entries and payments approval (MINECOFIN). Moreover, quarterly submission of Interim Financial Reports (IFR) inclusive of cash forecast for next two quarter will ensure prompt liquidity phasing along both solar and fiscal year. 1 DA (in USD) and 1 PA (in FRW) will be opened at National Bank of Rwanda (NBR). Similarly, 1 additional PA (in FRW) will be opened at NBR to receive GoR cash contribution. Implementing partners, through MoUs and strong reporting framework, will secure that funds finance by IFAD will flow to beneficiaries for the intended purposes of the programme and that any residual fund will be returned to IFAD through PSAC.		
Project Internal Controls	Moderate	Low
Risk: The organizational set up with cross reporting lines may pose challenges to the internal control flow.	Moderate	Low
Mitigations: All PSAC transactions will be authorised by the SPIU-Finance Manager, the SPIU-Coordinator and NAEB-CFO as ultimate approver. NAEB-CFO will eventually delegate the authority to approve transactions to the SPIU-Coordinator within defined ceiling amounts. The Project Steering Committee (PSC) will be chaired by MINAGRI and co-chaired by NAEB and RAB. Moreover, the supporting activities carried out by the SPIU in its coordination role to PSAC will include: (i) contribution to budget planning, evaluation and monitoring, (ii) budget execution and treasury management, (iii) financial reporting to Government and IFAD, (iv) IFMIS implementation and customization, (v) coordination of internal/external audit, (vi) compliance with IFAD's processes and procedures and (vii) securing FM operational continuity relating the opening and the closing of projects.		
Project Accounting and Financial Reporting	Moderate	Low

Risk: The government IFMIS, mandatory for donor's funded project, has just been customised (May 2022) to be compliant with IFAD's minimum accounting/reporting requirements by component/expenditure category/financier. This is expected to reduce the excessive manual accounting/reporting operations prone to inaccuracies and errors, with immediate impact on management decision making and bottlenecks in the processing of WA from IFAD. The SPIU is not capturing yet in-kind co-financing and this may lead to an underestimation of the targets as well as of the overall resources mobilised by PSAC.	Moderate	Low
Mitigations: PSAC will benefit from the on-going IFMIS customization led by MINECOFIN. The Chart of Account has just been modified and tested to receive entries by component/categories/financier, and the SPIU will start to use it on June. This first step is fundamental for the short term: it will allow to extract from IFMIS reliable transaction lists which will more effectively feed into manual reports. In the medium term, further customization is expected to automatically generate reports from the IFMIS, as a reliable ring-fenced system. As shared with the Auditor General, during the mission, the SPIU will start a journey on IKC mapping/evaluation/reporting, based on criteria/procedures incorporated into PIM, in order to report IKC in the Notes to the Financial Statements.		
Project External Audit	Low	Low
Risk: The risk that PSAC accounts and internal controls are not adequately audited is low	Low	Low
Mitigations: The internal audit to PSAC will be secured by the Internal Audit Office dedicated to the SPIU, established at RAB under the aegis of MINAGRI. The IA function will report to the PSC. Concerning the external audit, PSAC will follow the example of the ongoing projects that are all being audited by the Office of the Auditor General as mandated under the government act/law. IFAD's review on the quality of the OAG reports for existing projects indicate highly satisfactory performance ratings, with positive comments given for the level of detail of the audits and use of acceptable standards (INTOSAI).		
Project Procurement	Low	Low
Legal and Regulatory Framework	Low	Low
Risk: The PSAC Procurement Risk Matrix did not identify any specific risks connected to the legal and regulatory framework. Public procurement in Rwanda is subject to Law no. 62/2018 governing public procurement, Ministerial Order no. 002/2010/TC of 19/05/2020 establishing Regulations on Public Procurement, Standard Bidding Documents and Standard Contracts. In addition, the Rwanda Public Procurement Authority (RPPA) has prepared a Standard Manual for Public Procurement (Public Procurement User Guide) for the benefit of procuring entities, and it sets out all the public procurement guidelines, procurement methods to be applied and the thresholds.	Low	Low

Mitigations: The 2017 PEFA assessed the effectiveness of the procurement systems, which was deemed to be aligned to international standards and acceptable to IFAD. The only limitation relating to procurement was on 'public access to procurement information', which has now been addressed with the recent introduction of Rwanda's online E-procurement system (UMUCYO, accessible here: umucyo.gov.rw). This is an online portal and a point of access for Rwanda PEs, allowing to negotiate better contractual terms, realize savings and achieve value for money. It enhances transparency and standardization of electronic documents, supplier registration, authentication of information and streamlines all elements of public procurement transactions. The SPIU is now registered into the E-procurement system, where the procurement plan is uploaded, and all procurement related actions are posted online for interested parties to view. The programme will support the SPIU in terms of technical assistance through supervision and implementation support missions.		
Accountability and Transparency	Low	Low
Risk: Transparency International scored Rwanda 53/100 on the Corruption Perception Index for calendar year 2021.	Low	Low
Mitigations: Accountability and transparency risks will be mitigated by IFAD supervision and implementation support missions. Additionally, all procurement entities, as well as bidders, suppliers, contractors, consultants and service providers, shall observe the highest standard of ethics during the procurement and execution of contracts financed under IFAD funded Projects, in accordance with paragraph 69 of the IFAD Project Procurement Guidelines. The Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations shall apply to all projects, vendors and third parties, in addition to the relevant national anticorruption and fraud laws.		
Capability in Public Procurement	Low	Low
Risk: IFAD requires that the Government agency should have a Procurement Unit with at least 2 staff members at the design stage. The National Agriculture Export Development Board (NAEB) has a Procurement Unit which is under the Chief Finance Officer (CFO). The Unit has one Procurement Officer who handles all procurement related work and is also secretary to the Tender Committee.	Low	Low
Mitigations: A Procurement Officer will be recruited to support the procurement functions for PSAC and will be reporting to the Head of Procurement of the SPIU. The Procurement Officer's procurement related responsibilities will therefore be supervised by the Head of Procurement of SPIU. At the NAEB institutional level, for the purposes of maintaining sound administrative oversight, the Procurement Officer will be supervised by the NAEB Chief Finance Officer.		
Risk: Procurement Methods The procurement methods for goods and works are generally consistent with IFAD's Project Procurement Guidelines except at the level of thresholds for shopping. According to the national thresholds, any procurement activity whose value exceeds RWF 3,000,000.00 (equal to, approximately, USD 3,000.00) is to be carried out via open competitive bidding.	Low	Low

Mitigations: The thresholds are established under law i.e. the Ministerial Order no. 002/20/10/TC of 19/05/2020 establishing regulations on public procurement. Efficiencies will be realized through use of e-procurement to reduce paperwork turnaround.		
Risk: Procurement Planning A small issue noted is that the procurement plan in the e-procurement platform is different from IFADs format and does not have provision for planned and actual rows.	Low	Low
Mitigations: The PSAC project will use IFAD procurement plan framework in developing the PP for the project		
Public Procurement Processes	Low	Low
Risk: The Tender Committee of NAEB is not ad-hoc but has been established according to the law governing public procurement management in Rwanda is Law n° 62/2018 of 25/08/2018 and Ministerial Order no. 002/20/10/TC of 19/05/2020 establishing Regulations on Public Procurement, which establishes that the Chief Budget Manager of every procuring entity must appoint a public tender committee for a term of 3 years, which may be renewed only once.	Low	Low
Mitigations: For the PSAC project, there will be a specific Tender Committee which will be constituted to serve the project. It is expected that the Committee will comprise technical staff that are key in the implementation of the project. Tender Committee will be appointed as per the law governing public procurement		
Risk: Procurement Methods: The procurement methods for goods and works are generally consistent with IFAD's Project Procurement Guidelines except at the level of thresholds for shopping. According to the national thresholds, any procurement activity whose value exceeds RWF 3,000,000.00 (equal to, approximately, USD 3,000.00) is to be carried out via open competitive bidding.	Low	Low
Mitigations: The thresholds are established under law i.e. the Ministerial Order no. 002/20/10/TC of 19/05/2020 establishing regulations on public procurement. Efficiencies will be realized through use of e-procurement to reduce paperwork turnaround.		
Risk: Procurement Planning: A small issue noted is that the procurement plan in the e-procurement platform is different from IFADs format and does not have provision for planned and actual rows.	Low	Low
Mitigations: The PSAC project will use IFAD procurement plan framework in developing the PP for the project		

Risk: Procurement Processes: The Tender Committee of NAEB is not ad-hoc but has been established according to the law governing public procurement management in Rwanda is Law n° 62/2018 of 25/08/2018 and Ministerial Order no. 002/20/10/TC of 19/05/2020 establishing Regulations on Public Procurement, which establishes that the Chief Budget Manager of every procuring entity must appoint a public tender committee for a term of 3 years, which may be renewed only once.	Low	Low
Mitigations: For the PSAC project, there will be a specific Tender Committee which will be constituted to serve the project. It is expected that the Committee will comprise technical staff that are key in the implementation of the project. Tender Committee will be appointed as per the law governing public procurement.		
Risk: Contract Administration and Management: Approval thresholds for contract amendments are established in law and only amendments of up to 20% are therefore allowed. The other contract management issue observed is that works contracts are supervised by the relevant Departments of the Ministry of Infrastructure as the work involved may apply. An important point noted is that most works contracts are undertaken using force Account.	Low	Low
Mitigations: For the PSAC project IFAD will require that Force Account be used only when the size, nature and location of the works make competitive bidding unsuitable; the Fund is satisfied that the construction facilities of the borrower are adequate and efficient; and the borrower has the capability to do the work expeditiously at a reasonable cost.		
Environment, Social and Climate Impact	Moderate	Low
Biodiversity Conservation	Substantial	Moderate
Risk: The expansion of cultivation areas is likely to have adverse impacts on biodiversity conservation depending on the current use of the land to which the expansion will occur. Additional risks also result from the infrastructure development that will also potentially entail land use change and clearance of vegetation.	Substantial	Moderate
Mitigations: The expansion of cultivation areas will target degraded areas that can be rehabilitated as much as possible. The expansion and infrastructure development will be in non-sensitive areas and rehabilitation will be promoted in areas where vegetation will be removed.		
Resource Efficiency and Pollution Prevention	Moderate	Moderate
Risk: Activities targeting improved productivity will result in increased use of agro-chemicals and water resources for the different value chains. The increased use of agro-chemicals will result in point pollution for the land and some water sources.	Moderate	Moderate

Mitigations: The capacity building for the smallholders will include optimal use of agrochemicals with safe handling and disposal. Water resource use efficiency will be promoted through the soil and water conservation activities as well as the efficient irrigation systems. PSAC will comply with FAO international Code of Conduct on Pesticide Management as well as national pest management standards, whichever is the more stringent.		
Cultural Heritage	Moderate	Low
Risk: The expansion of agricultural production areas envisaged for the different PSAC value chains may result in encroachment on areas of cultural heritage.	Moderate	Low
Mitigations: The project will focus on the rejuvenation and rehabilitation of areas already under production. The screening of any areas for expansion will ensure that project activities are not undertaken in any cultural heritage areas.		
Indigenous People	Moderate	Low
Risk: The PSAC areas do not include Indigenous peoples areas. The project target communities will include vulnerable and marginalized groups.	Moderate	Low
Mitigations: The targeting approach of the PSAC will ensure the inclusion of vulnerable and marginalized community members. The GALS has been applied in the Rwanda portfolio and can contribute to ensuring social inclusion in PSAC.		
Labour and Working Conditions	Substantial	Moderate
Risk: The working conditions for the seasonal labour are reportedly sub-optimal in most locations. The working conditions of any migrant workforce for the infrastructure development may also be below expected standards.	Substantial	Moderate
Mitigations: Efforts will be made through the project ESMP to monitor the working conditions of the seasonal labour. The contracts for the infrastructure development contractors will include specific clauses on ensuring adequate working conditions.		
Community Health and Safety	Moderate	Moderate
Risk: Seasonal labour in some of the PSAC value chains may be exposed to health and safety risks. While potential migrant labour for the infrastructure development may increase the risks on community health.	Moderate	Moderate
Mitigations: Capacity building will be provided for the seasonal labour that may be engaged in PSAC activities. The Environment and Social Management Plans at the infrastructure sites will include monitoring on health and safety aspects.		
Physical and Economic Resettlement	Moderate	Low

Risk: No physical resettlement is expected to result from the PSAC activities. Economic resettlement may occur in areas where land use change will result from PSAC activities.	Moderate	Low
Mitigations: The screening of the PSAC activities will ensure no physical resettlement occurs and any economic resettlement will be minimized. Besides, PSAC is actually expected to reduce migration to some level as more people will get jobs locally and follow comparatively less risky work due to project interventions, including capacity building.		
Greenhouse Gas Emissions	Low	Low
Risk: The PSAC activities will not result in any significant increase in greenhouse gases.	Low	Low
Mitigations: The use of shade trees, agro-forestry and perennial tree crops that are targeted under PSAC will contribute to greenhouse gas reduction. The capacity building for the smallholders will ensure optimal use and therefore minimal GHG emissions.		
Vulnerability of target populations and ecosystems to climate variability and hazards	Low	Low
Risk: The PSAC activities will not increase the vulnerability of the target populations and their ecosystems to climate change.	Low	Low
Mitigations: Climate change adaptation measures such as protective agriculture, use of shade trees and resource use efficiency have been integrated in PSAC and therefore the project is expected to improve the resilience of the target beneficiaries and the ecosystems in the target areas.		
Stakeholders	Substantial	Moderate
Stakeholder Engagement/Coordination	Substantial	Moderate
Risk: Producer organizations, exporters and PFIs are the key stakeholders that project is focusing on. Some of the identified risks for each of these are: Performance of producer organization may remain poor due to – weak internal governance in some of the groups, limited experience of managing enterprises and engagement with exporters, lack of knowledge about product quality requirements, neglect to role of women and youth, limited access to finance and poor infrastructure (road and transportation facilities) PFIs may not respond to improving access to value chain financing due to – their risk averse nature, lack of knowledge and tools for value chain financing, issues of liquidity, limited or no experience of dealing with exporters (especially true for MFIs). Performance of exporters may not be competitive due to - limited experience of export (esp. true for horticulture), weak enterprise management systems (e.g. record keeping), limitations in handling issues of logistics, weak market information, financial constraints, difficulties in producing product of export quality and at scale. As the project is moving ahead from PRICE and focusing on competitiveness of value chains, the response of GoR as a major stakeholder is crucial. Gaps in its response may lead to poor outcome.	Substantial	Moderate

Mitigations: PSAC has planned mitigations through capacity building of stakeholders along with market oriented coordination and facilitation. It is engaging technical partner agencies (e.g. Cordaid) to strengthen skills and capacities. It will carry out regular assessment of producer organizations and also develop capacity building modules (around possible risk causing issues). It will attempt to create smallholder power in markets through aggregation and reduce vulnerability of individual / small groups of smallholders. It is also ensuring representation of smallholders in multiple stakeholders forums (such as sector working groups). The project will work with identified PFIs and build their capacity of assessing value chains and develop understanding about financing needs. To reduce risks, it has created performance based grant facility, horticulture export guarantee facility and also helping PFI to try out innovative financial products. It is also engaging PFIs with different credit lines to reduce the risks of liquidity. For exporters, the plan is to provide market facilitation to reduce the risks of unsettled bills from unscrupulous buyers and provide market intelligence. It provides opportunity for exporters to directly engage with producers / producer groups and train them about product quality, export requirement, certifications etc. so that strong and sustainable supply chain developed. The project will be operated in close association with Ministry of Agriculture and NAEB which will help in influencing key stakeholders to address key policy advocacy issues in line with National Agricultural policy and PSTA 4.		
Stakeholder Grievances	Moderate	Low
Risk: Potential conflicts may arise among members of Producer Organizations, between outside workers and local community, between smallholder producers and off-takers/exporters, etc. In this situation, Grievance procedures are required to ensure that Project Affected Persons (PAPs) are able to lodge complaints or concerns, without cost, and with the assurance of a timely and satisfactory resolution of the issue. The procedures also ensure that the entitlements are effectively transferred to the intended beneficiaries.	Moderate	Low
Mitigations: Grievance Redress Mechanisms (GRMs) will be put in place at PO level (cooperatives, community-based nurseries, outgrower schemes, Coffee Washing Stations CWS, tea factories, etc.). The entry point for GRM will be NAEB focal persons at district level and the Gender and Social Inclusion Specialist will be appointed to follow up the GRM process. A Free Prior and Informed Consent (FPIC) process will be conducted with those POs ahead of any project investment that may affect the target beneficiaries.		

Rwanda

Promoting Smallholder Agro-Export Competitiveness Project Project Design Report

Annex 10: Exit Strategy

Mission Dates: 09-27 May 2022

Document Date: 14/12/2022

Project No. 2000003934

Report No. 6186-RW

East and Southern Africa Division
Programme Management Department

Annex 10: Exit strategy

A. Approach towards the exit strategy:

The Project's Exit Strategy is embedded in the strategic approach of:

- (i) working directly with the Government's National Agricultural Export Development Board in charge of PSAC target value chains, as well as with agricultural structures at district and sector levels to maintain proximity services. The strategic partnership NAEB with other donor agencies (World Bank, KOICA, USAID etc.) will help to develop synergy of interventions benefiting PSAC participants during and after its completion.
- (ii) identifying critical areas of strengthening in the value chain at the planning stage itself. In the market chain, it will build capacity of each category of stakeholder (empowered producers' organizations through improved governance operational effectiveness and participation of women and youth. proximity service providers, strengthened exporters etc.), so that they can gain and apply knowledge, access to resources and interconnect to develop a strong chain. It will promote gender equality and youth engagement in terms of their participation and representation as leaders in the VC through proper targeting mechanism and effective application of GALS+ in FFS.
- (iii) improving the competitiveness of export-driven value chains while creating power (or is it reliability) in markets for smallholders to provide the direction for sustainability of its interventions. Towards this, it plans to work on enhancing productivity, production at scale, quality and strong market linkages development. These tangible indicators will be realized through enabled (or empowered) human resources (as indicated in point 2) supported by appropriate infrastructure and equipment, tailor-made financial services and smallholder friendly policies. The project interventions will play the role of strengthening and stabilizing market forces using appropriate mitigation measures and climate-smart technologies
- (iv) developing a plan of completing major project activities in the 4th and 5th year of implementation. It will leave a window of 1 - 2 years for consolidation of activities and start a "gradual exit" process which can be completed by the end of the 6th year. This window shall ensure that there is sufficient technical and managerial capacity as well motivation of the project beneficiaries and service providers to continue with the activities after the project is over. In order to facilitate the process, PSAC will develop its draft exit plan and share during the mid-term review.

Thus, as an exit strategy, it will leave behind enabled (empowered) community, efficient and effective institutions (at local and national level), mainstreamed project interventions with government institutions and markets as well as developed positive policy environment for smallholders.

B. Sustainability of the Exit Strategy:

The details of PSAC's sustainability plan considering five dimensions is explained below:

1. Institutional sustainability: PSAC interventions are well aligned with NAEB's mission, and government's development strategies. The main VCs viz. Tea, coffee and Horticulture along with essential oils supported through PSAC are on priority list of NAEB's strategic plan (2019-24) - 'Increasing Agro-Export Revenue'. While designing the PSAC project, NAEB along with design mission team have identified possibilities of synergy with other projects viz. CDAT, KOICA, USAID, WFP etc. in the country e.g., upcoming CDAT project of the World Bank to support solar chili dryers and RAB to continue its applied research to release improved chili varieties. Rwanda based international agencies Cordaid and Heifer

international have partnered with PSAC which will have positive impact on quality of programme. Also, project's partnership with BDR (for HEGF) and BDF (for PBGM). Such an institutional support provides enabling environment for sustainability of initiatives during the project implementation period and even after the project period.

PSAC's ownership at grass root remains with District team who play the central role to ensure smooth implementation, monitoring and coordination of PSAC interventions. It ensures continuous and sustainable extension services that will further protect the project's investments.

Simultaneously PSAC will support development of VC platforms and working groups for multi-stakeholder engagement such as district level VC platforms for Horticulture VC, capacity building of CEPAR and guideline on banana-coffee intercropping (to feed into Rwanda Agricultural law) for Coffee VC and support for development and use of national level information platforms (national tea register, national tea brand and e-commerce) in tea VC. These platforms / working groups and information systems will bind the multiple actors and may emerge as a new force to take forward the project initiatives in which VC stakeholders have a lead role.

2. Social sustainability (Empowerment): In order to sustain the VC development efforts, PSAC's approach is organizing smallholders in groups, engage with women and youth and simultaneously build skills and capacities of the local cadre. PSAC is investing in capacity building of smallholder coffee, tea and horticulture co-operatives specifically focusing on governance, farm/production management and representation of women and youth. The cadre of resource persons mainly women and youth in the form of lead farmers (who will facilitate FFS), common services champions, seedlings suppliers, GALS+ champions, internal inspectors for certification etc. across all the VCs will enable smallholders to engage in VC actors independently. This approach will also enable smallholder to create their strong foot print in the VCs. The GALS+ will be implemented through FFS and facilitating GALS+ champions to participate in VC platforms, co-operatives, working groups etc. to create awareness about gender equality and ensure women's representation.

3. Technical sustainability: In order to ensure competitiveness of the VCs, technical sustainability is crucial. PSAC will strive to achieve it through development and efficient delivery of services viz. extension, production, logistics, aggregation / processing, quality control and financial access. The extension services are mainly provided by district and sector technical teams through FFS and its associated Proximity coaches and lead farmers. Also, Private sector companies will engage with producers and producer groups to provide technical advisory services e.g. Rwanda Nuts providing technical advisory services to macadamia farmers using their own resources. Across all VCs, the aggregation responsibility remains with the community cooperatives and groups while working in close association with private sector companies.

In case of quality control there are issues related to lack of accreditation and dependence on external human resources for international certification e.g. organic certification. PSAC is supporting NAEB's existing testing facilities to be accredited and also developing a cadre of 30 youth to work as internal inspectors for providing certification related services and a few will develop the capacity to work as certified auditors. This new cadre of trained youth along with accredited facilities will ensure the sustainability of certification processes beyond PSAC.

The investment support will be provided to establish avocado grading line, hangers for tea and coffee, parabolic solar dryers for coffee, protective agriculture system for chili etc. to improve the product quality and operational efficiency. The digital systems will be used to

ensure transparency in green leaf collection and payments in tea VC and also to facilitate traceability in coffee VC. PSAC will develop capacity of local human resources to operate, maintain and manage these equipment and digital information systems. Specifically for protective agriculture, it will develop linkages with HCoE, the in-country unit for training farmers and operators on technical aspects.

Further to this, integration of food crops in the coffee and horticulture farming system shall enhance the sustainability of production by acting as cushion against food and nutrition insecurity when prices are in their lowest and giving opportunity for investment from proceeds when prices are good and there are savings from food that is available in their farms.

4. Economic and financial sustainability: The economic and financial sustainability depends on three factors – productivity (improved yield and reducing post-harvest losses), scale of operation and access to finance. The strategies for sustainable improvement of productivity involves use of high yielding seedlings, application of better agronomic practices, improved field logistics, infilling / gap filling of seedlings, application of good quality manure and adequate fertilizers etc. These interventions are supported by nursery raising, input support (including fertilizer revolving scheme for tea and inputs package for new plantation of coffee and horticulture), aggregation through producers' groups / cooperatives (including critical infrastructure support for tea and coffee) to ensure increased productivity. The project interventions are focused on selected districts (selected sectors for tea and coffee) and emphasis has been given on consolidated plantation (targeting mainly smallholders) to achieve the scale of production.

PSAC has market-oriented approach towards financing. It has made provision for 100 per cent grant for infrastructure development (tea and coffee hangars, avocado grading line, soil and water testing kits etc. It has identified gaps and planned to support – a) HEGF for exporters b) PBGF for small and medium scale investment c) adaptation / development of financial products (for leasing and climate smart agriculture) and tools (digital credit assessment tool, incorporating climate parameters in credit assessment etc.) focusing on needs of smallholder and MFIs/SACCOs. With basic infrastructure in-place and improved access to finance, PSAC interventions will become more market oriented.

5. Environmental sustainability and climate change: The component of environmental sustainability and climate change is well integrated in the PSAC's VC interventions. The core work will be taken up through FFS in which proximity coaches, field production assistants and lead farmers will be trained climate smart agricultural practices and certification aspects. These community based local resource persons along with sector and district agronomist will facilitate natural resources management at the grassroots level and increase awareness among community members about GAP and certification processes. Thus, sharing of knowledge with community and providing more responsibility to manage at grassroots level ensures the continuity of work.

Various climate smart technologies viz. parabolic solar dryer for coffee, palintest kit for soil on coffee farms and waste water analysis from CWS to educate community about its use and effectiveness whereas technology like EIT for horticulture will be promoted through PBFG. The approach will make community aware about new technologies and motivates them to invest. In case of tea VC, farmers will be developing agroforestry development for supplying wood to tea factories as well undertaking trials on zero tillage practices. The approach will bring environment sustainability in factories operations and farmers will also generate additional income.

Managing international price fluctuations related to climate change is still a challenging task. However, PSAC through its strategic partner Cordaid has planned to strengthen capacity of FIs in climate resilience finance, integration of climate indicators in credit assessment, pilot testing of climate smart financial products and explore possibility of upscaling of successful products.

C. Other aspects of the Exit Strategy:

1. Scaling-up: The scaling-up of selected project interventions / approaches for greater impact on the sector includes: a) balanced review of each value chain in terms of export volumes and value on one hand and the footprint of target group (smallholders, women and youth) created in the value chain on the other hand. The footprint includes the scale of engagement of the target group, their leadership at various components of the value chain and feasibility of value created for them; b) potential for maintaining a private sector driven approach for scaling up with a central place for aggregators and buyers (exporters); c) possibility of ensuring government support in terms of associated policies and creation of infrastructure facilities/ support services. One of the important indicators of its selected VC becoming part of the NAEB's strategic plan for 2025-2030; d) Access to affordable finance to all actors engaged in the chain so that scaling up can be smooth.

2. Challenges/ risks to exit strategy: When the VC is being implemented in a project mode, the key risk is seriousness towards actual implementation of the exit plan itself among the players. In order to make the exit strategy a reality, the role of each actor (including community groups, private sector players) in the strategy needs to be defined and discussed through VC platforms, FFS and project management. In order to boost production and productivity, PSAC is making major investments in the plantation of coffee, tea, avocado, macadamia. Failure to limit the mortality rate within prescribed limits in early stages of the project will affect the overall exit plan. The PSAC team should conduct annual mortality surveys from the beginning of the project and follow appropriate remedial plans. Also, development of financial services for PSAC VCs are critical for implementation of the exit plan.

3. Monitoring the process of the Exit Strategy: Tracking of the progress – Successful establishment of plantation, development of financial services, facilitation of contracts between FOs and buyers and ensuring sufficient export demand are the critical factors to be tracked from the beginning of the project. The formal exit strategy to be developed during the Mid-term and spearheaded by NAEB will include timelines, resource implications, responsibilities, scaling-up areas, constraints in successful exit, etc. It needs to be reviewed every six-months by the project team.

Rwanda

Promoting Smallholder Agro-Export Competitiveness Project Project Design Report

Annex 11: Mainstreaming themes – Eligibility criteria checklist

Mission Dates: 09-27 May 2022

Document Date: 14/12/2022

Project No. 2000003934

Report No. 6186-RW

East and Southern Africa Division
Programme Management Department

Mainstreaming themes – Eligibility criteria checklist						
	<input checked="" type="checkbox"/> Gender Transformative	<input checked="" type="checkbox"/> Youth Sensitive	<input type="checkbox"/> Nutrition Sensitive	<input type="checkbox"/> Persons with Disabilities	<input type="checkbox"/> Indigenous Peoples	<input checked="" type="checkbox"/> Climate Finance <input checked="" type="checkbox"/> Adaptive Capacity
Situation analysis	<input checked="" type="checkbox"/> National gender policies, strategies and actors <input checked="" type="checkbox"/> Gender roles and exclusion/discrimination <input checked="" type="checkbox"/> Key livelihood problems and opportunities, by gender	<input checked="" type="checkbox"/> National youth policies, strategies and actors <input checked="" type="checkbox"/> Main youth groups <input checked="" type="checkbox"/> Challenges and opportunities by youth group	<input type="checkbox"/> National nutrition policies, strategies and actors <input checked="" type="checkbox"/> Key nutrition problems and underlying causes, by group <input type="checkbox"/> Nutritionally vulnerable beneficiaries, by group	<input type="checkbox"/> National policies, strategies and actors <input type="checkbox"/> Main groupings among PwDs <input type="checkbox"/> Context-based barriers and opportunities for PwDs	<input type="checkbox"/> International standards, national policies, strategies and key IPs' organizations <input type="checkbox"/> Main IPs communities, demographic, social, cultural and political characteristics <input type="checkbox"/> Important livelihoods constraints and opportunities for IPs and their cultural heritage	
Theory of change	<input checked="" type="checkbox"/> Gender policy objectives (empowerment, voice, workload) <input checked="" type="checkbox"/> Gender transformative pathways <input checked="" type="checkbox"/> Policy engagement on GEWE	<input checked="" type="checkbox"/> Pathways to youth socioeconomic empowerment <input checked="" type="checkbox"/> Youth employment included in project objectives/activities	<input type="checkbox"/> Nutrition pathways <input type="checkbox"/> Causal linkage between problems, outcomes and impacts	<input type="checkbox"/> Pathways to PwDs' socioeconomic empowerment using a twin-track approach	<input type="checkbox"/> Pathways to IPs' socioeconomic empowerment	
Logframe indicators	<input checked="" type="checkbox"/> Outreach disaggregated by sex, youth and IPs (if appropriate) <input checked="" type="checkbox"/> Women are > 40% of outreach beneficiaries <input checked="" type="checkbox"/> IFAD empowerment index (IE.2.1)	<input checked="" type="checkbox"/> Outreach disaggregated by sex, youth and IPs (if appropriate) <input checked="" type="checkbox"/> Persons with new jobs/employment opportunities (CI 2.2.1)	<input type="checkbox"/> Outreach disaggregated by sex, youth and IPs (if appropriate) <input type="checkbox"/> Targeted support to improve nutrition (CI 1.1.8) Outcome level CIs <input type="checkbox"/> CI 1.2.8 MDDW <input type="checkbox"/> CI 1.2.9 KAP	<input type="checkbox"/> Outreach disaggregated by sex, youth, disability and IPs (if appropriate)	<input type="checkbox"/> Outreach indicator disaggregated by sex, youth and IPs <input type="checkbox"/> IPs are > 30% of target beneficiaries	
Human and financial resources	<input checked="" type="checkbox"/> Staff with gender TORs <input checked="" type="checkbox"/> Funds for gender activities <input checked="" type="checkbox"/> Funds for IFAD empowerment index in M&E budget	<input checked="" type="checkbox"/> Staff with youth TORs <input checked="" type="checkbox"/> Funds for youth activities	<input type="checkbox"/> Staff or partner with nutrition TORs <input type="checkbox"/> Funds for nutrition activities	<input type="checkbox"/> Staff with disability inclusion-specific TORs <input type="checkbox"/> Funds for disability inclusion-related activities (including accessibility)	<input type="checkbox"/> Staff with IPs-specific TORs <input type="checkbox"/> Funds for IPs related activities, including FPIC	IFAD Adaptation Finance \$7,220,000 IFAD Mitigation Finance \$0 Total IFAD Climate-focused Finance \$7,220,000

ECG Remarks	<p>Gender The project intends to be gender transformative and has included measures to meet the criteria</p> <p>Nutrition</p> <p>Youth The project intends to be youth sensitive and appropriate measures are included to meet the criteria</p> <p>Persons with Disabilities</p> <p>Indigenous Peoples</p> <p><input type="checkbox"/> No social inclusion themes</p>
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Rwanda

Promoting Smallholder Agro-Export Competitiveness Project Project Design Report

Annex: Annex 12 Brief Value Chain Analysis and Rationale for selection of Coffee, Tea and Selected Horticulture Crop Value chains

Mission Dates: 09-27 May 2022

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Project No. 2000003934

Report No. 6186-RW

East and Southern Africa Division
Programme Management Department

Annex 12: Brief Value Chain Analysis and Rationale for selection of Coffee, Tea and Selected Horticulture Crop Value chains

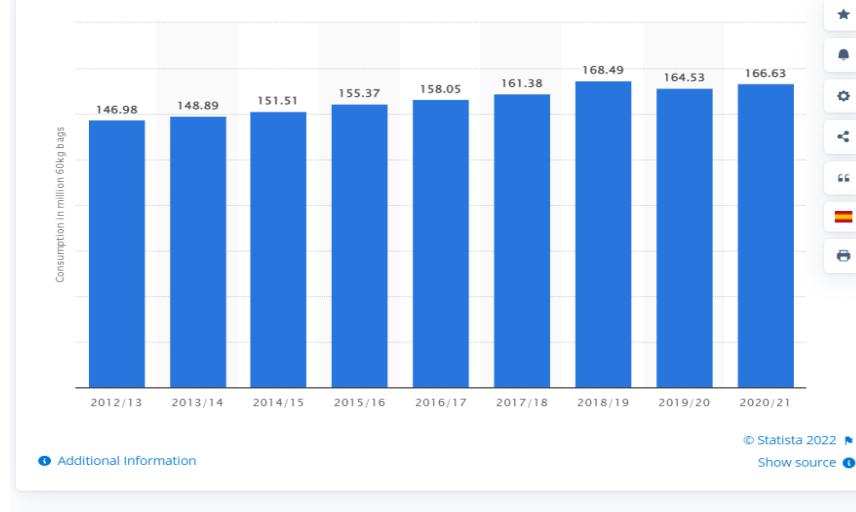
1.0 Coffee:

1.1 Summary Global Perspective of Coffee Demand: Coffee market size was valued at US\$ 104.22 Billion in 2020 and projected to reach US\$ 152.92 Billion by 2028 growing at a CAGR of 4.5 per cent from 2021 to 2028. Coffee demand is rising in emerging regions, with exports at the forefront of the supply chain. Coffee will continue to be a popular daily beverage in consumer diets around the world in the next years, but its consumption levels are unlikely to reach new highs. Coffee output is also likely to benefit from attractive government subsidies aimed at encouraging cash crop growth¹.

It is estimated that consumers drink 2.6 billion cups of coffee daily. Leading consumers are in Europe led by Finland (12 kg/capita/year) and Norway (9.9kg/capita/year). The top five leading importers of Rwanda coffee consumption rates are Switzerland at 9Kg/capita/year; UK at 3.3kg/capita/kg; Belgium at 6.8kg/capita/year; USA at 4.5kg/capita/year; and Singapore at 2.6Kg/capita/year.

The demand for coffee continues to grow over the years as shown in the graph below.

Figure 1: Global Demand for Coffee 2012 -2021²



1.2 Summary Coffee Sector Background: The highest ever produced coffee volume in Rwanda between 1990 and 2020 is 38.34 MT (639 60kg bags)³ in the 1992/1993 coffee season. Production has been dropping ever since after the genocide in 1994 and has now stagnated between 20 and 23 MT in the last decade.

According to the 2015 national coffee census supported by PRICE, there are 355,771 coffee growers with 89,726,809 trees covering 35,891 Ha. According to NAEB and a few progressive farmers visited during the PSAC Design Mission, the country has the potential to produce 2500kgs per ha of coffee beans, hence the countries potential to produce over 50 MT taking into considerations improved management of economic-environmental-social factors. The National Strategy for Transformation (NST1) has shown that the percentage of fully washed coffee is targeted at 80 per cent of total production by 2024, while the productivity per tree should by that time have increased to 4 kg ([MINAGRI, 2018](#)). The

¹ <https://www.verifiedmarketresearch.com/product/coffee-market/>

² <https://www.statista.com/statistics/292595/global-coffee-consumption/>

³ https://www.ico.org/new_historical.asp

projected 4kg production per tree is achievable after the implementation of the proposed interventions under PSAC to get the country back to the 1992/1993 coffee season production.

Rwanda exports over 95 per cent of national coffee production. The table below shows the top ten market destination countries for the coffee exports.

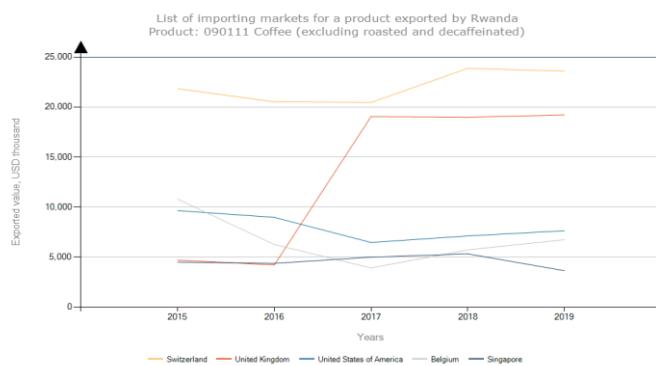
Table 1: List of consistent Rwanda coffee importing countries by Volume⁴

Importers	2015	2016	2017	2018	2019
	Exported quantity, Tons				
World	18,263	17,466	18,670	21,921	23,821
Switzerland	6,642	7,437	6,835	8,012	8,756
United Kingdom	878	825	4,623	4,932	5,742
Belgium	4,168	2,083	1,142	1,960	2,445
United States of America	2,363	2,195	1,578	1,931	1,802
Singapore	1,375	1,398	1,145	1,267	1,288
South Sudan					1,090
Uganda	26	50	1,889	2,157	904
Japan	205	149	176	198	327
Germany	967	339	72	92	224
Kenya	494	263	542	598	222
New Zealand		35	147	159	156
United Arab Emirates		2	1	1	135
Netherlands	27	18	20	24	130
Italy	97	552		1	92
Korea, Republic of	111	183	290	347	71
China	33	16	31	34	63
Poland		65	32	36	63

The graph below shows the market trends for the five leading importers of Rwanda Coffee.

⁴ https://www.trademap.org/Country_SelProductCountry_TS.aspx

Figure 2: A graph showing export trends to main market destinations⁵



Rwanda ranks the fifth leading exporter of coffee from Africa as shown in the table below in US\$ value.

Table 2: Top 10 Coffee Exporters from Africa⁶

Exporters	Exported value in 2017	Exported value in 2018	Exported value in 2019	Exported value in 2020	Exported value in 2021
World	20,379,440	18,522,507	17,547,606	17,916,518	21,715,288
Africa Aggregation	2,120,513	1,942,155	1,938,890	1,939,606	2,408,665
Ethiopia	936,893	793,384	793,627	793,548	1,185,526
Uganda	555,149	435,956	437,619	514,191	586,256
Kenya	226,728	227,891	198,932	208,868	238,360
Tanzania, United Republic of	122,836	145,065	149,832	143,133	155,139
Rwanda	64,113	71,072	71,327	69,341	82,310
Burundi	36,438	40,821	37,779	30,389	45,788
Cameroon	40,821	33,539	36,296	31,397	30,653
Côte d'Ivoire	71,201	137,894	162,292	90,021	23,516
Congo, Democratic Republic of the	19,504	17,867	13,531	16,389	21,736
Zambia	6,192	546	3,331	6,807	14,074

1.3 Rationale for PSAC interventions in the Coffee Value Chain

- i. The coffee commodity is highly strategic as it represents in itself up to 25 per cent of Rwandan formal export earnings and it involves 350,000 growers⁷. Rwanda exports over 95 per cent of national coffee production. Despite a steady increase in the exports of specialty coffee, there is still a need to rehabilitate old plantations⁸, enhance climate smart productivity, strengthen producers' organizations, and ensure that all coffee washing stations (CWS) are used at optimum capacity to deliver sustainable incomes to coffee growers.

⁵ https://www.trademap.org/Country_SelProductCountry_TS_Graph

⁶ https://www.trademap.org/Country_SelProduct_TS.aspx

⁷ Ibid.

⁸ The Government of Rwanda estimates that about 70 million coffee seedlings are aged above 55 years

- ii. The global consumption trend of coffee indicates an upward trajectory. It creates a great opportunity for the specialty class of Rwanda's coffee due to its consistent quality. However, it is yet to achieve its full potential as a competitive specialty grade product (that is differentiated and strategically placed in international markets) due to lower volume of production. This is evident from the fact that highest coffee production was 38.34 MT in 1992/93 and to the level of 20 to 23 MT during the last decade.
- iii. The National Strategy for Transformation (NST1) has targeted fully washed coffee at 80 per cent of total production by 2024 with increase in productivity to 4kg per tree (MINAGRI, 2018) to reach to the level of 1992/93 coffee season production. The synergistic effect will lead to sizable increase in income of smallholder coffee producers which is the core rationale for support through PSAC. Towards this, the obstacles to be solved and the available opportunities to be captured include:
 - a. Replacement of the old stock of coffee trees to bring youthfulness and vigour of 3050 Ha of coffee area under production;
 - b. Rehabilitation of 1082 Ha of coffee above 8 years to create a younger coffee cycle that will stimulate more productivity;
 - c. Addressing issues around the capacity of Smallholder farmers agronomic practices, Cooperatives capacity as well as CWS capacities all geared towards increased volumes, better quality, organizational strengthening and performance and quality management, access to markets, climate smart agricultural and new technology adoption among others;
 - d. Increased proportions of specialty coffee from Rwanda targeting the changing consumption trends amongst the various segments of consumers;
 - e. Addressing gender and youth mainstreaming into the coffee sector as an effort to engage renewed energy at various levels of the VC.

2.0 Tea

2.1 Sector Overview

Tea was introduced in Rwanda in 1952 and area under tea plantations has been continually increased to 24,401 Ha (2019) and is today a major contributor to foreign exchange for the country. The Rwandan tea production has recently performed well in an upward growth and in 2016/17 fiscal year, 605 Ha of new tea plantations were added to the existing area which is an achievement of 74 per cent compared to the targets that had been set. According to the same source, the tea sales revenues for the year 2016 - 2017 increased to US\$ 74.5 Million from US\$ 70.7 Million generated in 2015-2016.

2.2 Growth of the sector

Rwanda is one of the top exporters of tea in Africa. The Rwanda tea value chain is well organized under the Rwanda Tea Association which brings together producers and manufacturers. There are 18 Tea factories and 21 Cooperatives in the country. Producers are grouped into cooperatives while manufacturers operate independently and only those with common ownership show signs of collaboration and uniformity of operations and performance. The cooperatives serve over 45,622 farmers while PSAC has proposed to serve 11,625 farmers. In 2021, green leaf production by cooperatives stood at 92,817,149 Kgs while factories processed 35,390,825 Kgs of made tea which was an increase of 8 per cent over 2020 production.

Income to farmers has also registered gradual growth over the years. For example, between 2018 and 2021, the take home income for farmers increased by 15 per cent on average according to ferwacothé reports.

By law, cooperatives are further grouped into unions which further converge to form a national federation. The federation of Tea cooperatives in Rwanda assumes both a

representation role of cooperatives but also that of a business advisor as confirmed by its membership in the Private Sector Foundation (PSF).

2.3 Challenges facing Rwanda Tea sector and areas of intervention for PSAC

There are several challenges in the tea sector that may limit the level of growth and scale of impact on poverty levels. Among the challenges are;

(i) availability of adequate fertilizers (ii) availability of land for expansion (iii) high cost of plucking labor (iv) low value addition in the country (v) slow rate of commercialization of research outputs (vi) high deductions on farmers' incomes (vii) Gaps in policy framework

2.3.1 Availability of adequate fertilizers

An analysis of fertilizer availability in 5 cooperatives during the development of the Revolving Fertilizer Scheme (RFS) showed that there was a 61 per cent deficit in the fertilizer required by farmers based on hectares planted. However, interventions such as the RFS have seen fertilizer use increase in targeted areas. According to NAEB reports 8,000 MT of fertilizers were targeted for application but the target was surpassed and 11,895 MT were applied in plantations in 2020/21. PSAC will intervene by:

- a. Upscaling of fertilizer availability
PSAC will further invest US\$ 2,000,000 to finance some of the cooperatives that are currently benefiting from the RFS and to set up the scheme for 3 cooperatives that have not benefited in the past.
- b. Upskilling of fertilizer management teams

A recent monitoring report by a committee on the progress of the RFS listed several challenges facing the implementation of the RFS that undermine the performance parameters that were set out in the concept paper developed by NAEB & IFAD.

PSAC will support the formation and operationalization of a Fertilizer Management Committee (FMC) which will formulate, disseminate and enforce operating guidelines for fertilizer management in the tea sector. The FMC will include experienced Agronomists/Managers/Researchers in the country.

2.3.2 Availability of land for expansion

Tea production in Rwanda is a major economic activity in 11 high altitude districts in the Northern, Southern and Western regions. Production takes place both in the hill sides and valleys with hillside tea fetching higher prices in the auction market. However, challenges related to land availability for expansion of tea farms leads to a situation where farms are located far away from factories which leads to low farmer earnings due to the following reasons; Increased risk of quality deterioration during transportation of green leaf, depressed production and productivity as a result of long plucking cycles and high cost of production due to lost production, inefficient transportation and deteriorated quality of green leaf. PSAC will intervene by;

- a. Advocating for regulations/guidelines to guide the distance of tea farms from factories. In formulating such regulations, the GoR will consider the state of feeder roads and terrain of the area.
- b. Support farmers to undertake gap filling in their farms so as to increase production and productivity as well as to reduce the cost of production per farmer.

2.3.3 High cost of plucking labor

Tea plucking is labour intensive and provides many jobs for unskilled workers in rural areas where tea is grown. However, factors that would reduce the productivity of these workers

directly contribute to an increase in plucking labour costs. For example, pluckers who are working for less hours will pluck less hours and therefore earn less. To mitigate this risk, the workers often increase their labour changes.

PSAC will target interventions to counter increases in plucking labor costs that are associated with reduced working hours;

- a. Increasing the number of leaf collection hangars to shorten distances that pluckers cover and increase their daily productivity
- b. Increasing the number of leaf collection trucks to increase leaf collection frequency
- c. Purchasing electronic green leaf weighing scales to increase transparency and accuracy of payable weight.

2.3.4 Low value addition in the country

Most of the tea exported by the country is not in value added form although the government objective is to increase value added exports. While individual factories have made steps towards export of value-added teas to regional and overseas markets, the levels are still not satisfactory according to NAEB.

PSAC interventions in this area will seek to provide a roadmap to increasing the volumes of value-added teas exported by implementing the following activities;

- a. Supporting NAEB to develop a tea marketing & value addition strategy and identifying opportunities that have commercial value to members of the Rwanda Tea Association and their partners.
- b. Operationalizing the online trading platform
- c. Promoting activities related to the National Tea Brand

2.3.5 Slow rate of commercialization of research outputs

The country has 2 tea production systems mainly; small scale farms and Industrial blocks. The industrial blocks owned by factories may by default have access to more capital regularly and can therefore be able to propagate seedlings based on the latest recommendations from Rwanda Agricultural Board.

On the other hand, small holder farmers constitute the larger production block but have less access to capital and may not respond quickly to recommendations on clones and practices that require capital investment. Furthermore, market research has shown that it may be possible for farmers to earn more by producing their green leaf through organic practices. However, many farmers may lack the resources required to invest in the transition from conventional farming to organic production. PSAC will intervene by;

- a. Supporting cooperatives to access cuttings from recommended clones per agroecological zones and thereby mitigate against high death rate of seedlings during transplanting as well as set them up for higher productivity (and income) in future.
- b. Advocating that NAEB develops additional green leaf price sharing formula for diversified tea products be put in place to protect the interests of small holder tea farmers and de-risk their investment in tea production as well as incomes.
- c. Supporting farmers to expand their organic tea plantations in response to market demand as advised by tea factories and the buyers of their tea.

2.3.6 High deductions on farmers' incomes

Farmers gross income is determined by the price the partner factory is able to attract for their made tea in international tea markets as well the prevailing price sharing formula as administered by GoR. However, the net income varies from cooperative to cooperative due to factors that are internal to the cooperative management. These factors determine the amount of deductions which are made by cooperatives management.

PSAC will intervene by;

- a. Building the capacity of Ferwacothe to develop and implement a Common Services framework/ Management Protocol for tea cooperatives in Rwanda by financing an expert to undertake the assignment by designing, training, implementing, monitoring and reviewing progress regularly.
- b. Supporting Cooperatives to implement the Common Services Framework through Common Services Champions and Committee.

2.3.7 Gaps in policy framework

The Government has identified tea production as one of the pathways out of poverty for farmers living within agro ecological zones that are suitable for tea production. The capacity for tea to uplift large populations economically is reinforced by the fact that tea production and sales takes place all year round while availability and participation of regular markets make it possible for farmers to earn monthly incomes.

In support of efficient production, PSAC will intervene by supporting/advocating to NAEB;

- a. To complete and operationalize the national tea census and register in order to provide visibility of tea producers and encourage entry of new tea farmers.
- b. To make guidelines to manage tea expansion with a view to limiting the distance of farms from factories, helping cooperatives/factories to achieve minimum hectares of planted tea farms, minimum tea bushes (hectares) per farmer and availability of suitable clones within tea growing catchments.
- c. To scale up initiatives to improve productivity for example by scaling up the 5 per cent fund through financial and technical participation of factories and other partners.
- d. Targeting standardization of approach and Coordination of core activities of tea cooperatives to create higher efficiencies, reducing costs and attracting new tea growers including self funded farmers.

3.0 Horticulture: Purpose for selection of specific Horticulture crop VCs

3.1 Process of selection of Horticulture crop VCs: Rwanda's agricultural exports doubled from 225 million US\$ in 2013-2014 to 516 million US\$ in 2017-2018 at a 22 per cent compounded annual growth rate (CAGR), and NAEB is now aiming to take it to 1 billion USD by 2024⁹. Horticulture has played critical role in this achievement by emerging as one of the faster growth export crops and also helped in diversifying the agriculture export base. In order to achieve its goal for 2024, NAEB has prioritized - French beans, snow peas, passion fruits, chilies mushrooms, macadamia, avocado and pineapple as high value horticulture value chains for international market exports based on assessments of their agronomic viability, profitability, competitiveness, and social impact (how much can farmers earn). It has also identified essential oils, stevia, sericulture as new growth value chains which hold the potential to grow in the upcoming years. With these efforts, Rwanda is also aiming at export growth of 17 per cent per annum to achieve its targets of the National strategy for transformation¹⁰.

PSAC has considered the above export potential crops as the basic list for selection and further assessed from the perspective of – a) geographical targeting and b) potential for engaging smallholders, women and youth c) market demand and d) availability of stable exporters. PSAC is targeting consolidated block of 14 districts (10 districts from western and southern region and 4 adjoining districts from northern and eastern province). The major crops grown in these districts are avocado, macadamia, mango, passion fruit, citrus,

⁹ NAEB strategic plan 2019-2024

¹⁰ Concept note of MINAGRI submitted to IFAD dated 22nd June 2021.

banana, essential oils (patchaouli, lemon grass, eucalyptus), chilli. French beans, onion, garlic, tomato and carrots.

The common crops from the priority list and crops grown in the PSAC's operational areas are avocado, macadamia, passion fruit, french beans, chili and essential oils. However, export of passion fruit has been highly volatile and driven by diseases (passion fruit woodiness), subject to high international standards (leading to high rejection rate and local grades fetch half the price)¹¹. The remaining five value chains show strong potential in developing smallholder-exporter led value chain development, opportunities to engage women and youth, consistent and growing export demand, markets already tested /experienced by Rwandan exporters and provide good margin for smallholders over domestic and regional markets.

In order to reduce some of the market risks as well as support food security and nutrition, four more crops grown in the region – onion, garlic, carrot and tomato are also considered as complementary to the selected list of five export-oriented crops. These crops have good local and regional market demand, can be cultivated as intercrops in orchards as well as useful for crop rotation to french beans and chilies. Additionally, a fruit crop mango is selected as an import substitute.

3.2 The analysis of core export-oriented Horticulture crops VCs:

3.2.1 Macadamia: It is one of the few products in Rwanda in which value addition (through processing) happens within the country, thus creating scope for more jobs to youth and women^[1]. It is a low volume - high value crop; suitable for landlocked Rwanda. High demand in the international market and dedicated exporters (3 exporters) exist in the country but the production is low. Exporters are closely engaged with producers and also provide advisory support at the farmgate. It is a long gestation period crop but after 5 years harvesting takes place in two seasons per year (June to October and December to February), thus creating frequent income generation opportunities. Once planted, the work in the macadamia orchard is not laborious which can reduce the workload of women. The profit potential is high (about 80%). The only risk is China, the current importer of nuts may become a major exporter by 2030 due to its own large-scale production. This risk can be overcome by organic production and exporters in Rwanda are ready to work towards it. In the beginning there were many big farmers engaged in macadamia production. Subsequently smallholders have started following their footsteps. PSAC focusing on smallholders and women directly linking with exporters, there is more scope to work in the value chain.

3.2.2 Avocado: Avocados are grown by small holder farmers and cooperatives mainly in Eastern and Southern provinces. The export volume of avocado from Rwanda increased from about 400MT in 2018-19 to 525MT in 2020-21¹². The Rwanda airport data of peak season (August to December) 2020 and 2021 suggest that there is an increase in monthly fresh avocado export to UAE and UK market – from about average 100MT/month to average 200MT/month (from 4 containers per month to 8 containers per month)¹³, which is expected to be expected to be doubled in next 4-5 years. The UAE and Europe market show growing trend of average 26 per cent and 29 per cent import respectively when the share of Rwanda is just 1 per cent in volume. There are almost 7 exporters of avocado but a few of them are exporting to Europe and UAE. The profit margin is 31 per cent to 60 per cent depending on sea or air freight cost. Income from export to UAE and EU is exponentially higher for avocado than the staple crops: maize – US\$ 297 per ha, irish potato US\$ 2,094 per ha and avocado – US\$ 3,955 per ha.¹⁴

¹¹ Commercial investment opportunities in agriculture value chains, USAID report (December 2018)

¹² NAEB export data shared with PSAC design team May 2022

¹³ A note on Avocado sorting automation machine, NAEB (May 2022)

¹⁴ Commercial investment opportunities in agriculture value chains, USAID report (December 2018)

3.2.3 French beans: French beans are cultivated in open field mainly through a few commercial producers (who also export) and smallholders. It has year-round demand. Of the total production 80 per cent goes to regional markets (about 2/3rd to DRC and about 1/3rd to Uganda) and 20 per cent to international market (France, Belgium, Netherland, UK and Dubai). The annual export volumes in 2017, 2018, 2019 were 1081, 3503 and 5437MT¹⁵ respectively which shows that the exports are rising in volumes. There are 9 exporters who buy from smallholders and 6 of them also have their own production. EU markets expect various certifications (Global GAP, HACCP, BRC, IFC, SMETA etc.) and conduct stringent checks for fresh imports. French beans are an attractive crop because they mature early, harvested 45 days after sowing, and require minimal investment into production. Exporters have around a 20 percent rejection rate while sorting, but rejected French beans can be sold on the domestic market, keeping overall food losses low. The average price of French beans in domestic market is Rwf180 to Rwf 360 per kg and in the international market, it is Rwf 500 to Rwf 650 per kg. The data from different sources of cooperative memberships indicates that 45 per cent to 54 per cent and 15 per cent – 18 per cent of the total are women and youth¹⁶. It shows importance of the French beans VC for women but low participation of youth in production (due to lack of capital to pay membership fees and lack of access to land as well as lack of access to finance).

3.2.4 Chili: It is produced by small and commercial farmers and is aggregated by wholesalers, cooperatives, exporters and sometimes brokers. The annual export volumes of 2018, 2019 and 2020 were 721MT, 1097MT and 1496MT respectively¹⁷ which show a rising trend. Of the chilli exports to international markets, more than 60 percent chilli goes to the UK, with smaller amounts going to India, Belgium, the Netherlands and France. International export markets absorb 24 percent of the production. While export is focused on fresh chili (red and green), recently export of dried chili to China has also started. Chili does not have significant regional markets but does have a good domestic demand. There are 7 exporters who buy from smallholders and 3 of them also have their own production. Like French beans, EU markets conduct stringent checks for fresh imports and also expect certification with basic one being GlobalGAP. Europe is the attractive market as it provides premium price. Income from export is exponentially higher than the staple crops: maize – US\$ 297 per ha, irish potato US\$ 2,094 per ha and chili – US\$ 4,336 per ha¹⁸ and provides opportunity to diversify revenue streams. A sample data of cooperatives engaged in chili production indicate that 43 per cent women have co-operative membership. In terms of wage labour on commercial farms and exporters, 72 per cent women and 20 per cent youth are engaged seasonal work in chili production (cultivation, harvesting, sorting, packaging etc.) with daily wage ranging between Rwf 1000 to Rwf 2000.

3.2.5 Essential Oil: These are high value-added oils obtained from processing various essential oil crops such as patchouli, lemongrass, eucalyptus, geranium etc. and are used in high-end products in the flavours and fragrances industry. Geranium and patchouli are primarily used in the fragrances market where the whole oil is used. Eucalyptus, and lemon grass are lower value oils used as a source of specific compounds. Leading consumers of essential oils are the USA, followed by Western Europe and Japan. The EU leads in world trade of essential oils but is not a major oil producer and most essential oils are re-exported.

Due to low volume – high value, appropriate climatic conditions to grow in Rwanda and scope to engage smallholders in cultivation as well as in primary processing, it is an attractive value chain. Rwandan farmers can produce three or four harvests a year, a clear advantage compared to many other essential oil producing countries (e.g. South Africa

¹⁵ The data sources for 2017 and 2018 is from FAO (Horticulture Value Chain: Opportunities for youth in Rwanda 2022) and for 2019 the data source is communication with NAEB, May 2022.

¹⁶ Different data from two sources indicated in FAO report (Horticulture Value Chain: Opportunities for youth in Rwanda 2022) is combined to get the overall idea.

¹⁷ Communication with with NAEB, May 2022

¹⁸ Commercial investment opportunities in agriculture value chains, USAID report (December 2018)

has only two harvests a year). Rwanda has 3 exporters who are directly engaged with small producers besides cultivation on their own farms. The essential oil value chain was supported during the PRICE project and helped producers to move up in the value chain by carrying out primary extraction of oil at co-operative level and supplying it to exporters. The participants have also learnt about seedling production through community-based nurseries. It also provided opportunity to intercrop essential oils producing crops in coffee. The value chain engages women, youth as well as aged family members. Thus, providing gainful employment opportunities. The next stage of value chain development can be improving efficiency of operations and scaling-up in terms of volume of production through outgrower model.

Rwanda

Promoting Smallholder Agro-Export Competitiveness Project Project Design Report

Annex: Annex 13: PSAC Target Districts

Mission Dates: 09-27 May 2022

Document Date: 14/12/2022

Project No. 2000003934

Report No. 6186-RW

East and Southern Africa Division
Programme Management Department

Annex 13: PSAC Target District

REGION	districts	coffee	tea	Macadamia	avocado/mango	chili	Fr. beans	Other horti*	essential oils	other projects****
WEST (5)	Rusizi	X (women coops)		X	X	X		X	X	TNS
	Nyamasheke	X	X	X				X	X	KWA, ENABEL, TNS, Heifer
	Karongi	X	X	X				X		KWA, ENABEL, TNS, JICA
	Rutsiro		X	X				X		KWA, ENABEL, TNS
	Ngororero									KWA, ENABEL
	Rubavu									KWA
	Nyabihu		X					X	X	KWA, ENABEL, Heifer
SOUTH (5)	Nyaruguru		X						X	Heifer
	Huye	X			X			X		TNS, Heifer
	Gisagara									TNS
	Nyamagabe	X	X							KWA, ENABEL, TNS
	Nyanza				X	X		X	X	TNS, Heifer
	Ruhango***	X								
	Muhanga									
NORTH (2)	Kamonyi									
	Musanze							X	X	Heifer
	Gakenke									KWA
	Burera									KWA
	Rulindo		X			X		X		KOICA, Heifer
EAST (2+1)	Gicumbi									
	Nyagatare									
	Gatsibo									KWA, ENABEL
	Kayonza**								X	KWA, ENABEL
	Rwamagana		X	X	X	X	X			
	Bugesera			X	X	X	X			KWA, ENABEL, KOICA
	Ngoma									KWA, ENABEL
TOTAL		14 + Kayonza	6	7	12 + Kayonza					

* Additional horticultural crops for domestic/regional market and rotation purposes (for chili/beans) will be identified (e.g. tomato, garlic, onion, carrots, etc), and this will also support food security, improved nutrition, and strong opportunities to engage with smallholder farmers, esp. women and youth, in partnership with Heifer

** Kayonza ONLY for essential oils trials by exporter ESS-OIL (geranium – bourbon; patchouli, citronella – java; vanilla bean; holly basil; French basil)

*** Ruhango added as a replacement of Rutsiro district for the coffee value chain

**** WB-funded CDAT project is to operate nation-wide

Rwanda

Promoting Smallholder Agro-Export Competitiveness Project Project Design Report

Annex: Annex 14. Funds Flows and Authorization Arrangements

Mission Dates: 09-27 May 2022

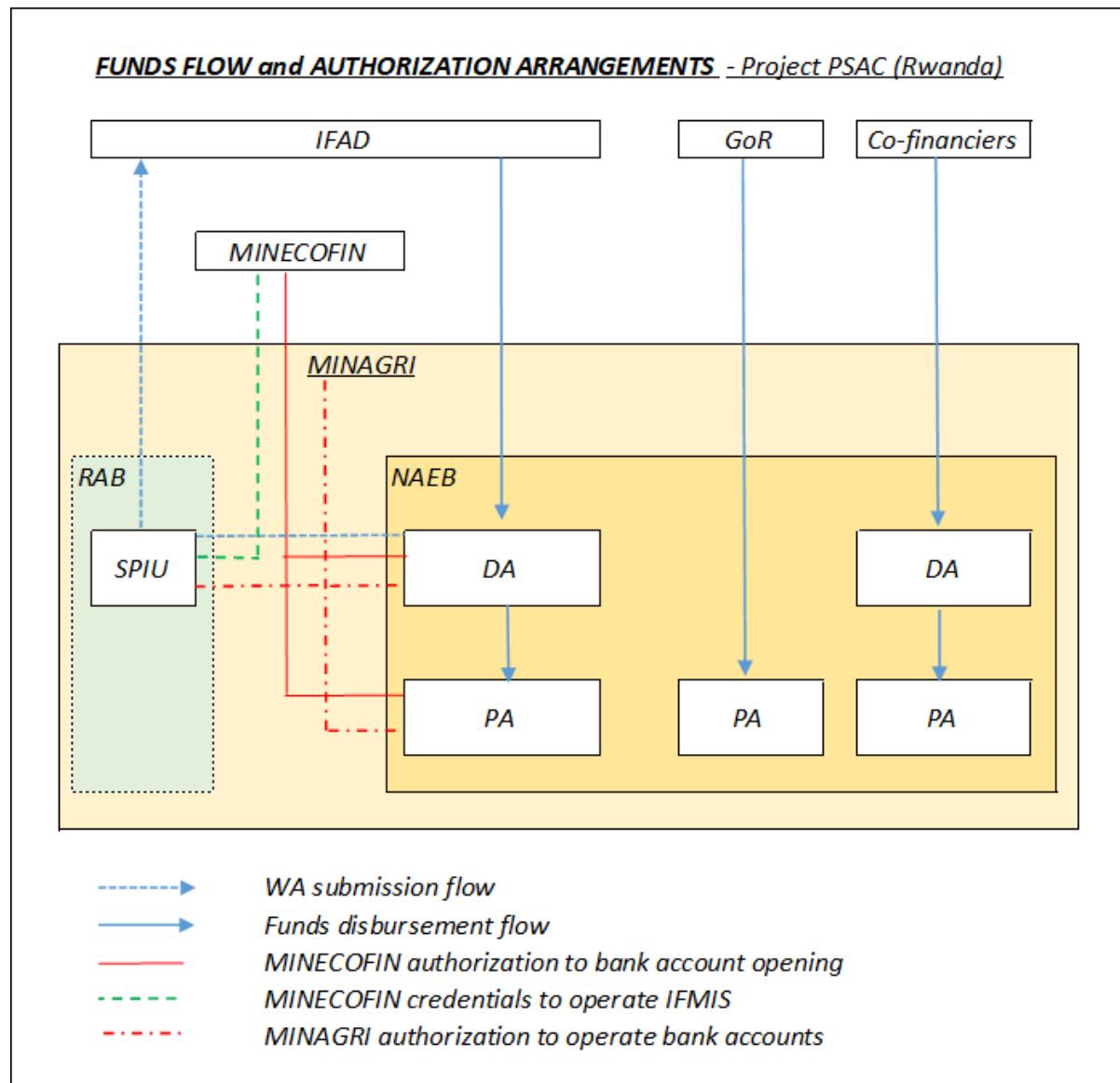
Document Date: 14/12/2022

Project No. 2000003934

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East and Southern Africa Division
Programme Management Department

Annex 14: Funds Flows and Authorization Arrangements



Rwanda

Promoting Smallholder Agro-Export Competitiveness Project Project Design Report

Annex: PSAC Procurement Risk Matrix (PRM)

Mission Dates: 09-27 May 2022

Document Date: 14/12/2022

Project No. 2000003934

Report No. 6186-RW

East and Southern Africa Division
Programme Management Department

IFAD Procurement Risk Matrix

Division						
Country		RWANDA				
Project		Promoting Smallholder Agro-export Competitiveness Project (PSAC)				
Date		23-Jun-22				
INHERENT RISK RATING		2.83		NET RISK RATING		
#	Description of Risk Feature	Rating	Assessment Basis	Remarks	Recommendation /Mitigation	
A	COUNTRY RISK ASSESSMENT	2.90			3.00	
1	Legal and Regulatory Framework	3.00			3.00	
a	Country procurement law, regulations and manual exist	3	3 they all exist, 2 only two exist, 1 only one exist or none	The law governing public procurement management in Rwanda is Law n° 62/2018 of 25/08/2018 and Ministerial Order N° 002/20/10/TC of 19/05/2020 establishing regulations on public procurement. A manual exist in the form of Public Procurement User Guide which was released by the Rwanda Public Procurement Authority in November 2010.	3	
b	Existence of Standard Bidding Documents for Goods, Works and Services	3	3 all exist, 2 only for NCB & ICB, none for Shopping, 1 none exists	SBD for goods, consultancy services, small consultancy services, works and small works are available in both English and French. There is no SBD for shopping. These are compliant with IFAD SDB. The SPIU uses the complete set for all procurement services.	3	
c	Procurement Monitoring	3	Use PEFA Framework, see worksheet for details	This dimension has been rated 'A' by PEFA. Procurement data maintained by RPPA was seen to be comprehensive, and published annually. Such monitoring data is accessible on the RPPA website (http://www.rppa.gov.rw), including audits of procuring entities.	3	
d	Procurement Methods	3	Use PEFA Framework, see worksheet for details	This dimension was rated 'A' by PEFA in the 2016 assessment. Procurement methods were observed to be followed according to the law. The RPPA maintains comprehensive data in the annual reports on all the methods used.	3	
e	Public access to procurement information	3	3 for all, 2 for some, 1 for none	The PEFA identified the following criteria for assessing public access to procurement information; legal and regulatory framework for procurement; government procurement plans; bidding opportunities; contract award (purpose contractor and value); data on resolution of procurement complaints and annual procurement statistics. The introduction of Rwanda's online e-procurement system (UMUCYO, accessible here: umucyo.gov.rw) has increased public access to every information on bids and contracts. RPPA through its website also publishes a comprehensive set of information through its reports and reports of the Independent Review panel which includes data on resolution of procurement complaints. Legal and regulatory frameowrk documents are also available	3	
2	Accountability and Transparency	2.80			3.00	
a	Procurement Complaints Management	3	Use PEFA Framework, see worksheet for details	The Independent Review Panel meets the following PEFA criteria: (1) is not involved in any capacity in procurement transactions or in the process leading to contract award decisions; (2) does not charge fees that prohibit access by concerned parties; (3) follows processes for submission and resolution of complaints that are clearly defined and publicly available; (4) exercises the authority to suspend the procurement process; (5) issues decisions within the timeframe specified in the rules/regulations; (6) issues decisions that are binding on all parties (without precluding subsequent access to an external higher authority)	3	
b	Country Corruption Perception Index score	2	The score is published on Transparency.org. 0 to 29 = 1, 30 to 60 = 2, 61 to 100 = 3	The 2021 Transparency International Corruption Perception Index ranks Rwanda at position no 52 with a score of 53/100.	As per paragraph 69 of the IFAD Procurement Guidelines, IFAD requires that its own staff, the staff of Borrowers/Recipients (including beneficiaries of IFAD financing) and all bidders, suppliers, contractors and consultants that are signatories to IFAD financed contracts observe the highest standards of ethics and integrity during the execution of procurement activities. This position is clearly stated in IFAD's Policy on Preventing Fraud and Corruption in its Activities and Operations. The Government of Rwanda has also enacted the necessary laws and has set up institutions to address corruption. The primary anti-corruption agency is the Office of the Ombudsman which is constitutionally independent and carries a wide mandate of preventing and fighting against corruption and injustice.	3

c	2-tiered system to handle complaints	3	3 as stated, 2 only a single level system, 1 no system	A two tier system exists. The 1 st one is the Procurement entity and the second one the Independent Review Panel. Bidders. A prospective bidder or actual bidder may, at any stage of the procurement proceedings and in accordance with the law, apply for a review of any conduct in the procurement proceedings with respect to the Law or any other procurement regulations. The normal order of appeal is first to the Procuring Entity and if not resolved then to the Independent Review Panel.		3
d	Existence of a debarment system	3	3 full existence, 2 existence of complaints body that is the authority, 1 does not exist	Chapter IV of the Law n° 62/2018 of 25/08/2018 governing public procurement provides the provisions for debarment. Rwanda Public Procurement Authority is vested with the power to approve the suspension or approve the debarment of bidders in public procurement. One of the provisions of Article 179: Procedures for debarment from public procurement, provides that the Rwanda Public Procurement Authority must establish a list of bidders debarred from public procurement and publish it through newspapers, on its official website and on one single portal website for public procurement. To suspend or approve the suspension and debarment bidders in public procurement:		3
e	Existence of an independent and competent local authority responsible for investigating corruption allegations	3	3 existence of independent Anti-Corruption agency, 2 existence of an office within a government ministry/agency that carries out some/all of these functions, 1 does not exist	The primary anti-corruption agency is the Office of the Ombudsman which is constitutionally independent and carries a wide mandate of preventing and fighting against corruption and Injustice. The office of the Ombudsman was establish by article 182 of the Rwanda Constitution of 4 th July as amended to date, to reinforce good governance in public institutions and emphasizing transparency. The establishment of the organization and functioning of the office of the ombudsman in Rwanda is established by Law N. 25/2003 of 15.08/2003		3
B	PROJECT INSTITUTIONAL RISK ASSESSMENT	2.76				2.93
1	Capability in Public Procurement	2.80				3.00
a	Existence of a Procurement Unit with at least 2 staff members (Design stage, reference is to govt agency) Existence of a Procurement Officer (Implementation)	2	3 as stated, 2 one staff member, 1 does not exist (at Design stage) 3 as stated, 2 someone else doing Procurement, 1 procurement function not consistently handled by anyone	The National Agriculture Export Development Board (NAEB) has a Procurement Unit which is under the Chief Finance Officer (CFO). The Unit has one Procurement Officer who handles all procurement related work and is also secretary to the Tender Committee.	A position of a Procurement Officer is recommended for the PSAC project. The Procurement Officer will report to the Head Procurement SPIU and also work closely with the project team at NAEB	3
b	Staff member(s) have at least 7 years experience in donor-funded public procurement	3	3 as stated, 2 for less than 7 years and/or experience in public procurement but not donor-funded, 1 for less than 3 years experience	The Procurement Officer at NAEB has over ten (10) years experience in public procurement		3
c	What is the general quality of documents produced by the procurement office?	3	3 for very good bidding documents, evaluation reports and contracts, 2 for mediocre documents, 1 for documents with	The general quality of documents produced by the procurement office was judged to be adequate.		3
d	Do procurement staff have immediate access to the legal and regulatory framework documents?	3	3 for all, 2 for some, 1 for none	The legal and regulatory framework documents are all available on the RPPA website. The procurement staff is well acquainted with the newest developments in the legal and regulatory procurement framework.		3
e	Are the procurement and financial management functions separated?	3	3 for total separation, 2 for some separation, 1 for procurement being done by FM staff	The financial and procurement management functions are separated. The Procurement Reports to CFO but there is no conflict in the functions.		3
2	Public Procurement Processes	2.73				2.86
i	Procurement Methods	2.50				2.50
a	Procurement methods for Goods consistent with IFAD Guidelines	2	3 as stated, 2 for national or international, 1 for none	The procurement methods for goods are generally consistent with IFAD's Project Procurement Guidelines except at the level of thresholds for shopping. According to the national thresholds, any procurement activity whose value exceeds RWF 3,000,000.00 (equal to, approximately, USD 3,000.00) is to be carried out via open competitive bidding..	The thresholds are established under law i.e. the Ministerial Order no. 002/20/10/TC of 19/05/2020 establishing regulations on public procurement.	2
b	Procurement methods for Works consistent with IFAD Guidelines	2	3 as stated, 2 for national or international, 1 for none	The procurement methods for works are generally consistent with IFAD's Project Procurement Guidelines except at the level of thresholds for shopping. According to the national thresholds, any procurement activity whose value exceeds RWF 3,000,000.00 (equal to, approximately, USD 3,000.00) is to be carried out via open competitive bidding.	The thresholds are established under law i.e. the Ministerial Order no. 002/20/10/TC of 19/05/2020 establishing regulations on public procurement	2
c	Procurement methods for Services consistent with IFAD Guidelines	3	3 for large-value method for firms, small value method for firms and method for individual consultants; 2 for two of the above; 1 for only one or less	The procurement methods for consultancies are generally consistent with IFAD's Project Procurement Guidelines.		3
d	Easy access to bidding documents by foreign firms	3		Foreign firms can easily access bids through the e-procurement system provided they have gone through the required registration process.		3
ii	Procurement Planning	2.67				3.00
a	Are procurement plans prepared ahead of time and consistent with annual work plans/budgets?	3	3 prepared ahead and consistent, 2 one of either, 1 none	Procurement plans are prepared ahead of time in consistency with the annual workplans/budgets		3
b	Do procurement people participate in the annual work planning processes?	3	3 if required by regulation and practised, 2 if required by regulation, 1 if none of above	Yes the Procurement officer's inputs are required at the level of the preparation of the procurement plan (s)		3

c	Are Procurement Plans done using an effective format with planned and actual rows across 3 different categories	● 2	3 for all, 2 for some, 1 for none	The procurement plan is in the eprocurement platform. However its format is different and does not have provision for planned and actual rows	The PSAC project will use IFAD procurement use full procurement plan framework in developing the PP for the project	● 3
iii	Procurement Processes	● 3				● 3
a	Minimum number of quotations established by law	● 3	3 for three or more; 2 for two, 1 if it does not state or less than two	A minimum of 3 quotations is established by law.		● 3
b	Minimum number of days for advertised procurement under competitive bidding processes	● 3	3 for minimum of 30 days; 2 for minimum of 20 days; 1 for less than 20 days or not stated	As provided in the Procurement Law time allotted to the preparation of tenders must not be less than thirty (30) calendar days. For international open tender, the time allotted must be between forty five (45) and ninety (90) calendar days. For request for quotation it is 3 days.		● 3
c	Is there enough time provided for bidders to ask questions and receive answers in the bidding process?	● 3	3 if bidders have a minimum of 3 days for the RFQ method and 7 days for competitive methods to ask questions, 2 if less than 3 days for RFQ and less than 7 but more than 4 days for competitive methods, 1 if not mentioned in RFQ and less than 4 days for competitive procurements	After publication of tender notice, any prospective bidder may ask the procuring entity to provide explanations as to the content of the tender document within three sixths (3/6) of the deadline period for the submission of tenders as of the date of tender notice publication. The procuring entity provides the requested clarifications within one sixth (1/6) of the deadline period for the submission of tenders as of the receipt of the last request for clarifications.		● 3
d	Are clarifications provided to all bidders?	● 3	3 for all, 2 for some, 1 for none	Yes this is done as provided in the law which states that Without disclosing the source of the request, the procuring entity must communicate to all prospective bidders clarifications requested and responses provided.		● 3
e	Are bids received prior to the deadline securely stored?	● 3	3 for all, 2 for some, 1 for none	In the e-procurement system, bid submission closes automatically at the deadline. Bids are securely stored electronically.		● 3
f	Are procurement securities securely stored?	● 3	3 for all, 2 for some, 1 for none	Original procurement securities are kept under lock and key.		● 3
g	Are public bid openings conducted for advertised procurements, and within an hour of receipt of bids?	● 3	3 for both, 2 for bid openings being conducted more than an hour after receipt, 1 for bid openings not being conducted	Yes as provided in the law which states that the interval between the deadline prescribed by the procuring entity for the submission of bids and the time for the opening of bids does not exceed one (1) hour.		● 3
h	Are minutes of bid openings taken, and sent to bidders who submitted bids?	● 3	3 for both, 2 for minutes being taken but not being sent, 1 for none	The e-procurement system displays the opening bid report to every bidder through the e-procurement portal immediately after bid opening.		● 3
i	Are evaluations conducted by a suitably qualified ad-hoc evaluation committee?	● 2	3 for both, 2 for qualified but not ad-hoc, 1 for ad-hoc or none	The tender committee of NAEB has been established according to the law governing public procurement management in Rwanda is Law n° 62/2018 of 25/08/2018 and Ministerial Order no. 002/2010/TC of 19/05/2020 establishing Regulations on Public Procurement, which establishes that the Chief Budget Manager of every procuring entity must appoint a public tender committee for a term of 3 years, which may be renewed only once.	For the PSAC project, there will be a specific Tender Committee which will be constituted to serve the project. It is expected that the Committee will comprise technical staff that are key in the implementation of the project. Tender Committee will be appointed as per the law governing public procurement	● 2
j	In evaluation, is responsiveness based on criteria requirements in the bidding documents?	● 3	3 for all, 2 for some, 1 for none	Responsiveness criteria are specifically stated in the bidding documents.		● 3
k	Are evaluations completed within the bid validity period?	● 3	3 for all, 2 for some, 1 for none	The bid validity period is no more than 120 days. Evaluation should be within 21 days from the date of opening of bids except when there are sound reasons raised by the procuring entity, as prescribed by the procurement regulations. No issues of bid validity period being exceeded was recorded.		● 3
l	Are conditions precedent to contract effectiveness clearly stipulated in the contract? (i.e., advance payment security, performance security, insurance, etc.)	● 3	3 for all, 2 for some, 1 for none	All conditions precedent to contract effectiveness are clearly stipulated for standard contracts for goods, works or services published on RPPA website.		● 3
m	Does the agency maintain a complete record of the process? This would include copies of all public advertisements, pre-qualification documents (if used), the pre-qualification evaluation report documenting any decisions not to pre-qualify certain potential bidders), the bidding documents and any addenda, a record of any pre-bid meetings, the bid opening minutes, the final bid evaluation report (including a detailed record of the reasons used to accept or reject each bid), appeals against procedures or award recommendations, a signed copy of the final contract and any performance and advance payment securities issued, etc.	● 3	3 for all, 2 for some, 1 for none	All documents including correspondences are filed in soft copies. These are filed based on the Procurement Filing Checklist (Attached to all the files that were assessed) and it includes works, goods, non-consultancy services and consultancy documents and correspondences from advertisement to contract closure.		● 3
n	Are all contracts awarded advertised publicly?	● 3	3 for all, 2 for some, 1 for none	All signed contracts are advertised publicly on the e-procurement system.		● 3
iv	Contract Administration and Management	● 2.82				● 3.00
a	Existence of authority levels in the contract management process	● 3	3 for existence, 2 for some practice, 1 for none	Contract managers are guided by the provisions of the Law governing public procurement Chapter III, Contract Execution.		● 3
b	Existence of approval thresholds for contract amendments	● 2	3 for existence, 2 for some practice, 1 for none	NAEB uses the provisions of the Law governing Public Procurement which states that any amendment increasing or decreasing the contract value to more than 20% requires a new tender. Only amendments of upto 20% are therefore allowed.	As provided in the IFAD Procurement Handbook, the procuring entity must obtain approval of the contract amendment from the appropriate approval authority. IFAD's no objection is required for all prior-review contracts where the amendment (a) increases the original contract value by more than 10 per cent; (b) extends the original contract duration by 25 per cent or more. Therefore IFAD's threshold is broader.	● 3
c	Is there an effective contract monitoring system/framework in place?	● 3	3 for all, 2 for some, 1 for none	A contract monitoring form is kept and updated by accounts department. Procurement files include relevant information concerning the execution of the contract.		● 3
d	Is there a process to monitor delivery of goods to verify quantity and quality?	● 3	3 for all, 2 for some, 1 for none	There is an inspection and reception committee appointed by the Chief Budget Officer.		● 3

e	Is there a framework for approval of deliverables and payment process for consulting services contract?	 3	3 for all, 2 for some, 1 for none	As per the Terms of Reference the deliverables which may include inception report, interim reports, draft report & final reports etc. will be validated by the user department through the process specified in the TORs		 3
f	Is there a process for resolution of final payment and contract closure?	 3	3 for all, 2 for some, 1 for none	The final payment follows the contract provision and depend on the contract type. For works and supply contract, the receiving committee and the respective contract manager confirms both the quantity and quality as per the specification, which then provides the basis for making the final payment. For consultancy or studies contract, most of the contract have a provision of presenting the final report to the NAEB management for their validation, therefore their payment is always based on this validation		 3
g	Are contract disputes handled in accordance with a formal complaints/arbitration system?	 3	3 for all, 2 for some, 1 for none	Contract disputes are handled using a three tier system as provided in the Contract namely through amicable settlement with the procuring entity. If this fails (2) through arbitration in accordance with Kigali International Arbitration Centre rules and if there is no resolution (3) through litigation in the national courts		 3
h	Are works contracts supervised by independent engineers or a named project manager?	 2	3 for all, 2 for some, 1 for none	Works contracts are supervised by the relevant Departments of the Ministry of Infrastructure as the work involved may apply. For example all building works apart from very small works that do not engineers specifications and BOQs are supervised by Rwanda Housing Authority. Therefore there is no independently hired engineers. An important point to note is also that most works contracts are undertaken using force Account.	IFAD will ensure that provision is made in the budget for supervision of all works contracts. For the PSAC project IFAD will require that Force Account be used only when the size, nature and location of the works make competitive bidding unsuitable; the Fund is satisfied that the construction facilities of the borrower are adequate and efficient; and the borrower has the capability to do the work expeditiously at a reasonable cost.	 3
i	Are contracts completed on schedule and within the approved/contracted contract price?	 3	3 for all, 2 for some, 1 for none	The Contracts that were reviewed showed that contracts are completed on schedule and within the approved/contracted contract price.		 3
j	Does the organization have contract registers that register all contracts (with names, prices and dates), per procurement category?	 3	3 for all, 2 for some, 1 for none	All contracts are registered on the e-procurement platform		 3
k	Are adequate contract administration records maintained? (These would include contractual notices issued by the supplier, contractor, purchaser or employer; a detailed record of all changes or variation orders issued affecting the scope, qualities, timing or price of the contract; records of invoices and payments, progress reports, certificates of inspection, acceptance and completion; records of claim and dispute and their outcomes; etc.)	 3	3 for all, 2 for some, 1 for none	All documents including correspondences are processed through the e-procurement platform. The documents including correspondences are filed in soft copies. These are filed based on the Procurement Filing Checklist (Attached to all the files that were assessed) and it includes works, goods, non consultancy services and consultancy documents and correspondences from advertisement to contract closure.		 3

Risk Rating System

3	L : Low Risk
2	M: Medium Risk
1	H: High Risk

L

Rwanda

Promoting Smallholder Agro-Export Competitiveness Project Project Design Report

Annex: Annex 15. Grievance Redress Mechanism

Mission Dates: 09-27 May 2022

Document Date: 14/12/2022

Project No. 2000003934

Report No. 6186-RW

East and Southern Africa Division
Programme Management Department



GOVERNMENT OF RWANDA

PROMOTING SMALLHOLDER AGRO-EXPORT
COMPETITIVENESS PROJECT
(PSAC)

GRIEVANCE REDRESS MECHANISM
(GRM)

Prepared for:

Ministry of Agriculture and Animal Resources (MINAGRI)
KG 569 Street,
Kigali
Rwanda

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1.0 GENERAL

A grievance redress mechanism (GRM) is a process for receiving, evaluating and addressing project related concerns of, and complaints by, project affected communities or persons.

IFAD's Grievance Redress Mechanism allows affected complainants to have their concerns resolved in a fair and timely manner through an independent process. IFAD's GRM requires i) working proactively with the affected parties to resolve complaints; ii) ensuring that the complaints procedure is responsive and operates effectively; and iii) maintaining records of all complaints and their resolutions.

The principles of a good GRM are¹:

- A mechanism scaled to risk and adverse impact on affected communities.
- Designed to take into account culturally appropriate ways of handling community concerns.
- A clear and understandable mechanism that is accessible to all segments of the affected communities at no cost.
- Transparency and accountability to all stakeholders.
- A mechanism that prevents retribution and does not impede access to other remedies.

The key steps for grievance management are²:

- i. Publicising grievance management procedures so that the mechanism is accessible to everyone.
- ii. Receiving (i.e., collecting, recording, and registering) and keeping track of grievances.
- iii. Reviewing and investigating grievances to assess the nature of the grievance, its severity and legitimacy.
- iv. Developing resolution options commensurate with the nature of grievances and preparing and communicating a clear response and closing out cases when agreement with the complainants is reached.
- v. Monitoring grievances through tracking to ascertain effectiveness, adapting the mechanism to correct inefficiencies, using the results of monitoring for feedback and lessons learned.

2.0 GRIEVANCE REDRESS MECHANISM FOR KIIWP

Common disputes and disagreements may be related to land property boundaries, destruction of land resources following valuation processes including standing crops, amount of monies to be compensated and delay in disbursement of agreed compensation.

Mostly PSAC interventions will be delivered to community beneficiaries through cooperatives, who manage grievances and conflicts through internal committees. The communities have confidence in these cooperative grievance redress mechanisms. Once an aggrieved person is not satisfied at any level, there is room for escalating the grievance to higher levels.

¹ IFC (2009); Good Practice Note – Addressing Grievances from Project-Affected Communities, Guidance for Projects and Companies on Designing Grievance Mechanisms

² ibid

Figure 1 depicts the pathways the grievance redress may follow. It may follow either the Abunzi system if the aggrieved party is not a member of the cooperative concerned, or it would- follow the resolution mechanism typically used by the cooperatives as stipulated in the provisions of Law N° 48/2013 of 28/06/2013 establishing the Rwanda Cooperative Agency (RCA).

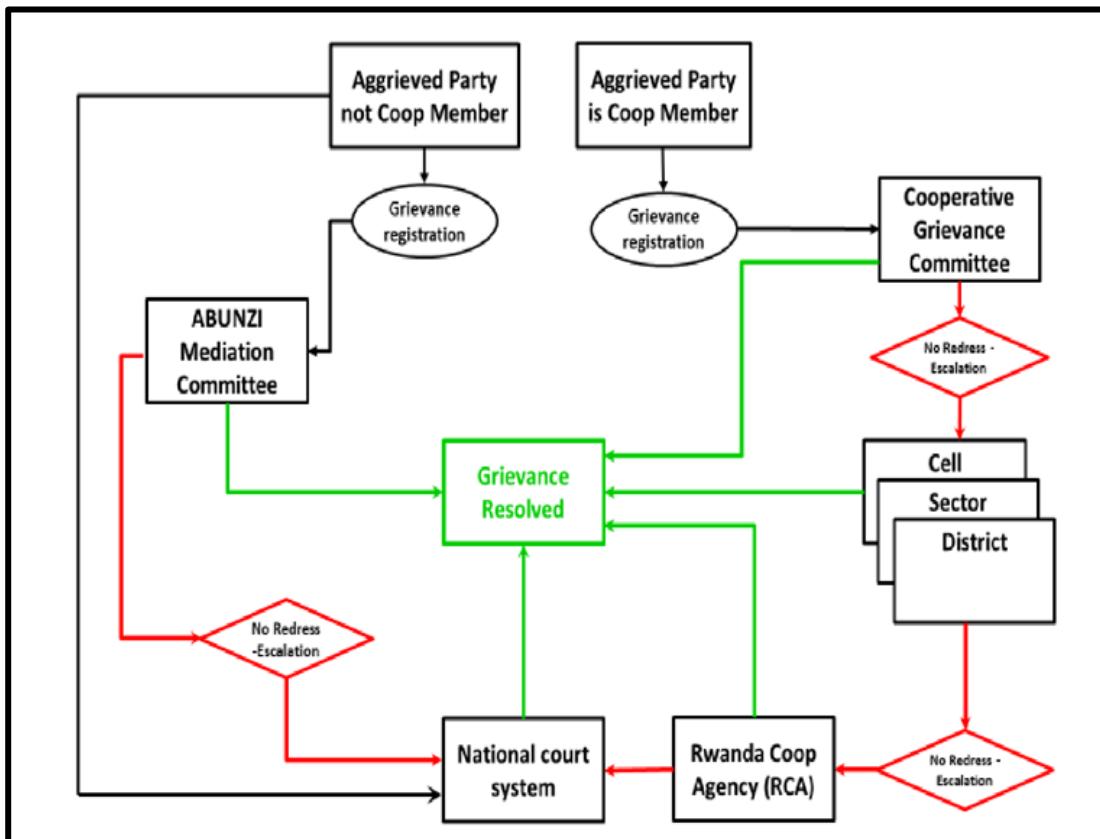


Figure 1 Grievance Redress Mechanism for KIIWP

The RCA requires that cooperatives request arbitration on unresolved grievances registered by their members. RCA evokes its grievance redress mechanism, failure at which the grievance is escalated to the national court system. Aggrieved parties who are not members of a cooperative would register grievances in the *Abunzi* system or directly in the national courts, depending on the gravity of the grievance as defined by the law. This mechanism is also proposed at Project operation level as the GRM for resettlement requirements before Project commencement is provided for by law.

3.0 OPERATION OF THE GRIEVANCE REDRESS MECHANISM

The grievance redress mechanism (GRM) is a system by which queries or clarifications about the project will be responded to, problems with implementation will be resolved, and complaints and grievances will be addressed efficiently and effectively.

3.1 PURPOSE OF THE GRM

The GRM will serve the following purpose:

- to be responsive to the needs of beneficiaries and to address and resolve their grievances.
- to serve as a conduit for soliciting inquiries, inviting suggestions, and increasing

community participation.

- to collect information that can be used to improve operational performance.
- to enhance the project's legitimacy among stakeholders.
- to promote transparency and accountability.
- to deter fraud and corruption and mitigate project risks.

3.2 STRUCTURE OF THE GRM

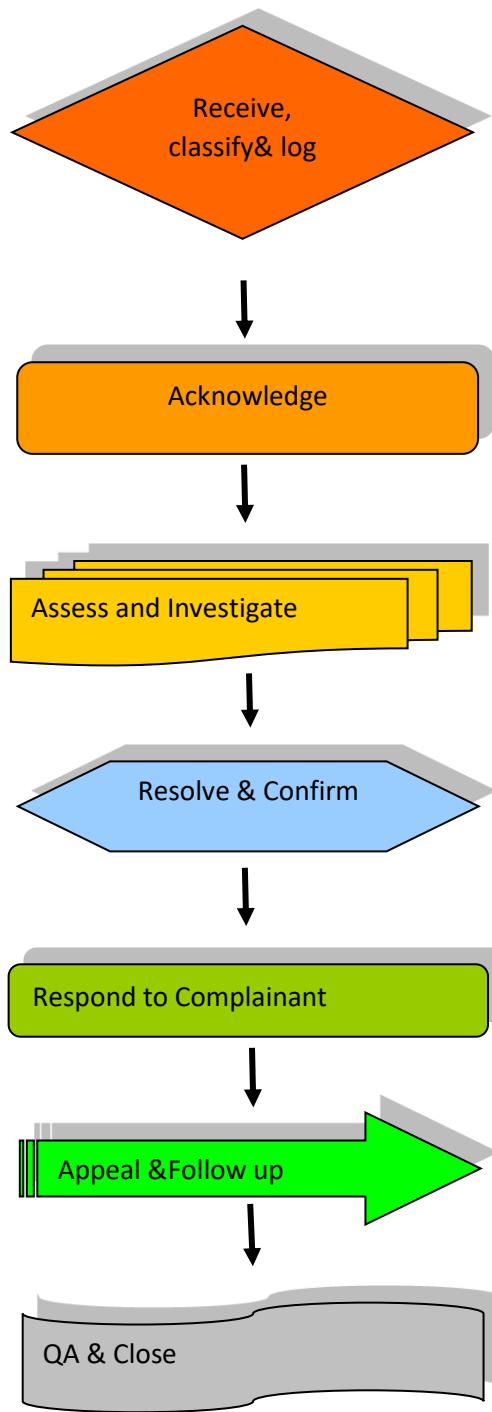
The GRM consists of a small number of components:

- The access point for impacted/concerned people
- Grievance log
- Acknowledgement stage
- Assessment stage
- Passing of resolution
- Response
- Room for appeal
- Case closure

The components are summarized in the process flow diagram below.

3.2.1 Process Overview

The following key steps must be followed for all complaints received by PSAC staff:



The requirements for each of these steps is detailed below

3.2.2 The Process of the GRM

i) Receive, classify & log

All potential issues must be captured and classified for escalation, review and action as required.

a) Receiving the Grievance:

The access points will be as close to the users as possible. An easily accessible and well publicized focal point or user-facing ‘help desk’ is the first step. This will be established at each sub-project, and PSAC Offices so that it will be seen as credible and accessible. The main issues for the access point include the following:

- Uptake channels should include some or all of the following:
 - phone hotline,
 - email,
 - mail,
 - SMS,
 - webpage,
 - or face-to-face.
- The uptake channels will be publicized and advertised via local media and the implementing agency.
- Verbal complaints should be recorded by staff for them to be considered.
- Many complaints may be resolved ‘on the spot’ and informally by the PSAC staff but should also be logged in order to (i) encourage responsiveness; and (ii) ensure that repeated or low-level grievances are being noted in the system.
- The GRM should have the ability to handle anonymous complaints.

Typically, the complainant will be provided with a receipt and ‘roadmap’ telling him/her how the complaint process works and when to expect further information.

b) Logging and classifying:

Any complaint, issue or negative stakeholder interaction (whether this is formally logged by the complainant or not), must be logged and classified for action.

All of these complaints must be formally logged using the standard forms and all complaints must be prioritized as follows:

- **Priority 1 – urgent**, potential high health and high business impact. **This require a response to the Complainant within three (3) working days.**
 - This should be used (sparingly) for major health issues where the complaint may have disastrous impacts on either human, the environment or PSAC itself.
 - Also, this could be used in a situation where the complainant may be in a position to influence or make public statements that would impact upon the PSAC reputation.
- **Priority 2, - non-urgent**, lower health environmental and social impact. This requires a response to the complainant within 2 working weeks.
 - This should be used for most complaints with individual stakeholders, as this allows a reasonable time to collect information and produce a balanced response.
- Discretion and flexibility should be exercised in prioritizing all complaints
 - The staff member logging the complaint should review the complaint and its priority with the Sub-project/ PSAC Project Manager before proceeding to the next step.

- The Sub-project/ PSAC Project Manager will decide on the appropriate person(s) to carry out subsequent steps, including the investigation.
- **All Priority 1 complaints must be escalated immediately to the PSAC Project Manager.**

ii) Acknowledge

Ensure that every complaint receives a formal written acknowledgement, containing an expectation of when they will receive a response, and the person dealing with it.

- All complaints, regardless of priority, should receive a pro forma acknowledgement sent out 1st class mail on the day of receipt.

iii) Assess & Investigate

Follow up all aspects of the complaint, both internal and external, to ensure that the key facts are identified and clarified.

- The priority of the complaint will drive the timescale for completion (3 days for urgent or 2 weeks for non-urgent).
- All areas of interaction and communication should be established (who, what, where, when, why etc.) and documented where possible.

iv) Resolve & Confirm

Ensure that the final resolution is clear and fair. Also confirm the proposed action and resolution with another senior person (PSAC Management).

- Ensure that the proposed resolution meets corporate guidelines and does not prejudice PSAC in any unnecessary legal or financial manner.
- Document the proposed action and discuss and agree with the PSAC Project Manager.
- Discuss and review the solution from both the corporate and complainant viewpoint to ensure fairness and clarity.
- The review should include recognition and documentation of any underlying issues that have contributed to the complaint and recommendations for actions to prevent further occurrence.
- This should then be reviewed as part of the bi-monthly quality assurance reviews.

v) Respond to Complainant

Provide the Complainant with the resolution within the timescales promised.

- The details of the findings and proposed resolution should be clearly explained (in written or verbal form as appropriate) to the complainant- within the agreed timescales.
- If this cannot be done on time the Complainant should be contacted by telephone to request further time.

vi) Appeal & Follow

Ensure that complaints are followed up to confirm that the complainants are satisfied with the response given. If not satisfied the Complainant is advised on the route for Appealing

- All Priority 1 complaints and 95% of priority 2 complaints must be followed up within a reasonable timescale.
- This will be carried out by PSAC Administration team / PSAC Project Manager's office.
- The follow-up should identify the following

- Is the complainant satisfied with the response?
 - Did they feel that their complaint was properly and fairly handled?
- Any negative responses to these questions should be referred to PSAC Project Managers for action and direct follow up with the complainant.
- The complainant is given room for appealing to the Ministry of Agriculture or Courts of Law, if he is not satisfied.

vii) QA & Close

Ensure that the PSAC as a whole is aware of the complaints and any underlying issues. Plan actions to remove these and prevent future recurrence.

- All complaints should be reviewed monthly as part of the quality assurance review meetings.
- Any complaints where action can be taken to avoid recurrence must be acted upon and raised with the appropriate managers/teams across the PSAC.

Rwanda

Promoting Smallholder Agro-Export Competitiveness Project Project Design Report

Annex: Annex 16. Integrated Pest Management Plan

Mission Dates: 09-27 May 2022

Document Date: 14/12/2022

Project No. 2000003934

Report No. 6186-RW

East and Southern Africa Division
Programme Management Department



GOVERNMENT OF RWANDA

**PROMOTING SMALLHOLDER AGRO-EXPORT
COMPETITIVENESS PROJECT
(PSAC)**

**INTERGRATED PEST MANAGEMENT PLAN
(IPMP)**

Prepared for:

Ministry of Agriculture and Animal Resources (MINAGRI)
KG 569 Street,
Kigali
Rwanda

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1.0 INTRODUCTION

The Small-scale farmers will be involved in the growing of coffee, tea and horticulture crops. These agricultural livelihoods activities will entail the use of agro chemicals (pesticides, fertilisers etc). This outline of the Integrated Pest Management Plan (IPMP) has been developed as a decision-making process for the selection, implementation, and evaluation of pest management practices to be employed in the project.

2.0 EXISTING PEST MANAGEMENT APPROACHES AND THEIR LIMITATIONS.

The farmers carry out routine management of pests in their fields, mainly through the use of pesticides. Farm and crop management techniques are also used to control pests but there are limitations and problems that the farmers face in using these methods. Below are the existing and potential pest management efforts and their limitations.

- **Growing a Healthy Crop by Starting with Healthy Seed**

A crop that germinates from seed that is healthy is likely to be less vulnerable to pest damage. Also, a crop grown from seed that has been bred from resistant strains is less likely to be damaged during plant growth and crop storage.

Most of the farmers do not have ready access to good seed at the time of planting and as a result they use seed from the previous harvest. Commercial seed is usually too expensive for the farmers who mostly rely on seed and farm input donations.

- **Good Farming Practices to Ensure Vigorous Crops**

A plant growing in good farm conditions is generally less vulnerable to pest damage than a plant growing under stressed conditions. Good farming practices include timely and recommended soil preparation and planting, and recommended water and nutrient application.

Limitations and constraints for the farmers include lack of appropriate skills/knowledge on water and nutrient management, lack of farm inputs and resources to adequately and timely prepare their farms.

- **Making the Crop Unattractive or Unavailable to Pests**

This strategy includes adjusting planting times to ensure that crop development does not coincide with pest appearance. The success of using this strategy requires good knowledge of the seasons and the ability to forecast the right time for planting.

The farmers need the appropriate training and information through the extension workers to ensure that they plant at the right times.

- **Crop Diversity or Rotation, Early Planting**

Crop rotations or multiple cropping removes the chance for the re-appearance of persistent pests. This strategy depends on the availability of seed to the farmers who, most of the times, are in short supply of adequate and good quality seed.

In the Horticulture sector it was noted during the field trip that crop diversification and rotation was practiced to a limited extent. Some of the crops were difficult to sell due to lack of markets. The farmers mentioned lack of markets as one of the reasons why they preferred to stick to the crops that had ready markets. Crop rotation is also difficult due to limitations on availability of land.

- **General Hygiene**

Good sanitation of the farms and surroundings, including crop storage structures and buildings ensures clean and healthy crops as well as seed for planting.

The farmers need to be well trained in crop and seed management to avoid damage. They need to appreciate the importance of preparing their farms in time and the benefits of weeding at the appropriate times.

- **Biological/ecological control**

This is achieved by conserving and enhancing natural biological/ecological controls already in the field and in selected situations, through natural enemies of pests. This method requires research and thorough evaluation before new species are introduced to avoid disrupting existing ecosystems.

The farmers need to be trained in available and appropriate biological controls that can be used to prevent emergence of pests. Farmers are not fully aware of the potential for this control method which, by creating an enabling environment could tame natural biological systems to discourage pests.

- **Physical Control**

Physical controls, such as flooding to eliminate snails are practiced where there is good supply of irrigation water. Other physical controls include hand picking of pests, uprooting infested crop, using fire to remove pests on crop residues and frequent weeding.

These methods are commonly used by the farmers. However, there is need to enhance their application to ensure that they are used in a systematic and coordinated manner.

- **Use of pesticides**

Pesticides may be used with care to ensure their toxicity to non-target organisms is as low as possible. The effectiveness of pesticides should be as selective as possible. Certain pesticides of natural origin are compatible with integrated pest management (IPM), causing minimum disturbance to natural biological and ecological pest control mechanisms.

It was noted that farmers are using different types of pesticides for the same crops and that the type of pesticide used is determined by affordability and availability. Use of pesticides is a commonly preferred method of pest control since it is perceived as a rapid method that does not require much effort. The farmers therefore need to be guided and trained to understand the limitations

and environmental consequences of using pesticides. They should be knowledgeable of pesticides that are compatible with IPM and that do not degrade the natural biological and ecological pest control systems. The farmers need to be equipped with information on pesticide application quantities and methods; prevention of chemical poisoning/accidents and effects of high pesticides residues in crops. Enforcement of the act that deals with Pesticides is of primary importance to control importation and use of pesticides.

3.0 INTERGRATED PEST MANAGEMENT (IPM)

Integrated Pest Management (IPM) refers to a mix of farmer-driven, ecologically based pest control practices that seeks to reduce reliance on synthetic chemical pesticides. It involves (a) managing pests (keeping them below economically damaging levels) rather than seeking to eradicate them; (b) relying, to the extent possible, on non-chemical measures to keep pest populations low; and (c) selecting and applying pesticides, when they have to be used, in a way that minimises adverse effects on beneficial organisms, humans, and the environment.

Integrated Pest Management (IPM) is a comprehensive approach to solving pest problems. IPM shifts the focus from controlling a pest now; to making the best management decisions for the long-term; and builds a comprehensive response to pest problems. The goal is to identify and implement coordinated strategies that work together in an integrated manner to provide optimum results; with the view to achieving long-term positive environmental and social benefits. The concept of integration works on multiple levels in that remedial strategies for individual pests are integrated with each other to ensure compatibility with the need to manage other pests. The pest management strategies must be consistent with the objectives to protect the environment and to address social concerns.

The IPM approach arises as a response to negate over-reliance on pesticides and short-term solutions that do not account for all of the long-term costs and externalities. IPM acknowledges that pesticides are still valuable, but stresses that chemical control is but one of the many tactics considered in an IPM approach. Pesticide use in IPM is limited to situations where there is an identified need and lack of suitable alternatives. This contrasts with a preventive chemical approach where pesticides are used on a prescribed basis without determining the need or making full use of alternative measures.

IPM techniques can be separated into two major groups: i) Relatively straightforward replacements for chemicals, and ii) Supporting measures.

Chemical replacement includes:

- **Biological control:** the introduction of insects, mites, micro-organisms that prey on or parasitize harmful species.
- **Bio-pesticides:** these have a pathogenic micro-organism as the active ingredient, for example a bacterium, fungus or a virus.
- **Botanicals:** botanical pesticides contain plant extracts that have biocidal properties e.g., Neem (*Azadirachta indica*).

- **Semi-chemicals:** chemicals (especially pheromones) are used to stimulate particular behaviours or interactions between individual insects so as to control pests.

Choosing appropriate measures is not straightforward and requires significant understanding of the interactions between the environment, crop, pest, and predator. The scientific basis for farmer decision-making in biological control depends on detailed knowledge of the life histories of pests and their natural enemies, crop ecology, and interactions within the agro-ecosystem. Supporting measures include traditional methods of pest control as used in subsistence farming systems: cultural control (e.g., intercropping), habitat manipulation (e.g., creating diversity), mechanical and physical control, natural biological systems and host plant resistance. Farmer participation and learning are therefore essential in ensuring proper pest management practices.

The basic requirements for implementing IPM in the PSAC sites includes understanding the biology and economics of the pest and the system in which the pest exists, monitoring the pests and natural controls, and establishing their economic or aesthetic injury thresholds. IPM can be achieved by selecting an appropriate strategy of cultural, mechanical, biological, and/or chemical prevention or control techniques, as briefly described below:

- **Cultural Practices:**
These include habitat modification and adapting operating procedures so that pest damage is reduced, and natural control is enhanced. It involves sanitation or cleaning of sources of pest infestation, choosing plant varieties that are resistant to pest injury, adjusting planting time, fertilization, tillage, and harvesting operations to have the most beneficial effect for the pest management situation.
- **Biological Controls:**
These are predators, parasites, and diseases that attack pests. Measures should be taken to conserve naturally occurring populations of these biological controls. In some situations where naturally occurring biological controls are not effective, they can be introduced from outside sources.
- **Chemical Control:**
This involves selecting a pesticide with the lowest toxicity to humans and non-target organisms (including biological controls) and using it in such a way to prevent or minimize undesirable environmental effects. The lowest effective amount of pesticide is applied, using appropriate and carefully calibrated equipment. In many cases, use of pesticides cannot be entirely eliminated. However, use of pesticides must be controlled so as to reduce or eliminate social and environmental impacts.

A comprehensive IPM should support a pesticide management plan that is designed to ensure that pesticides are procured, handled, stored, applied and disposed in such a manner that protects life and the environment. The plan shall consider the entire life cycle of the pesticides. Hence the various livelihood activities and operations must observe the following:

- a) All pesticides must be purchased from registered pesticides dealers.

- b) Pesticides must be purchased strictly according to the requirements to avoid over-stocking. A follow up system for the procurement, transportation, receipt and custody of pesticides must be established.
- c) During movement or transportation of pesticides they must not be mixed up with other items, particularly food items. They should be in well confined containers.
- d) Pesticides shall be stored in a dedicated and centralized warehouse or storage facility, separately from agricultural produce and other items. All pesticides must always be under lock and key and under the custody of a very responsible person. Storage of pesticides in farmers' houses must be prohibited. Warehouses must be protected from sources of fire. Access to the warehouses must be restricted to responsible and authorized persons.
- e) All pesticide mixing containers and spraying equipment must be washed and cleaned in a safeguarded central point. All containers must be disposed of in line with the requirements of the Pesticides Act and the Environmental Management Act.

IPM strategies will comprise of soil pests, weeds, field and post- harvest pests, and pest diseases management. Use of certified seeds or seed dressing will protect crop from soil borne pests. Weed control could either be manual or use of appropriate herbicides, for example, pre- and post-germination herbicides. However, extreme care is needed in the use of herbicides, as wrong or uninformed use is likely to cause total loss of crops or pollution of water and soil.

As a rule, beneficiaries should observe strict surveillance of their crop and observe high levels of crop hygiene as a first step to manage the pests and diseases in their plots, as appropriate. These include removal and destruction of affected plants and then preventive control of the identified problem. Post-harvest pests are managed even before harvesting by cleaning the stores and destroying the residues from previous harvest. Use of recommended pesticides on the harvested crop before storage contributes immensely to the preservation of the harvested crop against attacks by pests.

IPM initiatives have the potential to improve the management of pests on the farms and in food handling facilities to improve yields and to prevent damage to crops. Section 2 above highlights some of the IPM practices that are being used to a limited extent, by the farmers. These practices have great potential and therefore need to be supported and strengthened through extension services and targeted training activities to ensure maximum benefits.

4.0 INTEGRATED PEST MANAGEMENT AND MONITORING PLAN

Table 1 Integrated pest management and monitoring plan

Item No	Potential Issues / Concerns	Cause of Concern	Control/Mitigation Measure	Responsible Person/institution	Standards/Regulation/Practices	Monitoring Institution	Monitoring Frequency
1.	PHYSICAL AND BIOLOGICAL CONTROLS						
1.1	Tea, Coffee and Horticultural Crop damage by pests	Low crop yields	Use healthy seed and resistant varieties. Train farmers on importance of using healthy seed	Farm management & farmers	IPM practices	Min of Agriculture NAEB	Quarterly
			Good farming practices (timely and recommended soil preparation, water and nutrient management). Train farmers in good farming practices	Extension workers, farm management & farmers	Recommended agricultural practices, IPM practices	Min of Agriculture NAEB	quarterly
			Provide information to farmers on appropriate planting times	Extension workers.	Recommended agricultural practices, IPM practices	Min. of Agriculture NAEB	Half yearly
			Crop rotation, diversity and inter-cropping	Extension workers	Recommended agricultural practices	Min of Agriculture NAEB	Half yearly
			Train farmers in enhancement of biological control of pests. Research in IPM methods	Extension workers Agricultural Research, NGO's	IPM practices	Min of Agriculture NAEB	Half yearly
			Make farm inputs and information on pests, pesticides and pest resistant seeds available to farmers	Micro-credit institutions, Extension workers, seed suppliers and NGO's	IPM	Min of Agriculture NAEB	Half yearly
2.	CHEMICAL CONTROLS (PESTICIDES)						
2.1	Issues / Concerns During Pesticide Transportation						
2.1.1	Adulteration	Lack of controls	Inspection, sampling and testing	Transporters	-Packaging and storage standards Product specifications -Environment Act Pesticides Act	NAEB	Half yearly
2.1.2	Accidents / spillages	-Vehicle condition, -Road condition, -Poor driving skills	Ensure that roadworthy vehicles are used. Ensure drivers are properly instructed.	NAEB	-Road traffic regulations. -Vehicle maintenance requirements	Environment Department	As need arises

Item No	Potential Issues /Concerns	Cause of Concern	Control/Mitigation Measure	Responsible Person/institution	Standards/Regulation/Practices	Monitoring Institution	Monitoring Frequency
2.1.3	Accidental Contamination	Using same vehicle for different purposes	Ensure vehicles are inspected and cleaned when changing use	Transporters	- (pesticide transport regulations).	- Environment Department Ministry of Agriculture DA	As need arises
2.2	Issues/Concerns During Pesticide Storage						
2.2.1	Pesticide loss, degradation and contamination.	-Inappropriate building for storage of pesticides.	-Suitable warehouse	Transporters Agro dealers	- regulations	- Environment Department -NAEB	Before approval of storage faculties for pesticides
		Wrong shelving or stacking	-Routine inspection and inventory checks	Agro-dealers	- regulations, - manufacturer's guidelines	- NAEB	Half yearly
		-Inadequate storage space. --Bad housekeeping -Multi-purpose use of warehouse	--Provide adequate and separate storage space for pesticides	Agro-dealers	- regulations, - manufacturer's guidelines	- NAEB	Half yearly
		Theft and vandalism	Restrict entry to pesticide areas. Check pesticides records regularly	Farm management	Farm security policy	Farm management	quarterly
		Over-stocking	Buying the required quantities only	Agro-dealers	Pesticides Act	Farm management	As need arises
2.2.2	Farm members safety	Lack of control on trespassers	Restrict entry to pesticide areas Provide appropriate warning signs	Farm management	MBS, FAO Guidelines. Factories Act	Ministry Of Labour, NAEB	Annually
2.2.3	Occupational Health	Exposure to pesticides	-Provide protective clothing and ensure it is used. -Train farmers in proper pesticides handling. -Routine medical examination	Agro-dealers Ministry of Agriculture NAEB	labour regulations, regulations	-Min. of labour. - NAEB	Annually
2.3	Issues/concerns during pesticide application						
2.3.1	Pesticide misuse, over under use	/lack of appropriate knowledge	-Training and awareness campaigns	Ministry of Agriculture NAEB	Pesticide manufacturers regulations	- NAEB -DEO	Annually
2.3.2	Intentional poisoning	Frustration, Social pressures	-Ensure responsible, mentally sound and mature persons are given charge and control of pesticides. -Restrict accessibility to pesticides. -Spot checking	Agro-dealers	Pesticides Act	- -Min of labour - NAEB	Annually
2.3.3	Accidental poisoning	lack of knowledge of pesticide potency and negligence	Training	Ministry of Agriculture NAEB	Pesticides Act	- -DEO	Annually

Item No	Potential Issues	Cause of Concern	Control/Mitigation Measure	Responsible Person/institution	Standards/Regulation/Practices	Monitoring Institution	Monitoring Frequency
		-Equipment malfunction -Wrong type of equipment. - Time and method of application (spraying)	-Regular maintenance of equipment. -Use recommended equipment. -Use approved methods of application. -Use recommended protective clothing. -Training seminars -Integrated Pesticide Management	Ministry of Agriculture NAEB	-Manufacturer's recommendations. -Equipment maintenance policy	- NAEB	Annually
		-Improper cleaning of equipment.	-Clean equipment and dispose equipment as recommended by manufacturer.	Ministry of Agriculture NAEB	-Manufacturer's recommendations.	- NAEB -PSAC	Annually
		-Improper disposal of cleaning water and old equipment	-Use bio-beds and draining dams to dispose cleaning and drainage waters -Integrated Pesticide Management		- regulations. Water resources regulations	- NAEB -PSAC	
		Multi-purpose use of equipment or pesticides	Control use of equipment and pesticides. -Thorough cleaning of equipment -Training -Integrated Pesticide Management	Ministry of Agriculture	Pesticides Act	-- NAEB -PSAC	Annually
2.4.	Issues / Concerns during disposal of pesticides containers and equipment						
2.4.1	Water and Environmental pollution	-Cleaning of equipment, -Disposal of remains of pesticides -Disposal of containers and equipment	-Use of bio-beds, draining channels and draining dams. -Use chemical remains to re-spray. -Clean equipment in one place. -Use plants such as water lilies to absorb waste pesticides. -Take stock of pesticide containers -Integrated Pesticide Management	-- NAEB -PSAC -Department of Environmental Water resources Board	-Pesticides and equipment manufacturer's recommendations. -Water pollution standards.	- Department Environment.	Annually

Item No	Potential Issues /Cause of Concern	Control/Mitigation Measure	Responsible Person/institution	Standards/Regulation/Practices	Monitoring Institution	Monitoring Frequency	
2.4.2	Post Application Monitoring	Pesticides residues in the food chain	<ul style="list-style-type: none"> -Integrated Pest Management -Adherence to specifications on control of residues -Sensitize farmers not to harvest produce immediately after spraying -Information management -Develop manuals for use at grassroots level 	<ul style="list-style-type: none"> - NAEB - PSAC 	<ul style="list-style-type: none"> -Environmental standards -Wastewater standards 	<ul style="list-style-type: none"> -Department of Environment -Water Resources Board - NAEB -PSAC 	Annually

Rwanda

Promoting Smallholder Agro-Export Competitiveness Project Project Design Report

Annex: Annex 17. Labour Management Procedures

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GOVERNMENT OF RWANDA

**PROMOTING SMALLHOLDER AGRO-EXPORT
COMPETITIVENESS PROJECT
(PSAC)**

**LABOUR MANAGEMENT PROCEDURES
(LMP)**

Prepared for:

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ABBREVIATIONS AND ACRONYMS

ESMS	Environmental and Social Management System
GDP	Gross Domestic Product
GoR	Government of Rwanda
GRM	Grievance Redress Mechanism
IFAD	International Fund for Agricultural Development
NCCLCD	National Strategy on Climate Change and Low-Carbon Development
PAP	Project Affected Person
PMU	Project Management Unit
PO	Producer Organization
PSAC	Promoting Smallholder Agro-export Competitiveness project
USAID	United States Agency for International Development

EXECUTIVE SUMMARY

The Labour Management Procedures (LMP) is developed to manage risks under the **Promoting Smallholder Agro-export Competitiveness Project (PSAC)** implemented by the Ministry of Agriculture and Animal Resources (MINAGRI) and funded by IFAD. The LMP sets out the Program's approach to meeting national requirements as well as the objectives of IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) of IFAD 2021, specific objectives of Environmental and Socials Standard 5: Labour and Working Conditions

The document identifies the types of workers who will be engaged in the program with tenures of respective groups to be recruited and involved. Of whom Direct, contracted (and sub-contracted, as appropriate), and Primary Supply Workers are the major types. The document advocates for awareness-raising activities added with periodic monitoring to ensure that the standards set in this procedure are understood by all employers and workers and are then followed. **However, no labour influx is expected as the sub-projects will be small and dispersed all over the districts.**

The key highlight of this document is to categorically identify, assess, and prescribe how to address the issues of Child and Forced Labour, Gender-based Violence, and Occupational Health and Safety. The program will discourage the recruitment of children and any practices of forced labour.

The procedure specifically suggested the program's position in case of gender-based violence. It pinpoints the high chance of women (and their children) being subjected to gender-based violence due to the program. Hence, necessary mechanisms are in place with regular monitoring and reporting.

The LMP includes the issue of Occupation Health and Safety ensuring appropriate implementation of IFAD Standard 5: Labour and Working Conditions. It also covers a Grievance Redressal Mechanism. The mechanism includes Disciplinary Procedure, Individual Grievance Procedure, Collective Grievance Procedure, Gender-based Violence.

1. INTRODUCTION

This Labour Management Procedures (LMP) was developed by the Rwanda Ministry of Agriculture and Animal Resources (MINAGRI) to manage risks under the **Promoting Smallholder Agro-export Competitiveness Project (PSAC)** funded by IFAD. The LMP sets out the Program's approach to meeting national requirements as well as the objectives of the IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) of IFAD 2020, specifically the objectives of Environmental and Socials, Standard 5: Labour and Working Conditions and Standard 6. Community health and safety.

The aim of the PSAC project is to increase incomes of the rural poor, by supporting inclusive agro-exports value chains by increasing their climate resilient productive capacity and market access. The proposed project will focus on key activities that are priorities for the MINAGRI within the context of economic, social, and governance transformation towards the aspirations of Vision 2050.

The components and sub-components of the project are summarized below.

1.2 PROJECT DEVELOPMENT OBJECTIVE (PDO)

The Project Development Objective is "*To support the inclusion of rural poor in targeted export-driven value chains, by increasing their climate-resilient productive capacity and market access*".

1.3 PROJECT COMPONENTS

To address the Smallholder Agro-export Competitiveness challenges and support the achievement of the PDO, the proposed project consists of three main components:

1.3.1 Component 1:

Investments to enhance climate smart production and productivity of selected export-driven value chains

This component will support the intensification and improve the competitiveness of the production levels of the selected export-driven value chains through targeted investments along two sets of interventions as detailed below:

Sub-component 1.1 – Support smallholder farmers' production and productivity.

This subcomponent (SC) will focus on expansion and rehabilitation of plantation areas, supported by the development and adoption of innovative climate-resilient technologies and practices. At the inception level the project will conduct study to determine the most cost-effective strategies in coffee processing and production. It will support the coffee drying parabolic structures to address the challenges of increasing wet periods affecting the quality of the coffee during harvest. Support conservation measures at tea plantations and promote a community-based approach for the production of avocado and mango seedlings

Sub-component 1.2 - Improvement of rural infrastructure facilities.

PSAC will address the key infrastructure gaps that are hindering smallholder cooperatives/POs in each export-driven VC. Acquisition of trucks to fast-track delivery of fresh tea leaves. The investment in an Avocado grading acquisition of Complete Soil and Water Testing Kit Investments in new hangar construction in 52 tea and 2 coffee cooperatives. Basic facilities, tools and equipment to all investments involving a grant will be supported under component 2 for business planning and linkage to financing, in addition to the overall capacity building support to be provided for improved cooperative governance and enhanced technical skills.

1.3.2 Component 2:

Enabling business environment along selected export-driven value chains)

This component will enhance the competitiveness and sustainability of the targeted VCs by improving smallholder value chain actors' access to advisory services, sustainable markets and financial services.

Sub-component 2.1 – Capacity building of Producer Organizations.

The support will be provided to both established cooperatives, especially the ones that have been identified as weak in previous assessments, the new cooperatives, out-grower schemes, farmer groups that will be formed to accompany the expansion of certain crops as foreseen under component 1. Issues to be addressed will focus will include: governance, decision-making process and management; group dynamics, gender equality climate change adaptation approaches, and environmental and natural resources management.

Quality control and market-driven certification: PSAC support will support in the accreditation of certain testing services, creating a national pool of various voluntary standards certified lead trainers

Backward and forward market linkages: The project will support efforts that promote brands that display the uniqueness of the Rwandan produce in Tea and coffee as well as horticulture through digital marketing and capacity building of exporters about international business environment

Enhanced access to financial services: The project, through its business development services will support the quality and outreach of rural financial services by financial institutions, and build the capacity of the target groups to access financial services

1.3.3 Component 3:

Policy support and coordination

Policy dialogue: in PSAC will aim at efficiently completing the work undertaken by other development projects and agencies.

Enabling rural finance environment. To ensure enabling agriculture finance environment, especially for export agriculture, PSAC in collaboration with Cordaid and AFR will create a platform to coordinate the proposed activities of the final strategy.

Other issues affecting PSAC export-driven value chains: PSAC, through NAEB will contribute and will ensure close follow up on policy products that are expected to have a positive impact on the project's target group.

Specific support to value chain platforms: In this area PSAC intends to:

- (i) support round-tables for policy formulation in the coffee VC;
- (ii) build Capacity of Business Membership Organizations (BMOs) like Coffee Exporters and Processors Association of Rwanda (CEPAR

2. OVERVIEW OF LABOUR ON THE PSAC PROJECT

The LMP is applicable, to all the PSAC Project workers as per the following condition:

- People employed or engaged directly by PSAC to work specifically in relation to the Project,
- The Government public servants, who may provide support to the Project, will remain subject to the terms and conditions of their existing public sector employment agreement or arrangement,
- People employed or engaged by consultants to perform work related to core function of the Project, regardless of location,
- People employed or engaged by PSAC's primary suppliers,

2.1 LABOUR REQUIREMENTS

2.1.1 Direct Workers:

Direct workers include, the NAEB staff, Program-based Staffs and Permanent MINAGRI Staffs. NAEB will employ consultants and support staff who are working on contractual bases as part of the PFU. Terms and conditions of these consultants are guided by the Labour law. In addition, the civil servants (MINAGRI Staff) at the local level will be involved in the program implementation on a full time or on part-time basis. The consultants will be engaged by the Program to undertake short period assignments as necessary. These are consultants guided by specific contractual agreements between them and PSAC.

Direct workers are eligible to work for a fixed contract period of not more than 1 year. Contracts will be renewed for another year based on satisfactory services. Consultants will be engaged under a short-term period of not more than six months and the labour requirement including the time schedule and deliverables will be stipulated in their respective contracts.

NAEB will oversee the running of the Project. It will host the following key positions that will be recruited on a competitive basis:

- Project Operation Manager;
- 3 Value Chain Specialists (coffee, tea, horticulture);
- Access to Finance (A2F) Specialist;
- Monitoring and Evaluation (M&E) Specialist;

- Gender and Social Inclusion Specialist;
- Environmental Specialist;
- Knowledge Management (KM) & Communication Specialist;
- Administrative Assistant;
- Accountants (reporting to Financial Manager of SPIU for IFAD-funded projects);
- Procurement Officer (reporting to Sr. Procurement Officer of SPIU for IFAD-funded projects);
- 3 drivers (one for each value chain). In addition,
- NAEB Focal Person (young graduates, men and women) will be posted in each target district to ensure smooth coordination at field level.

2.1.2 Contracted Workers:

Based on the requirement in every component the NAEB will employ contractors who will hire contracted workers based on their level of skills and program needs. If agreed with the NAEB sub-contracts of the work could be given. Sub-contractors recruited may supply labourers as per the agreed terms and conditions.

Contracted workers are eligible to work for a contract period fixed by the NAEB. Their contracts will be renewed, if required, based on satisfactory services.

2.1.3 Primary Supply Workers:

Based on the requirement in every component primary supply workers will be recruited by the suppliers as required. It will be ensured (and monitored periodically by the NAEB) that no children are recruited and supplied as workers. Furthermore, it will be monitored like above that these workers are not subjected to ‘forced labour’ in any manner. NAEB will be responsible to make sure that these standards are followed strictly. If any deviation is identified NAEB will take action as prescribed in the contract/ agreement following the LMP. Their tenure service will be based on supplies as procured.

3. ASSESSMENT OF POTENTIAL LABOUR RISKS

The main labour risks associated with the Project are assessed to be related to the work environment and associated risks of accidents. **Based on current conditions in the sector it is assessed that the risk of child or forced labour is negligible**, and already managed through national legislation.

The MINAGRI has developed this LMP as part of the environment and social safeguards instruments for the project. It serves to illustrate the types of workers to be engaged and their management in line with IFAD and national labour laws. Even though labour influx is not anticipated, social impacts such as GBV, sexual exploitation and communicable diseases for local communities cannot be ruled out. Thus, management and mitigation of GBV/SEA risks were integrated in both the stakeholder engagement plan (SEP) and the LMP.

3.1 LABOUR INFLUX

It is not expected that there will be any labour influx in any project community. The PSAC will mandate and localize the economic benefits and only allow for outside, including expatriate

labour, where there is a requirement for special skills. There will be no dedicated camps established for worker accommodation in the Project.

Specific requirements to manage risks associated with labour influx, related to interaction between project workers and local communities, such as communicable diseases and gender-based violence, are managed through contractual requirements, Code of Conduct and training set out in this document. These procedures are guided by the national legislation.

3.2 OCCUPATIONAL HEALTH AND SAFETY:

The Occupational health and Safety measures and actions will be developed and implemented to assess and manage risks and impacts to the community arising from Project activities and workers. The consultants to be engaged will ensure that their employees/staff will be trained on occupational health and safety and records of which are to be inspected monthly and audited bi-annually in compliance with the Rwandan labour laws.

Article 77 and 78 of the Rwandan Labour Law Law N° 66/2018 of 30/08/2018 and Article 132 to 138 of the Rwandan Labour Code, Law N° 51/2001 of 30/12/2001 deal with occupational health and safety where employers are required to ensure the health, safety and welfare in the workplace for employees. The law include measures relating to OHS for protecting workers from injuries, illness or impacts associated with exposure to hazards encountered in the work place during work. The OHS measures include provision of PPE, awareness raising, trainings and guidance on how to prevent accidents at work place.

PSAC will provide workers with PPE, facilities for a safe and clean environment to eat and change, sanitation facilities, and first aid kits.

The law also requires the employer to inform the management of the social security and the Inspectorate of labor where the enterprise is located, occupational accident, disease or death in accordance with relevant Laws.

The law also Elaborates offences and penalties relating to occupational health and safety where the employer was negligent about health and safety of employees.

3.3 GENDER-BASED VIOLENCE:

Based on IFAD Gender-based violence including sexual exploitation and abuse risk assessment rating, the social risks of Sexual Exploitation/Harassment and GBV are rated as moderate, and the project will not directly or indirectly cause or contribute to any of the pre-existing social issues related to gender-based violence but will attempt to ultimately contribute to their mitigation through improving the livelihoods of the poor stakeholders.

Nonetheless, there is a possibility of contextual risks of GBV and there could be an increase in the risk and exposure of GBV/SEA against women because of economic improvement opportunity as a result of the project. There is thus a need to uphold safe environments at all sub-project areas and implement the GBV Action Plan contained in the project ESMF.

3.4 CHILD AND FORCED LABOUR:

The risk of child labour will be very minimal and will be mitigated through Certification of laborers' age. This will be done by using the legally recognized documents such as the National Identification Card, and Birth Certificate. Further, awareness-raising sessions will be conducted regularly to the communities to sensitize on prohibition and negative impacts of child and forced Labour. In addition, this procedure will guide the authority to monitor periodically that no such practice is/ are being practiced in PSAC.

4. OVERVIEW OF LABOUR LEGISLATION: TERMS AND CONDITIONS

This section sets out the key aspects of national labor legislation with regards to terms and conditions of work, and how national legislation applies to different categories of workers. The overview focuses on legislation which relates to the working relationship between employers and workers in Rwanda as governed by the Law No. 66/2018 of 30 August 2018 **Regulating Labour in Rwanda**, and the Rwandan Labour Code, Law N° 51/2001 of 30/12/2001, The scope of this Law applies to the following:

1. Employment relations based on an employment contract between an employee and an employer in the private sector,
2. Employment relations based on an employment contract between an employee and an employer in the public service, unless otherwise provided by the general statutes for public service,
3. An apprentice,
4. An intern; a self-employed person with regard to occupational health and safety,
6. An informal sector employee with regard to the following:
 - a) occupational health and safety,
 - b) the right to form trade unions and employers' associations,
 - c) the right to salary,
 - d) the minimum wage in categories of occupations determined by an Order of the Minister in charge of labour,
 - e) the right to leave,
 - f) social security
 - g) protection against workplace discrimination,
 - h) protection from forced labour
 - i) prohibited forms of work for the child, pregnant or breastfeeding woman.

4.1 THE GENERAL PROVISIONS

The General provisions are contained in:

Chapter I General Provisions And Fundamental Rights: Article 10 to 40 of the labor law, deals with the rights of an employee which include:

- working in an environment where health and safety in the workplace are guaranteed,
- to receive equal salary for works of equal value without discrimination of any kind,
- to be provided leave as provided for by Law,
- to join a trade union of his/her choice,
- to be trained by his/her employer, and
- to receive information relevant to his/her work.

Article 7 prohibits any form of forced labour, article 8 prohibits sexual harassment in workplace. Sexual harassment in any form against supervisee is prohibited. It is prohibited to dismiss an employee for having reported or testified on sexual harassment committed by his/her supervisor. If there is tangible evidence that an employee has resigned due to sexual harassment committed against him/her by his/her supervisor, his/her resignation is considered as unfair dismissal. All project workers will sign a Code of Conduct.

Article 9. The recruitment of project workers will be free from any kind of discrimination as provided for by the Law regulating Labour in Rwanda especially in its article 9 stipulating that "An employer must give employees equal opportunities at the workplace". "An employer is prohibited from discriminating employees on basis of ethnic origin, family or ancestry, clan, skin color or race, sex, region, economic categories, religion or faith, opinion, fortune, cultural difference, language, physical or mental disability or any other form of discrimination. Every employer must pay employees equal salary for work of equal value without discrimination of any kind". The same provision of the law will also be applicable in case of any labour influx occurrence.

Chapter II: dealing with Employment Contract, Apprenticeship and Internship Contracts. Article 11 of the law provides guidelines on the conclusion of an employment and provides options for written and unwritten contracts provided that whichever of both has proof. In light of this, an employment contract for PSAC workers shall be fixed and in written form with specification of employment terms and conditions and shall be signed off by the employer and employee so as to avoid any conflict or dispute that may arise in relation to this.

Article 12 Apart from foreign consultant who might be contracted to perform specific duties that might require special expertise that cannot be sourced locally, in this project, the likelihood of migrant workers is very low. Nevertheless, in the event of their employment, provisions of the law regulating labour in Rwanda and other relevant laws on these matters shall be applied especially article 12 of the Law N° 66/2018 of 30/08/2018.

Chapter III: General Working Conditions - which deals with rights, obligation and responsibilities of both employers and employees. Article 43 states the terms of working hours, which sets 45 as the maximum working hours per week however provides a window for extra hours for an employee upon the agreement with his or her employer on appropriate compensation for the overtime and leaves the responsibility to prepare daily timetable for work hours and break for an employee to the employer.

Chapter IV: Salary - Article 67 states that employers will pay the employee the whole salary to which he/she is entitled and deposits it in an account given by the employee in writing in a bank or in a financial institution recognised in accordance with the provisions on payment intervals of the written contract signed by the two which could be every day for an employee employed on hourly or daily basis, every week for an employee recruited for a week, every fifteen days for an employee recruited for a fortnight and every month for employee recruited on a one-month basis.

Chapter V: Occupational Health And Safety - Article 77 deals with General health and safety

conditions in the workplace, Article 78 requires employers/enterprises to establish Occupational Health and Safety Committee, while Article 79 emphasizes on the importance of Personal protective equipment while performing a certain type of activities under which most of the works to be performed under PSAC fall.

Chapter VI: Association of Employees and Association of Employers

Article 83 Employees' right to freedom of association An employee has the right to: 1) join others in forming a trade union; 2) join a trade union of his/her choice; 3) participate in lawful activities of a trade union. Article 84, Employers' right to freedom of association An employer has the right to: 1) form employers' association; 2) join employers' association of choice; 3) participate in lawful activities of employers' association. Article 85, Registration of employees' organisations and employers' organisations Employees' organisations and employers' organisations are registered in accordance with the provisions of this Law.

Chapter VIII: Labour Disputes Settlement - which requires the employees' representatives to amicably settle individual labour disputes between employers and employees. Where employees' representatives fail to settle the disputes amicably, the concerned party refers the matter to the labour inspector of the area where enterprise is located. If the Labour Inspector fails to settle the dispute due to the nature of the case or the conflict of interests, he/she refers the dispute to the Labour Inspector at the national level. If amicable settlement fails at this level the case is referred to the competent court. However, the court can decide not to receive the case after determining that steps for amicable settlement provided for in this Article have not been followed.

Chapter IX: Right To Strike And Lockout - Strike and lockout Employees have the right to strike and employers have the right to lock out in the respect of the provisions of this Law. The strike for employees or lockout for an employer is legal when the arbitration committee has exceeded fifteen (15) working days without issuing its decision or the conciliation resolution on collective dispute or the court award being enforceable have not been implemented. In any case, a strike or lockout must be preceded by a notice of four (4) working days.

Chapter XI: Declaration Made by An Enterprise Article 116: Declaration of an enterprise and employees An employer who opens an enterprise declares it in writing to the labour inspectorate of his/her area. He/she also provides an initial declaration of information relating to the situation of his/her employees within one (1) month from commencement of enterprise. An employer wishing to close business or relocate an enterprise declares it to the Labour Inspector of his/her area within.

5. RESPONSIBLE STAFF AND PROCEDURES

The Lead Implementation Agency will be National Agricultural Export Development Board (NAEB), under the responsibility of its Chief Executive Officer (CEO) will have the overall responsibility to oversee all aspects of the implementation of the PSAC in particular to ensure contractor compliance. The project will be implemented by the NAEB, addressing all PSAC aspects as part of procurement for works as well as during contractor induction. The contractors will subsequently be responsible for management of labour issues in accordance

with contract specific labour Management Plans, implementation of which will be supervised by the NAEB on a monthly basis or at shorter intervals as defined by specific Plans. The detailed approach is described in the following sections.

5.1 OCCUPATIONAL HEALTH AND SAFETY.

The PSAC Environmental Specialist must ensure that the implementation of PSAC will be conducted in compliance to occupational health and safety requirements. The PSAC Environmental Specialist will make sure that each participating institution receives the template OHS programs, establish safety representatives for day-to-day monitoring of safety requirements, record and report all incidents accordingly to the PSAC.

5.2 LABOUR AND WORKING CONDITIONS.

Government civil servants, who may provide support to the Project, will remain subject to the terms and conditions of their existing public sector employment agreement or arrangement as per provisions of the Labour Law. In addition to these the COVID – 19 regulations will also apply.

5.3 CONTRACTORS OCCUPATIONAL HEALTH AND SAFETY.

Contractors must engage a minimum of one safety representative. Smaller contracts may permit for the safety representative to carry out other assignments as well. The safety representative will ensure the day-to-day compliance with specified safety measures and records of any incidents are done. Minor incidents are reported to the NAEB on a monthly basis; serious incidents are reported immediately. Minor incidents are reflected in the quarterly reports to IFAD while major issues are flagged to IFAD immediately.

5.4 CONTRACTOR LABOUR AND WORKING CONDITIONS.

Contractors will keep records in accordance with specifications set out in this LMP. The NAEB may at any time require records to ensure that labour conditions are met. NAEB will review records against actuals at a minimum on a monthly basis and can require immediate remedial actions if warranted. A summary of issues and remedial actions will be included in quarterly reports to IFAD.

5.5 WORKER GRIEVANCES.

The NAEB procedures currently in place will remain for Project staff. Contractors will be required to present a worker grievance redress mechanism which responds to the minimum requirements in this LMP. The NAEB Social Officer will review records on a monthly basis. Where worker concerns are not resolved, the national system will be used as set out in the section, but NAEB will keep abreast of resolutions and reflect them in quarterly reports to IFAD.

5.6 ADDITIONAL TRAINING.

Contractors are required to, at all times, have a qualified safety officer on board. If training is required, this will be the contractor's responsibility. The safety officer will provide instructions to contractor staff. NAEB will provide training to address risks associated with labour influx and will provide a schedule for trainings required. The contractor will be obligated to make staff available for this training, as well as any additional mandatory trainings required by

NAEB, as specified by the contract.

6. POLICIES AND PROCEDURES

The engagement and treatment of program staff will be made on the basis of characteristics related to inherent job requirements. It will be based on the principle of equal opportunity and fair treatment, and there will be no discrimination with respect to any aspects of the employment relationship, such as recruitment and hiring, compensation (including wages and benefits), working conditions and terms of employment, access to training, job assignment, promotion, termination of employment or retirement, or disciplinary practices.

Contractors will be responsible for mitigating all environmental and social impacts of subprojects resulting from activities directly under their control. The NAEB Environmental Specialist will incorporate standardized environmental and social clauses in the tender and contract documents in order for potential bidders to be aware of environmental and social performance requirements that will be expected from them and are able to reflect that in their bids and required to implement the clauses for the duration of the contract. NAEB will enforce compliance by contractors with these clauses.

The contractor will be required to ensure that all documentation related to environmental and social management, including the LMP, is available for inspection at any time by the NAEB or its appointed agents. The contractual arrangements with each project worker must be clearly defined in accordance with Rwandan Legislation. All environmental and social requirements will be included in the bidding documents and contracts in addition to any additional clauses, which are contained, in the Projects environmental and social instruments.

The NAEB, Contractors, suppliers or sub-contractors will never engage forced labour. Forced labour includes bonded labour (working against an impossible debt), excessive limitations of freedom of movement, excessive notice periods, retaining the worker's identity or other government-issued documents or personal belonging, imposition of recruitment or employment fees payable at the commencement of employment, loss or delay of wages that impede the workers' right to end employment within their legal rights, substantial or inappropriate fines, physical punishment, use of security or other personnel to force or extract work from project workers, or other restrictions that compel a project worker to work on a non- voluntary basis.

6.1 LABOUR INFLUX AND GENDER BASED VIOLENCE

Contractors will need to maintain labour relations with local communities through a code of conduct (CoC). The CoC commits all persons engaged by the contractor, including sub-contractors and suppliers, to acceptable standards of behaviour. The CoC must include sanctions for non-compliance, including non-compliance with specific policies related to gender-based violence, sexual exploitation and sexual harassment (e.g., termination). The CoC should be written in plain language and signed by each worker to indicate that they have:

- Received a copy of the CoC as part of their contract,
- Had the CoC explained to them as part of induction process,
- Acknowledged that adherence to this CoC is a mandatory condition of employment,
- Understood that violations of the CoC can result in serious consequences, up to and

including dismissal, or referral to legal authorities.

A copy of the CoC shall be displayed in a location easily accessible to the community and project affected people. It shall be provided in English and translated into Kinyarwanda

Contractors must address the risk of gender-based violence, through: Mandatory training and awareness raising for the workforce about refraining from unacceptable conduct toward local community members, specifically women. Training may be repeated,

- Informing workers about national laws that make sexual harassment and gender-based violence a punishable offence which is prosecuted,
- Adopting a policy to cooperate with law enforcement agencies in investigating complaints about gender-based violence,
- Developing a system to capture gender-based violence, sexual exploitation and workplace sexual harassment related complaints/issues.

This process will be under the portfolio of the Environmental Specialist to be recruited under the NAEB and shall identify and engage the relevant stakeholders on GBV and HIV and Aids related issues.

6.2 OCCUPATIONAL, HEALTH AND SAFETY

PSAC is committed to:

- Complying with legislation and other applicable requirements which relate to the occupational health and safety hazards.
- Enabling active participation in OH&S risks elimination through promotion of appropriate skills, knowledge and attitudes towards hazards.
- Continually improving the OH&S management system and performance.
- Communicating this policy statement to all persons working under the control of PSAC with emphasis on individual OH&S responsibilities.
- Availing this policy statement to all interested parties at all participating educational facilities and institutions.

The PSAC Environmental Specialist will be responsible for overseeing the workplace Safety, Health and Environmental issues. He/she must:

- Identify potential hazards,
- In collaboration with the employer, investigate the cause of accidents at the workplace,
- Attend meetings of the safety and health committee to which that safety and health representative is a member,
- Make recommendations to the employer in respect of safety and health matters affecting employees.

Further to avoid work related accidents and injuries, the contractor will:

- Provide occupational health and safety training to all employees involved in PSAC works.
- Ensure availability of first aid box.
- Provide employees with access to toilets and potable drinking water.

- Provide safety and occupational safety measures to workers with Personal Protection Equipment (PPE) when installing solar systems to prevent accidents during replacement and installation and follow safety measures in installing them.
- Properly dispose of solid waste at designated permitted sites landfill allocated by the local authorities.

Further to enforcing the compliance of environmental management, contractors are responsible and liable of safety of site equipment, labours and daily workers attending to the site installations and safety of citizens for each sub-project site, as mandatory measures.

7. AGE OF EMPLOYMENT

Rwanda is a member of the International Labour Organization (ILO) hence it adheres to its standards. The national Law No 66/2018 of 30/08/2018 regulating Labour in Rwanda was elaborated in reference to the International Labour Law. Therefore, this LMP was prepared and will be implemented in respect of the international labour standards.

More specifically the following principles as set forth in the ILO Declaration on Fundamental Principles and Rights at Work of 1998 amended in 2022 will be respected:

- The right of workers to associate freely and bargain collectively
- The end of forced and compulsory labour
- The end of child labour
- The end of unfair discrimination among workers

In addition to article 6 of the labour law which points out with a general outlook on various prohibited forms of work for the child, the ministerial instructions no 01/2017 of 17/11/2017 relating to prevention and fight against child labour in its article 9 states that a child aged between 16-17 may perform work like an adult of above 18 years as long as the work is not forced and is in compliance with national legislation.

8. TERMS AND CONDITIONS

The terms and conditions of employment in terms of this project are governed by the provisions of the national Law No 66/2018 of 30/08/2018 regulating Labour in Rwanda which makes it mandatory for employers to give its employees a copy of the written particulars of employment with definite agreements spelt out. This requirement however is not applicable to casual employees. For this project, contractors will be required to provide all its employees with written particulars of employment, including casual employees.

Contractors will also be required to comply with the most current Regulation of Wages Order for their particular sector, e.g., the Building and Construction Industry which is issued by the Order of the Minister in charge of labour and reviewed on a regular basis. The Wages Order specifies the minimum wages, hours of work, overtime pay, leave entitlements, travelling and subsistence allowances, and the issue of protective clothing.

8.1 WORKER'S ORGANIZATION

The national Law No 66/2018 of 30/08/2018 regulating Labour in Rwanda was elaborated in reference to the International Labour Law. The following articles demonstrate this fact

Article 83: Employees' right to freedom of association An employee has the right to: 1) join others in forming a trade union; 2) join a trade union of his/her choice; 3) participate in lawful activities of a trade union.

Article 84: Employers' right to freedom of association An employer has the right to: 1) form employers' association; 2) join employers' association of choice; 3) participate in lawful activities of employers' association.

Article 85: Registration of employees' organisations and employers' organisations Employees' organisations and employers' organisations are registered in accordance with the provisions of this Law.

Rwanda is a member of the International Labour Organization (ILO) hence it adheres to its standards. Therefore, this LMP was prepared and will be implemented in respect of the international labour standards. Therefore NAEB provides employees with the right to join and form an organization for purpose of labour representation.

9. DISCIPLINARY PROCEDURES AND GRIEVANCE MECHANISM

In any working environment it is essential for both employers and employees to be fully conversant with all aspects of disciplinary processes, the grievance handling procedures and the legal requirements and rights involved. In implementing an effective dispute management system consideration must be given to the disputes resulting from the following:

- Disciplinary Action
- Grievance Redress Mechanism (GRM)

9.1 DISCIPLINARY PROCEDURE

The starting point for all disciplinary action is rules. These rules may be implied or explicit and of course will vary from workplace to workplace. Some rules are implied in the contract of employment (e.g., ruling against use of alcohol and drugs at workplace), however it is advisable that even implied rules be included in the disciplinary code or schedule of offences. Therefore, the workplace rules must be:

- Valid and reasonable
- Clear and unambiguous
- The employee must understand the procedure to be applied if he/she contravenes any of the rules.

A comprehensive Grievance Redress Mechanism has been developed for the project, however the following dispute resolution procedures at workplace will be as follows:

- Conducting of a comprehensive investigation to determine whether there are grounds for a hearing to be held.
- If a hearing is to be held, the employer is to notify the employee of the allegations using a language that the employee can understand.
- The employee is to be given reasonable time to prepare for the hearing and to be represented by a fellow employee or lawyer.

- The employee must be given an opportunity to respond to the allegations, question the witnesses of the employer and to lead witnesses.
- If an employee fails to attend the hearing the employer may proceed with the hearing in the absence of the employee.
- The hearing must be held and concluded within a reasonable time and is to be chaired by an impartial representative.
- If an employee is dismissed, it must be given the reasons for dismissal and the right to refer the dispute concerning the fairness of the dismissal to the labour Court.

Therefore, it is incumbent upon the Consultants/Contractor to ensure that they have a disciplinary procedure and Code and Standards which the employees are aware of. Each Consultant/Contractor will be required to produce this procedure to ensure that employees are not treated unfairly.

9.2 INDIVIDUAL GRIEVANCE PROCEDURE

Termination of Employment requires every employer, including contractors, to have a Formal Grievance Procedure which should be known and explained to the employee. Such procedure should at least:

- a) Specify to whom the employee should lodge the grievance,
- b) Refer to time frames to allow the grievance to be dealt with expeditiously,
- c) Allow the person to refer the grievance to a more senior level within the organization, if it is not resolved at the lowest level,
- d) If a grievance is not resolved the employee has the right to lodge a dispute with the employer.

All the contractors who will be engaged for the project will be required to produce their grievance procedure as a requirement for tender which at a minimum comply with these requirements. In addition, good international practice recommends that the procedures be transparent, is confidential, adheres to non-retribution practices and includes the right to representation. After they are engaged, they will be required to produce proof that each employee has been inducted and signed that they have been inducted on the procedure.

9.3 COLLECTIVE GRIEVANCES AND DISPUTES RESULTING FROM THE NEGOTIATIONS OF COLLECTIVE AGREEMENTS.

Where a trade union is recognized, it is entitled to negotiate on a regular basis with the employer over terms and conditions existing at the workplace and the employer is obliged to negotiate with it. The procedures followed in such instances is usually contained in the Recognition Agreement, which states how the issues are raised, the procedure for negotiations, the composition of the parties involved in the negotiation and the procedure to deal with issues that are not resolved through consensus. Chapter VIII of the national labour Law No 66/2018 of 30/08/2018 deals with issues of Labour Disputes Settlement while articles 92 and 93 provide guidelines for collective bargaining. Disagreements on salaries and other entitlements or working conditions will be solved through workers representation.

9.4 GENDER-BASED VIOLENCE, SEXUAL EXPLOITATION AND WORKPLACE SEXUAL HARASSMENT

Violence and harassment in the work world deprives people of their dignity, is incompatible

with decent work, and a threat to equal opportunities and to safe, healthy, and productive working environments. It remains a widespread phenomenon, present in all countries and disregarding sectors, occupations, and workplace arrangements. In line with IFAD's policy to preventing and responding to sexual harassment, sexual exploitation, and abuse, in cases these occur, there should be established reporting and response protocols in place, with specific procedures for gender-based violence, including confidential reporting with safe and ethical documenting of such cases, that indicate when and where to report incidents, and what follow-up actions will be undertaken. In addition, there should be modalities to provide services and redress to survivors.

10. CONTRACTOR MANAGEMENT

The NAEB will require that contractors monitor, keep records and report on terms and conditions related to labour management. The contractor must provide workers with evidence of all payments made, including social security benefits, pension contributions or other entitlements regardless of the worker being engaged on a fixed term contract, full-time, part-time or temporarily. The application of this requirement will be proportionate to the activities and to the size of the contract, in a manner acceptable to NAEB and IFAD:

- **Labour conditions:** records of workers engaged under the Project, including contracts, registry of induction of workers including Code of Conduct (CoC), hours worked, remuneration and deductions (including overtime), collective bargaining agreements.
- **Safety:** recordable incidents and corresponding Root Cause Analysis (lost time incidents, medical treatment cases), first aid cases, high potential near misses, and remedial and preventive activities required (for example, revised job safety analysis, new or different equipment, skills training, and so forth).
- **Workers:** number of workers, indication of origin (expatriate, local, nonlocal nationals), gender, age with evidence that no child labour is involved, and skill level (unskilled, skilled, supervisory, professional, management).
- **Training/induction:** dates, number of trainees, and topics.
- **Details of any security risks:** details of risks the contractor may be exposed to while performing its work—the threats may come from third parties external to the project.
- **Worker grievances:** details including occurrence date, grievance, and date submitted; actions taken and dates; resolution (if any) and date; and follow-up yet to be taken grievances listed should include those received since the preceding report and those that were unresolved at the time of that report.

Every Safety File is 'site-specific'. It will be compiled following the client's and the site's safety specifications. The overall information requirements remain the same, and the site-specific documents will be added. When Health and Safety File is set up, it will consist of the following Documents:

- Contractor appointment letter.
- Notification of Construction Work
- Copy of the OHS regulations
- Occupational Health and Safety Management Plan
- Company Occupational Health and Safety Policy

- Letter of Good Standing
- Material Safety Data Sheets for hazardous materials used (if required)
- Tax Clearance Certificate
- Risk Assessments
- Safe work procedures (Site Specific)
- Fall Protection Plan (if required)
- Legal appointment with proof of training (Ex. Chief Executive Officer, Risk Assessor, First Aider, etc.)
- Incident Reporting Procedures
- Incident Reports
- Incident Registers
- Reports of Accidents
- Emergency Preparedness Documents
- First Aid Documents
- Induction Records
- Medical Surveillance Records
- Safety Communication (e.g., Toolbox talks)
- Minutes of Safety Meetings
- Inspection Registers

11. COMMUNITY WORKERS

(There will be no provision for Community Workers.)

12. PRIMARY SUPPLY WORKERS

This section addresses labour management risk associated with people employed or engaged by NAEB's primary suppliers. Primary suppliers are suppliers who, on an ongoing basis, provide goods or materials directly to the Project.

The project will require procurement of a substantial number of materials, including protection and control equipment, power-poles, steel products, Solar products, computer products etc.

All primary suppliers are formal businesses who are required to procure and produce materials subject to high standards.

Rwanda

Promoting Smallholder Agro-Export Competitiveness Project Project Design Report

Annex: Annex 18. Stakeholder Engagement Plan

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Programme Management Department



GOVERNMENT OF RWANDA

PROMOTING SMALLHOLDER AGRO-EXPORT COMPETITIVENESS PROJECT (PSAC)



STAKEHOLDER ENGAGEMENT PLAN (SEP)

Prepared for:

Ministry of Agriculture and Animal Resources (MINAGRI)
KG 569 Street,
Kigali
Rwanda

The Rwanda - Promoting Smallholder Agro-Export Competitiveness Project (PSAC) Stakeholder Engagement Plan (SEP) is intended to provide complete documentation for the requirements of a holistic Stakeholder Engagement system for the project. This SEP contains the findings of a study conducted for the agriculture sector of Rwanda and the instrument has been developed based on the local conditions and findings.

Report no.	001
Issue no.	001
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ABBREVIATIONS AND ACRONYMS

ESMS	Environmental and Social Management System
GDP	Gross Domestic Product
GoR	Government of Rwanda
GRM	Grievance Redress Mechanism
IFAD	International Fund for Agricultural Development
NCCLCD	National Strategy on Climate Change and Low-Carbon Development
PAP	Project Affected Person
PMU	Project Management Unit
PO	Producer Organization
PSAC	Promoting Smallholder Agro-export Competitiveness project
USAID	United States Agency for International Development

1 STAKEHOLDER ENGAGEMENT PLAN

1.1 INTRODUCTION/PROJECT DESCRIPTION

This Stakeholder Engagement Plan (SEP) forms part of the set of Environmental and Social Management Instruments for the Rwanda Promoting Smallholder Agro-Export Competitiveness Project (**PSAC**). The Implementing Agency of the Project, the Ministry of Agriculture and Animal Resources (MINAGRI) through the National Agricultural Export Development Board (NAEB), has the responsibility to effectively engage stakeholders in achieving the project objectives, hence the formulation of this SEP, which will be applied for all public consultation processes.

The SEP aims to improve and facilitate decision making and create an atmosphere of understanding that actively involves project-affected people and other stakeholders in a timely manner. It will further provide the stakeholders with sufficient opportunity to voice their opinions and concerns that may influence project decisions.

1.2 OBJECTIVES OF THE PLAN

The Key objectives of the SEP are to:

- Identify key stakeholders that are affected, and/or able to influence the Project and its activities,
- Identify the most effective methods, timing, and structures through which to share project information, and to ensure regular, accessible, transparent, and appropriate consultation,
- Provide guidance for stakeholder engagement such that it meets the standards of International Best Practice,
- Develop a stakeholders' engagement process that provides stakeholders with sufficient opportunity to voice their opinions and concerns and be able to influence the project,
- Establish formal grievance redress mechanisms,
- Define roles and responsibilities for the project implementers in conducting stakeholder consultations,
- Define reporting and monitoring measures to ensure the effectiveness of the SEP and periodical reviews of the SEP based on findings.

The SEP provides a framework for achieving effective stakeholder involvement and promotes greater awareness and understanding of issues so that the project is carried out effectively. Effective stakeholder engagement develops a “social licence” to operate and depends on mutual trust, respect and transparent communication between the NAEB and its stakeholders. The key elements of the SEP are:

- Stakeholder identification and analysis
- Stakeholder Engagement Program
- Grievance Redress Mechanism
- Monitoring and Reporting

1.3 ENVIRONMENTAL ASSESSMENT

Rwanda is located in two major basins, Nile and Congo basins, and its hydrological network is composed of nine catchments. The topography is characterized by hills and mountains and therefore widely varying altitudes (900 m in south-west, 1500-2000 m in the south and the centre

of the country, 1800-3000 m in the highlands of the north and the west and 3000-4507 m in the regions of Congo-Nile Crest and the chain of volcanoes). Again, the country is divided into 12 agro-ecological zones that can be clustered into three natural regions which are the highlands, midlands, and lowlands. The topography, results in 60% of the total land area being under cultivation.

1.4 CLIMATE TRENDS AND IMPACTS

The Rwanda's climate is dominated by the Inter Tropical Convergence Zone (ITCZ) which passes over the country twice a year and is further modified by a widely varying altitude across the country and by the presence of large adjacent water bodies of the great lakes. Some parts of the country benefit from two agriculture rainy seasons (February-May; September-December). The duration of the two rainy season is increasingly variable, ranging from seven to nine months, with an annual rainfall amount of up to 1,500 mm. From 1985 to 2015, the average temperature has increased by 0.29°C per decade with the increased interannual variability over the last few decades (USAID, 2019). Previous analysis illustrates regional changes, such as in the Northern and Western Provinces, where the rainy season is becoming shorter and more intense (Warner et al, 2015). Overall, the total annual precipitation will be reduced in all provinces until mid-century.

2 INSTITUTIONAL ANALYSIS

The following is an outline of the institutions that will be involved in the implementation of PSAC,

Table 2-1 Institutional Analysis.

INSTITUTION	DESCRIPTION
Ministry of Environment (MoE)	<p>This Ministry is composed of two sectors: Water Resources and Environment. Environment is a crosscutting. MoE is responsible for the development of policies, laws, and regulations as well as coordination of all activities in the management of water resources activities and environment, as well as their follow up and evaluation. The Ministry of Environment has the following main responsibilities:</p> <ul style="list-style-type: none"> • To develop and disseminate the environment and climate change policies, strategies, and programs • To monitor and evaluate the implementation and mainstreaming of environment and climate change policies, strategies and programs across all sectors, especially productive sector. • To oversee and evaluate institutions under its supervision by providing guidance on the implementation of specific programs to be realised by the institutions under its supervision and local government. • To mobilise the necessary resources for the development, protection, and conservation of the environment for the climate change adaptation and mitigation.
Rwanda Environment Management Authority (REMA)	<p>Rwanda Environment Management Authority (REMA) was established in 2004 to act as the implementing organ of environment-related policies and laws in Rwanda. REMA is also tasked to coordinate different environmental protection activities undertaken by environmental promotion agencies; to promote the integration of environmental issues in development policies, projects, plans and programmes; to coordinate implementation of Government policies and decisions taken by the Board of Directors and ensure the integration of environmental issues in national planning among concerned departments and institutions within the Government; to advise the Government with regard to the legislation and other measures relating to environmental management or implementation of conventions, treaties and international agreements relevant to the field of environment as and when necessary; to make proposals to the Government in the field of environmental policies and strategies; etc.</p>
FONERWA	<p>The National Fund for Environment – FONERWA is a ground-breaking Environment and climate change Fund, established by the Rwandan Government in 2012. The Fund's purpose is to be the engine of green growth in Rwanda, while serving as a touchstone for Africa and the rest of the world. Our strategy is to provide unheralded technical and financial support to the best public and private projects that align with Rwanda's commitment to a green economy.</p> <p>The Fund's core responsibilities are to:</p> <ul style="list-style-type: none"> • Mobilise and manage resources used in financing activities aiming at protecting and preserving environment and natural resources. • Mobilise and manage funds to be used in the fight against climate change and its impact. • Collect and manage funds from the public and private sector, through bilateral and multi-lateral partnerships, to achieve the country's objectives to advance national priorities in the field of environment and climate change.

	<ul style="list-style-type: none"> • Support public organs, associations and individuals for environment protection and conservation, research as well as the fight against the climate change. • Coordinate and ensure that various finance partnership agreements related to prevention as well as fighting against climate change are prepared and effectively managed across various national stakeholders. • Collaborate with other national regional and international institutions with the same mission.
Ministry of Gender and Family Promotion	<p>Ministry of Gender and Family Promotion plays a leading role in the implementation of the gender agenda in the country. The project, through its Gender Specialist, will coordinate with MIGEPROF on initiatives for gender equality and women empowerment at the district level (coordinating with the Gender and Family Promotion Officers) in particular.</p>
	<p>The Gender Monitoring Office is mandated by the constitution, along with the Ministry of Gender and Family Promotion, and the national women's council for executing several programs and policies to address these gender gaps and constraints.</p>
	<p>Women's Council at the district level will be key reference to align KIIWP's gender strategy with the priorities set by Kayonza district on gender mainstreaming and to articulate with women's associations and cooperatives.</p>
	<p>In the Ministry of Agriculture, a gender advisor supports capacity building of staff through development of performance contracts that address gender integration, including identification of key gender-responsive indicators.</p>
Youth	<p>National Youth Policy (2015), this policy focuses on youth economic empowerment by addressing issues related to unemployment and underemployment, limited skills, low rate of access to finance and markets.</p> <p>Rwanda Youth Agribusiness Forum (RYAF) is established to bring different youth organisations together, individual youth farmers and entrepreneurs.</p> <p>It is a platform established to bring together different youth organizations, individual youth farmers and entrepreneurs. RYAF already engaged in IFAD-supported projects PASP and RDDP in the delivery of training and extension services, and it could be further involved to engage youth in agriculture, as service providers as well as beneficiaries of capacity building, business and financial services.</p>
	<p>HoReCo is a business company of professionals in agriculture who were trained in matters of horticulture development and value chain, irrigation and agriculture mechanization as well as building capacity of youth in agriculture.</p>
Communities	<p>The communities in targets Districts who will receive project funding to establish village sub-projects will be obliged to act in accordance with all national laws and regulations related to the type of project they are implementing. In addition, village-level leadership committees and elected village officials will be responsible for supporting implementation of the environmental and social management framework.</p>

3 REGULATORY REQUIREMENTS

3.1 RELEVANT NATIONAL LEGISLATION

The PSAC SEP takes into account the existing institutional and regulatory framework within the context of Rwanda and international laws. These applicable laws and international good practices are discussed below. Table 3-1 outlines the Relevant national legislation for the implementation of PSAC project.

Table 3-1 Relevant Policies

No.	LEGAL INSTRUMENTS	INTERPRETATION
1.0	RELEVANT POLICIES	
1.1	Environment and Climate	<p>Rwanda Environment Policy The overall objective of the Environmental Policy is the improvement of man's wellbeing, the judicious utilization of natural resources and the protection and rational management of ecosystems for a sustainable and fair development. The policy seeks to achieve this through improved health and quality of life for every citizen and promotion of sustainable socio economic development through a rational management and utilization of resources and Environment, integrating Environmental aspects into all the development policies, planning and in all activities carried out at the national, provincial and local level, with the full participation of the population, conservation, preserve and restoration of ecosystems and maintenance of ecological and systems functions.</p> <p>The PSAC investments apply this policy and will integrate the Rwanda Environment Policy in its implementation by protecting, restoring or maintaining both the quality of ecological and systems functions, involving all stakeholders in project activities and improving/ maintaining public health and safety.</p> <p>The National Strategy on Climate Change and Low-Carbon Development (NCCLCD) for Green Growth and Climate Resilience underlines the need to manage the implications of climate variability for the social, environmental and economic development of the country. The Green Growth Plan fosters the development of irrigation infrastructure that give farmers more control of the water resource, facilitate diversification of crops, contribute to efficient land and water usage and ensure water availability in dry areas.</p> <p>In 2020, Rwanda updated its Nationally determined Contributions. PSAC will contribute to the following prioritised adaptation interventions: i) develop climate resilient post-harvest and value addition facilities and technologies; iii) develop sustainable land use management practices; v) expand irrigation and improve water management and vi) development of Agroforestry and sustainable agriculture</p>
1.2	Economic Development and Poverty Reduction Strategies (EDPRS)	From 2008 to 2018, the government of Rwanda began Economic Development and Poverty Reduction Strategies one and two that were split giving each campaign a five (5) year period of runtime, these campaigns focused on growing the country's GDP, reducing the country's poverty rates, and reducing the income inequality between households. One cow per family (Girinka Program) was mainly started to help the poor families in Rwanda by giving them a cow and after it gives birth to calves the calves are then given to other families facing financial challenges however the family in position of a cow could sell milk to local dairies help earn extra money.

No.	LEGAL INSTRUMENTS	INTERPRETATION
		Umuganda was also made to help the communities in Rwanda whereby on the last Saturday of a month people gather and do work, e.g., building homes for the homeless and building roads and bridges. Savings and Credits Cooperatives (SACCOs) were started to help the people in the rural areas to have access to banks where they could save money and get boosted or apply for loans without having to get to a major city to get access to a major bank.
1.3	ICT Policy	This policy recognizes information and communications technology (ICTs) to be a cross-cutting area aimed at equality and equity to all Rwandan citizens. The focus is on: - Using information and communications technology services (ICTs) to provide educational opportunities to all Rwandan citizens regardless of either male or female, age, geographical location, or special education that may be needed for different and unique situations.
1.4	The National Agriculture Policy – June 2017	<p>The National Agriculture Policy of June 2017 seeks to make agriculture and livestock more productive at the same time ensuring proper utilization of natural resources and sustainability for future generations. The policy puts more emphasis on value addition to agricultural and livestock produce through setting up agro-processing units and enabling proper post-harvest handling to avoid losses. The policy has the mission of ensuring food and nutrition security of Rwandans by using modern agribusiness technologies, professionalizing farmers in terms of production, commercialization of the outputs and then creating competitive agriculture sector.</p> <p>The objective of the Rwanda Agriculture Policy is to intensify and transform subsistence agriculture into a market-oriented agriculture, and this requires the modern inputs, notably improved seeds/ varieties, and fertilizers. This would be achieved through:</p> <ul style="list-style-type: none"> • Promotion of new strategies that will stimulate productivity growth for a broadened nutritional food production, while embarking on new opportunities for farm income diversification, to secure further reductions in rural poverty, and transform the dominant subsistence farming sector into a competitive and market-led agriculture sector. • Development and promotion of a sustainable agricultural intensification and a resilient agriculture sector to counter environmental degradation and climate change in ways that maintain sustainable agricultural growth. • Addressing the knowledge and skills deficits in the agriculture sector to unlock significant additional agricultural as well as labour productivity gains for high quality produce and services. • Enhancing policy and institutional coordination and collaboration amongst different relevant stakeholders operating in the sector through the creation of an effective enabling environment to render institutions more responsive.
1.5	National Strategy for Transformation (NST1)	<p>The National Strategy for Transformation (NST1) entails interventions to enable the transformation journey towards achieving Vision 2050 aspirations. It merges the 7 Year Government Program (2017- 2024) and the national medium-term development strategy, which were previously standalone documents. It integrates far-sighted, long-range global and regional commitments by embracing: (i) the Sustainable Development Goals (SDGs), (ii) the African Union Agenda 2063 and its First 10-Year Implementation Plan 2014-2023, (iii) the East African Community (EAC) Vision 2050 and (iv) the COP 21 Paris Agreement on Climate Change and other agreements.</p> <p>The NST1 focuses on three pillars, mainly Economic Transformation, Social Transformation and Transformational Governance and considers the seven (7)</p>

No.	LEGAL INSTRUMENTS	INTERPRETATION
		<p>cross-cutting areas to attain inclusive and sustainable development: Capacity Development, HIV/AIDS and Non-Communicable Diseases, Disability and Social Inclusion, Gender and Family Promotion, Regional Integration and International Positioning, Disaster Management, Environment and Climate Change.</p> <p>The objectives of the economic transformation pillars include (i) Create decent jobs for economic development and poverty reduction, (ii) Accelerate Urbanization to facilitate economic growth, (iii) Promote industrial development, export promotion and expansion of trade related infrastructure, (iv) Develop and promote a service-led and knowledge-based economy, (v) Increase agriculture and livestock quality, productivity and production and (vi) Sustainably exploit natural resources and protect the environment. The social transformation targets to (i) Move towards a Poverty Free Rwanda, (ii) Ensure a Quality Healthy Population, (iii) Develop a Competitive and Capable Rwandan Population, (iv) Ensure Quality of education for all aiming at building a knowledge-based economy and (v) Transition to a Modern Rwandan Household in urban and rural areas.</p> <p>The present project is in line with economic and social transformation pillars of the NST1 as it will raise agriculture quality, productivity, and production, promote resilience and enhance graduation from poverty and extreme poverty and eradicate malnutrition and ensure quality healthy population.</p>
1.6	Green Growth and Climate Resilience Strategy	<p>Rwanda adopted the national Green Growth and Climate Resilience Strategy (GGCRS) in 2011 with the vision for Rwanda to be a developed climate-resilient and low-carbon economy by 2050. The mainstreaming and implementation of the GGCRS is mandated to the ministry responsible for environment and climate change, which is currently the Ministry of Environment. The GGCRS stipulates 4 strategic objectives:</p> <ul style="list-style-type: none"> • Energy security and a low-carbon energy supply that supports the development of Green Industry and Services. • Sustainable land use and water resource management that results in food security. • Appropriate urban development and preservation of biodiversity and ecosystem Services; and • Social protection, improved health and disaster risk reduction that reduce vulnerability to climate change.
1.7	Social Development Policy	<p>This revised Community Development Policy aims to mobilise and empower the Rwandan community to exercise its powers in decision making to promote its development, commensurate with the progress of decentralization. Its mission is to "ensure effective and sustainable participation of the community in its own development, to achieve poverty reduction and self-reliance based on the sustainable exploitation of available resources</p>
1.8	Gender	<p>Revised National Gender Policy 2021, puts emphasis on ensuring that gender equality concepts and principles are well understood and applied by all. The policy will further strengthen pre-established foundation not only by addressing the remaining policy gaps in mainstreaming gender across sectors and ensuring that sector-specific planning and implementation of programs that are gender responsive but also proposes mechanisms for addressing the persistent cultural norms and stereotypes hindering the effectiveness of gender equality and equity. Unlike the 2010 National Gender Policy, the 2021 gender policy emphasizes on effective engagement of men and boys and accelerating gender mainstreaming in the private sector.</p> <p>Gender and youth mainstreaming strategy in agriculture 2019-2025, builds on the work of the previous gender-specific sector strategy developed in 2010. It</p>

No.	LEGAL INSTRUMENTS	INTERPRETATION
		<p>aims to support the implementation of the Fourth Strategic Plan for Agricultural Transformation (PSTA4, 2018) and the National Agriculture Policy (NAP, 2018)</p> <p>The 4th Strategic Plan for Agricultural Transformation (PSTA4), Empowerment of women in PSTA 4 focuses on training and capacity development in leadership and management skills for women to actively participate in decision-making at the household, cooperative, community, and institutional level. In parallel, women economic empowerment will be fostered through provision of technical skills and promoting access to inputs. This includes for example, providing targeted support to women to access suitable financial products for income generating activities, productive and off farm.</p> <p>National Strategy for Transformation (NST1), Gender and Family Promotion is one of the cross-cutting areas under the National Strategy for transformation (NST1 2017-2024) and emphasizes on interventions geared to: promote access to finance for women, mainstreaming gender in employment and job creation strategies, capacity development of the gender machinery and scaling-up Early Childhood Development (ECD) services at village levels as well as strengthening and promoting gender equality and ensure equal opportunities for all Rwandans</p> <p>District Development Strategy (DDS), in 2018, all districts in Rwanda developed their DDS translating their intended development aspirations over the course of NST-1. The DDSs emphasize on strengthening and promoting gender equality and ensure equal opportunities for all Rwandans. Women and youth employment are another area of focus for DDSs.</p> <p>National Gender Coordination and Partnership Strategy (2016-2020), guides the coordination of gender promotion, establishing a framework for stakeholders' coordination and engagement and set strategic priorities for action.</p> <p>National Policy against Gender-Based Violence (2011) supports gender-based violence prevention and response and provides an opportunity for further advancements. Significant steps have been taken in the country to have dedicated staff and resources to provide services to victims and reduce impunity for GBV. The existing One-Stop Centers provide critical support to victims of GBV and can be used as a model for integrated care and support.</p> <p>National Gender Policy (2010): is the guiding framework to mainstreaming gender into the national development process and outcomes. To integrate gender into critical areas such as poverty, health, agriculture and food security and education, among others is the main objective of this policy.</p>
1.9	National Youth Policy (2015)	<p>National Youth Policy (2015) focuses on youth economic empowerment by addressing issues related to unemployment and underemployment, limited skills, low rate of access to finance and markets, among others.</p>
2.0	LEGISLATION	
2.1	Rwandan Constitution	<p>The constitution is the supreme law of the country. Any law, decision or act contrary to this Constitution is without effect. The Articles 22 and 53 of the Constitution of the Republic of Rwanda, promulgated in 2003 and revised in December 2015, articulate the rights and responsibilities of all citizens and the role of the state regarding the environment by providing that every citizen is entitled to a healthy and satisfying environment and that every person has the duty to protect, safeguard and promote the environment respectively. The guidance of the Constitution on environmental preservation and management as a crosscutting issue is reflected in the National Vision 2050 and the National Policy on Environment of 2017.</p>

No.	LEGAL INSTRUMENTS	INTERPRETATION
		The PSAC activities will likely have adverse environmental impacts on land, water, biodiversity and air resources. The mitigation measures for environmental protection will be guided by the law No 48/2018 of 13/08/2018 on Environment.
2.2	Law on Environment law No 48/2018 of 13/08/2018	<p>The most relevant legislation for this study is the Law on Environment. The legislation sets out the general legal framework for Environment protection and management in Rwanda. It centres on avoiding and reducing disastrous consequences on Environment. The Ministry of Environment puts in place the instructions and procedures for the environment conservation. Until very recently, REMA was responsible for the approval of ESIA reports; this responsibility has now been transferred to Rwanda Development Board (RDB) where there is a department for ESIA, responsible for review and approval of all ESIA reports.</p> <p>This project will observe the law No 48/2018 of 13/08/2018 on environment by preparing Environmental and Social Impact Assessment (ESIAs) or Environmental and Social Management Plans (ESMPs) to ensure reduction of disastrous consequences on the Environment in its activities. The project will also monitor the compliance with environmental safeguards in all sites.</p>
2.3	Ministerial order N° 003/2008 of 15/08/2008 relating to the requirements and procedure for environmental impact Assessment	The Article 1 stipulates that Environmental Impact study is a systematic way of identifying environmental, social, and economic impacts of a project before a decision of its acceptance is made. In Article 3, the developer submits an official application which includes a project brief of the proposed project to the authority (RDB). Article 4 specifies that within thirty (30) calendar days after receipt of the project brief and after its analysis, RDB shall submit the Terms of reference to the developer for the Environmental impact study.
2.4	Local Government Act – 2005.	<p>Local government is provided for by the Organic Law 2005, and it is enshrined in Chapter 1 of the constitution. The Ministry of Local Government is responsible for local government, which is in four tiers, comprising 30 districts (akarere); 416 sectors (imerenge); 2,148 cells (utugari); and 14,837 villages (imudungu). Local elections are held every five years.</p> <p>The local authorities have revenue-raising powers, and derive income from property taxes and licence fees, as well as receiving regular and one-off transfers from national government. They provide public services in partnership with other agencies, which include primary health care; environmental management; water supply; waste disposal; rural electrification; promoting local economic development; town planning; and local transport.</p>
2.5	Labour Act	<p>According to the Labour Code, employment contract is any contract, either oral or written in Kinyarwanda and in other official language's, by virtue of which a person agrees to work for an employer in return for pay. It can be concluded for a fixed term, open ended or for a well-defined task, basing on employer and worker's mutual consent, the contract must be written if the work can be completed in a period of 6 month's or not and the contract signed in Rwanda is implemented in a foreign country.</p> <p>A written contract must contain the information on: its legal basis; complete identity of both parties and workplace; nature and duration of contract; nature of job; probation period; notice period; salary, allowance and deductions, date and place of payment; rate of overtime remuneration; relevant collective labour convention; and internal rules and regulations; employment category and level of occupation; weekly working hours; and other clauses favourable to the worker, obligations and commitments of both employer and employee are also to be mentioned in the contract for them to be respected in good faith</p>

No.	LEGAL INSTRUMENTS	INTERPRETATION
		Rwandan labour Law allows hiring fixed term contract workers for tasks of permanent nature. A worker hired for a fixed-term or an unspecified period that lasts more than six (6) consecutive months with the same employer is considered a permanent worker, a fixed term contract can be renewed as many times as agreed upon between the parties.

4 PREVIOUS STAKEHOLDER ENGAGEMENT ACTIVITIES

IFAD - Promoting Smallholder Agro-Export Competitiveness Project (PSAC): Design Mission April 9-27 May 2022

The purpose of the present Stakeholder Engagement Plan is, among others, to provide information on how Stakeholder Engagement will be practiced throughout the course of the project and which methods will be used as part of the process; as well as to outline the responsibilities of NAEB. While the project is not expected to cause any serious or substantial environmental and/or social risks, the Project will apply the IFAD SECAP requirements.

As part of stakeholder engagement in preparing the PSAC Project several missions and consultations have taken place, commencing with the initial scooping mission, and drafting of the Concept Note in May 2022 (Table 3-1) and culminating with the current full design mission in May 2021. The process is summarised in table 3-1 below:

Table 4-1 PSAC design process

No.	DATES	CONSULTATION PROCESS
1.		IFAD Scooping Mission
2.	March 2022	IFAD Approval of PSAC
3.	April 2022	IFAD approval of Concept note
4.	May 2022	Full Design mission, Draft PDR + Budget
5.	July 2022	Review of Design Package
6.	August 2022	Approval PISC and IFAD
7.		Negotiations
8.		IFAD Approval
9.		Legal Agreement Signed
10.		Recruitment initiates
11.		Project Starts

As part of the current consultations during the preparation of the PSAC project, the MINAGRI/NAEB is engaged in ongoing dialogue with all possible stakeholders. They have informed the main stakeholders on the Project design, indicated its openness for feedback on the Project design, and informed them on the applicability of the SECAP to PSAC. NAEB has also stressed the importance of stakeholder engagement with the primary beneficiaries of the project – The possible beneficiary farmers, cooperatives, the disadvantaged, women, and youths in the target constituencies.

The May 2021 design mission consultations were to introduce the project and gather stakeholders' views and perceptions on the proposed project. The Project will continue to conduct in-depth stakeholder engagement throughout Project implementation. Currently due to ongoing COVID-19 pandemic, the public health situation does not allow for, comprehensive in-person consultations and hence a lot of the engagement so far has been conducted remotely through phone and video calls.

5 STAKEHOLDERS IDENTIFICATION AND ANALYSIS

5.1 IDENTIFYING STAKEHOLDERS

To develop an effective SEP, it is necessary to determine who the stakeholders are and understand their needs and expectations for engagement, and their priorities and objectives in relation to the Project. This information is then used to tailor engagement to each type of stakeholder. As part of this process, it is particularly important to identify individuals and groups who may find it more difficult to participate and those who may be differentially or disproportionately affected by the project because of their marginalised or vulnerable status.

Stakeholders for the purpose of this project have been and will continue to be identified on a continuous basis by identifying those people and institutions that have an interest in the successful planning and execution of the project including special interest groups. These include those:

- Project Implementing Agencies (funding agencies, executing agencies, partners)
- Directly and/or indirectly project-affected people (PAPs) and
- Interested parties (Environmental protection authorities, Social and labour regulatory authorities, Contractors, Media, Civil Society etc)

The affected group comprises of the beneficiary farmers, Cooperatives, Micro, Small & Medium Enterprises (MSMEs) and farmer groups/associations among others who will benefit from the hardware and software services offered by the project. A subset of this category are the vulnerable groups. A significant factor in achieving inclusiveness of the engagement process is safeguarding the participation of vulnerable individuals in public consultations and other engagement forums established by the project. Vulnerable groups are persons who may be disproportionately impacted or further disadvantaged by the project as compared with any other groups due to their vulnerable status, and that may require special engagement efforts to ensure their equal representation in the consultation and participation in the program. In this case, women and youths fall into that category but there are differences within the same categories and/or gender lines that needs to be carefully considered.

Engagement is directly proportional to impact and influence, and as the extent of impact of a project on a stakeholder group increases, or the extent of influence of a particular stakeholder on a project increase, engagement with that stakeholder group should intensify and deepen in terms of the frequency and the intensity of the engagement method used.

5.2 PRELIMINARY STAKEHOLDER IDENTIFICATION

The key stakeholders identified in the SEP and to be continuously engaged could include:

Table 5-1 Identified Stakeholders for PSAC

LEVEL	STAKEHOLDER	SPECIFIC INFORMATION TARGET	ROLE IN THE PROJECT
Global	IFAD	Country/Regional Office	Funding Agency
	Government of Spain	Country/Regional Office	Co-funding Agency
Central Government	Ministry of Finance and Economic Planning (MINECOFIN)	Permanent Secretary's office	Fund Manager

LEVEL	STAKEHOLDER	SPECIFIC INFORMATION TARGET	ROLE IN THE PROJECT
Government	MINAGRI		
	MINAGRI		
	Ministry of Agriculture and Animal Resources (MINAGRI)	Project Management Unit staff	Implementing Agency
		Department of Agricultural Extension	Steering Committee member / oversight and technical expertise on agricultural production
	Ministry of Infrastructure (MININFRA)	Designated officer	Responsible for all raw water
	Ministry of Environment. (MoE)	Designated officer	Steering Committee member
	National Agricultural Export Development Board (NAEB)	Designated officer	Steering Committee member
		Designated officer	Steering Committee member
	Ministry of Gender, Youth, Sports & Recreation (MGYSR)	Designated officer	Steering Committee member
Private Sector, Coalitions and Associations	Input manufacturing / supplier companies	Designated officers	Input suppliers
	Aggregators, transporters, buyers, processing businesses	Designated officers	produce market linkages,
	Coalitions of Communities neighbouring targeted Landscapes	Coalition Leadership	Coalition Activities
	Rwanda National Farmers Union (LENAFU)	Designated officers	Agricultural Production.
	Other agricultural and Forestry NGOs	Designated officers	Agricultural and Forestry Activities.
	Rwanda Cooperative Agency		
	SACCOs, e.g., Gatare Tea Farmers SACCO		
	Tea Factories, e.g., Gatare, Cyato,		
	Tea Plantations		
	Farmers Cooperatives e.g., Gasonga Coffee Cooperative		
	Coffee Washing Stations		
	FONERWA		
	REMA		
Civil Society	Human rights, Women, child, and youth promoters	NGO focal persons	Interested parties, Technical expertise
District	District PSAC Project Management Unit	Staff members	District level Implementing Agency
	Rural District Council.	District administrator.	All District development
	Department of water	Local field Officers	Equitable sharing of water

LEVEL	STAKEHOLDER	SPECIFIC INFORMATION TARGET	ROLE IN THE PROJECT
	Department of Agricultural Extension Services	All District Officers	Technical expertise on agricultural production
	Department of Environment.	District Officers	Environmental protection
Traditional Leadership	Traditional Leadership	Chiefs	Overall traditional leadership, upholding of cultural values, Land distribution, community level GRM
Village	Village Leadership	Village Head	Traditional leadership, upholding of cultural values, Land distribution, community level GRM
		Village Development Committees (VIDCOs)	Coordinating Village development plans
	Community based organisations	Water User Organisations (WUOs)	Steering Committee member / Affected parties / water management
		Agriculture Production Groups (APGs)	Steering Committee member / Affected parties / production management
	Wider Community	Community leadership	Indirectly affected parties
Household	Farmers/ Water Users	Women and Youth	Directly Affected parties / primary project beneficiaries

The above list is not exhaustive. As the project gets underway, NAEB will develop a detailed SEP identifying emerging and all possible stakeholders, their specific information needs and the appropriate modes of consultation as well as feedback mechanisms. The consultation process shall ensure that all those identified as stakeholders are conferred with. Active engagement of all stakeholders will facilitate a common understanding of the specific opportunities and constraints which can be the foundation for deeper harmonization and coordination of the various support services.

6 STAKEHOLDER ENGAGEMENT CONSIDERATIONS

6.1 STAKEHOLDER ENGAGEMENT

The following considerations should be made when planning for stakeholder engagement:

Resourcing Stakeholder Engagement: Stakeholder engagement requires resources as it takes time to develop and build trust-based relationships with stakeholders. Relationships with stakeholders should develop, grow, and be sustained. This becomes a continuous process as additional stakeholders might be identified that will also need to be engaged.

Some stakeholders will need to be educated about the concept of engagement itself, as well as on the complex issues requiring specialised and technical knowledge. These demands can increase the cost of consultation required to meet external expectations.

Managing expectations: Stakeholders can have unrealistically high expectations of benefits that may accrue to them from a project and as such NAEB must be clear on what they can and cannot do, establishing a clear understanding of their roles and responsibilities. The engagement processes should provide NAEB with an opportunity to develop relationships with stakeholders and potential project partners.

Securing stakeholder participation: Cultural norms and values can prevent stakeholders from freely participating in meetings. Often there are conflicting demands within a community, and it can be challenging for a project to identify stakeholders who are representative of common interests. There may be a need to employ local officers who are sensitive to local power dynamics.

Consultation fatigue: Stakeholders can easily tire of consultation processes especially when promises are not fulfilled, and their opinions and concerns are not taken into consideration. Often stakeholders feel their lives are not improving because of the project and this can lead to consultation meetings being used as an area to voice complaints and grievances about the lack of development. Implementing Partners must not make wild promises to stakeholders; but expectations should be managed through dissemination of accurate information. Opinions for stakeholders should be treated as feedback to the project and other project partners and specialists.

6.2 PURPOSE AND TIMING OF STAKEHOLDER ENGAGEMENT PROGRAM

The main goal of the Stakeholder engagement plan is primarily to garner all support of the Agriculture and Social Development sectors. This support will allow for ease of implementation as it is assumed that mobilization of these stakeholders will provide an enabling environment for implementation of the various livelihood activities. The ongoing sharing of information will be aligned with ongoing information dissemination meetings that already exist within the Ministry of Agriculture and Animal Resources (MINAGRI). In addition to these scheduled meetings, it is worth mentioning that there will be progress updates on implementation of project activities at different levels. These updates will be provided by the different implementers of project activities. Documentation of these meetings will form part of project documentation.

The Key Objectives of the SEP can be summarised as follows:

- Provide guidance for stakeholder engagement such that it meets the standards of International Best Practice,
- Identify key stakeholders that are affected, and/or able to influence the Project and its activities,
- Identify the most effective methods, timing, and structures through which to share project information, and to ensure regular, accessible, transparent, and appropriate consultation,
- Development of a stakeholders engagement process that provides stakeholders with an opportunity to influence project,
- Establish formal grievance redress mechanisms disclosure,
- Define roles and responsibilities for the implementation of the SEP,
- Define reporting and monitoring measures to ensure the effectiveness of the SEP and periodical reviews of the SEP based on findings.

6.3 PROPOSED STRATEGY FOR INFORMATION DISCLOSURE

Information and data that will be shared will be information about the project description that will include among many other issues, the project background, the theory of change and the summarized presentation of each of the project components and subcomponents. The projects beneficiaries selection will also be outlined. This information will largely be shared at the early stages of the project.

This will be presented in document format to the district offices who will in-turn present it to lower levels, i.e., the beneficiaries. These documents will also be published in the Government of Rwanda website as well as the Ministry of Agriculture and Animal Resources/NAEB website. There will also be presentations and discussions over scheduled radio and television platforms where Ministry Officials responsible for implementation, management and coordination of project activities will make presentations about the project as well as the progress update while engaging with the public and answering any arising questions.

The Ministry will also use the platforms below to reach more stakeholders who do not have easy access to information:

- Newspapers, posters, radio, television,
- Information centres and exhibitions or other visual displays,
- Brochures, leaflets, posters, nontechnical summary documents and reports,
- Official correspondence, meetings,
- Website, social media.

The strategy will also include means to consult with project-affected stakeholders if there are significant changes to the project resulting in additional risks and impacts. The most critical aspect of the strategy is the leveraging of village level leadership engagement and coordination with the District Administrator's Offices.

6.4 PROPOSED STRATEGY FOR CONSULTATION

The Agriculture Sector has a range of stakeholder groups as earlier identified. These include members of the community level governance structures, District Administration Structures,

Ministry Officials and the general public. The Ministry of Agriculture and Animal Resources Information Office will be responsible for coordination of all these events and will keep a schedule of implementation of all outreach activities and will report on progress.

These groups will be engaged by use of different platforms including:

- Interviews
- Surveys, polls, and questionnaires for beneficiary feedback
- Public meetings, workshops, and/or focus groups on specific topic.
- Participatory methods
- Other traditional mechanisms for consultation and decision making.

Table 6-1 Stakeholder engagement techniques

ENGAGEMENT TECHNIQUE	APPROPRIATE APPLICATION OF THE TECHNIQUE
Correspondences (Phone, Emails)	<ul style="list-style-type: none"> • Distribute information to Government officials, NGOs, Local Government, and organisations/agencies • Invite stakeholders to meetings and follow-up
One-on-one meetings	<ul style="list-style-type: none"> • Seeking views and opinions • Enable stakeholder to speak freely about sensitive issues • Build personal relationships • Record meetings
Formal meetings	<ul style="list-style-type: none"> • Present the Project information to a group of stakeholders • Allow group to comment – opinions and views • Build impersonal relation with high level stakeholders • Disseminate technical information • Record discussions
Public meetings (following COVID-19 guidelines)	<ul style="list-style-type: none"> • Present Project information to a large group of stakeholders, especially communities • Allow the group to provide their views and opinions • Build relationship with the communities, especially those impacted • Distribute non-technical information • Facilitate meetings with presentations, PowerPoint, posters etc. • Record discussions, comments, questions.
Focus group meetings	<ul style="list-style-type: none"> • Present Project information to a group of stakeholders (8- 15 people groups) • Allow stakeholders to provide their views on targeted baseline information • Build relationships with communities • Record responses
Project website	<ul style="list-style-type: none"> • Present project information and progress updates • Disclose SEP, GRM and other relevant project documentation
Project leaflet	<ul style="list-style-type: none"> • Brief project information to provide regular update • Site specific project information.
Surveys	<ul style="list-style-type: none"> • Gathering opinions and views from individual stakeholders • Gather baseline data • Record data • Develop a baseline database for monitoring impacts
Workshops	<ul style="list-style-type: none"> • Present project information to a group of stakeholders • Allow a group of stakeholders to provide their views and opinions • Use participatory exercises to facilitate group discussions, brainstorm issues, analyse information, and develop recommendations and strategies • Record responses

6.5 PROPOSED STRATEGY TO INCORPORATE THE VIEW OF VULNERABLE GROUPS

During the consultation process, the views of vulnerable or disadvantaged groups will be sought through a process of free, prior, and informed consultation. This will be done during project preparation to inform them about the project, to fully identify their views, to obtain their broad community support to the project, and to develop project design and safeguard instruments. This process is best done as part of the social assessment although consultations are likely to continue after its completion.

For projects with no impacts or direct interventions with the vulnerable or disadvantaged communities, the local communities are informed about the project, asked for their views on the project, and assured that they will not be affected during project implementation.

For projects affecting vulnerable or disadvantaged communities, whether positively or adversely, a more elaborate consultation process is required. This may include, as appropriate:

- Informing the affected vulnerable or disadvantaged communities about project objectives and activities,
- Discussing and assessing possible adverse impacts and ways to avoid or mitigate them,
- Discussing and assessing potential project benefits and how these can be enhanced,
- Discussing and assessing land and natural resource use and how management of these resources may be enhanced,
- Identifying customary rights to land and natural resource use and possible ways of enhancing these,
- Identifying and discussing (potential) conflicts with other communities and how these might be avoided,
- Discussing and assessing food security and how it might be enhanced through project interventions,
- Discussing and eliciting customary norms of the vulnerable or disadvantaged groups and incorporating them into the project design.
- Eliciting and incorporating indigenous knowledge into project design,
- Facilitating and ascertaining the affected communities' broad support to the project,
- Developing a strategy for vulnerable or disadvantaged groups' participation and consultation during project implementation, including monitoring and evaluation.

All project information provided to vulnerable or disadvantaged groups should be in a form appropriate to local needs. Local languages should usually be used and efforts should be made to include all community members, including women and members of different generations and social groups (e.g. clans and socioeconomic background).

If the vulnerable or disadvantaged groups are organized in community associations or umbrella organizations, these should usually be consulted. In some cases, it may be appropriate or even necessary to include or use in the process independent entities that have the affected communities' trust. The experience of (other) locally active NGOs and experts may also be useful.

6.6 STAKEHOLDERS ANALYSIS

Once stakeholders are identified by directly and/or indirectly project-affected parties, interested parties, and those who have the potential to influence project outcomes, the next step will be to

assess the level of stakeholder interest and support for the project. The assessment shall be geared toward identifying:

- stakeholders' interests,
- areas of potential risks and misunderstandings,
- mechanisms to positively influence other stakeholders,
- key people to be informed about the project during the preparation and implementation phases and,
- negatively impacted stakeholders as well as their adverse effects on the project.

NAEB through its implementation partners shall continuously classify stakeholders based on:

- their power to influence and their interest on the project,
- the legitimacy of each stakeholder's relationship with the project, and
- the urgency of the stakeholder's claim on the project activities, potential risks, and impacts.

Based on this analysis, the communication strategy, and the coordination mechanism to be developed by NAEB shall incorporate strategies to engage the 'High Interest and High Influence' stakeholders 'and the 'high Interest and Low Influence' stakeholders.

High interest and high influence stakeholders: The plan should be to fully engage this group and apply all effort to ensure that they are satisfied and fully always informed of the project. This can be done by focusing efforts on these groups of stakeholders throughout the project cycle, giving them the importance, they deserve, involving them in project governance decision making bodies and engaging them and consulting them regularly as well as providing timeous feedback. The engagement plan targeting these stakeholders shall be incorporated into the project annual work plan.

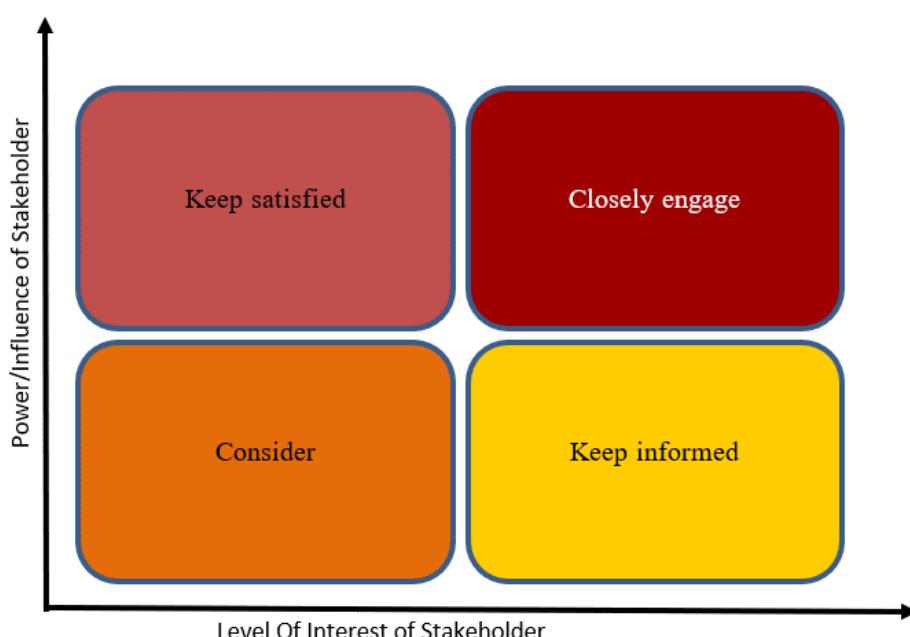


Figure 6-1 Basic Stakeholder Influence/Interest Chart.

(Adapted from: <https://www.boreal-is.com/data/uploads/2020/07/A-step-by-step-guide-to-building-a-stakeholder-engagement-plan>)

High interest and medium/low influence stakeholders: The high interest and low influence stakeholders should be kept informed, ensuring that no major issues arise because of the project. The project will maintain this group's interest in the project, involving them in the implementation arrangements, tapping into their interest and keep them in the loop.

The objective of the engagement and consultation plan under the PSAC project is to:

- Begin early in the project planning process to gather initial views on the project proposal and inform project design,
- Encourage stakeholder feedback, particularly as a way of informing project design and engagement by stakeholders in the identification and mitigation of environmental and social risks and impacts,
- Ensure that stakeholders understand how the project is likely to affect them
- Ensure consistency in messaging,
- Continue engagement on an ongoing basis as risks and impacts arise and manage stakeholders' expectations,
- Ensure prior disclosure and dissemination of relevant, transparent, objective, meaningful and easily accessible information in a timeframe that enables meaningful consultations with stakeholders in a culturally appropriate format, in the local language and is understandable to stakeholders,
- Consider and respond to feedback,
- Support active and inclusive engagement with project-affected parties,
- Ensure that consultation(s) is/ are free of external manipulation, interference, coercion, discrimination, and intimidation; and
- Ensure consultation (s) is/are documented and disclosed by the project.

6.7 PLANNING FOR STAKEHOLDER ENGAGEMENT

NAEB will establish an operational plan in line with proposed project activities to ensure the participation and engagement of the stakeholders, ensuring that each group gets involved as defined and receive the agreed information. The plan must ensure a balance in the involvement and benefits between different gender segments and the participation of vulnerable groups, ensuring that the project's objectives are met in terms of regeneration of landscapes and livelihoods through Inclusive Financing. Regular meetings will be scheduled with the representatives of the groups of actors involved in the project, for the revision of the plan, activity progress and necessary adjustments according to probable changes in the initial context during the execution of the project.

6.7.1 Stakeholder Consultation Techniques/Methods

There are a variety of engagement techniques used to build relationships with stakeholders, gather information from stakeholders, consult with stakeholders, and disseminate project information to stakeholders. A range of techniques will be applied that are specifically tailored to the identified stakeholder groups. The format of every engagement activity should meet general requirements on accessibility, i.e., should be held at venues that are easily reachable and do not require long commute, entrance fee or preliminary access authorization, cultural appropriateness (i.e., with due respect to the local customs and norms), and inclusivity, i.e., engaging all segments of the project affected parties including the vulnerable individuals. If necessary, logistical assistance should be provided to enable participants from the remote areas, persons with limited physical abilities and those with insufficient financial or transportation

means to attend public meetings scheduled by the project. Particular attention will be given to the vulnerable groups to ensure that they are not denied project benefits.

In general, public consultations will take place through virtual and physical workshops, seminars, meetings, radio programs, request for written proposals/comments, questionnaire administration, public reading and explanation of project ideas and requirements. In the wake of Covid-19 however, there needs to be a paradigm shift as to how engagement processes are carried out to minimize risk of infection and spread of the disease. There is need to do a cost-benefit analysis and strike a balance between virtually based communication channels and those that need physical interaction. The techniques mostly used in SEP are outlined in the table below:

Table 6-2 Stakeholder Engagement Techniques

ENGAGEMENT TECHNIQUE	APPROPRIATE APPLICATION OF THE TECHNIQUES
NAEB - Internal	<ul style="list-style-type: none"> • Emails • Progress Meetings • Bulletin board Grievance procedure Code of conduct
Official correspondences (Phone, Emails)	<ul style="list-style-type: none"> • Distribute information to Co-Implementing partners (at central, regional and local level), other Government departments, NGOs, Local Government, private sector, and organisations/agencies • Invite stakeholders to meetings and follow-up
Social Media (WhatsApp, SMS, Face book, Twitter, Zoom, Microsoft Meetings Google classes etc	<ul style="list-style-type: none"> • Share information with beneficiaries • Distribute information to Co-Implementing partners • Invite stakeholders to meetings and follow-up • Online Meetings with stakeholders • Online Workshops with stakeholders
Project website	<ul style="list-style-type: none"> • Present project information and progress updates • Disclose SEP, GRM and other relevant project documentation
One-on-one physical meetings	<ul style="list-style-type: none"> • Seeking views and opinions • Enable stakeholder to speak freely about sensitive issues • Build personal relationships • Record meetings
Formal physical meetings	<ul style="list-style-type: none"> • Present the Project information to a group of stakeholders • Allow group to comment – opinions and views • Build impersonal relation with high level stakeholders • Disseminate technical information • Record discussions
Public consultation meetings	<ul style="list-style-type: none"> • Present Project information to a large group of stakeholders, especially communities • Allow the group to provide their views and opinions • Build relationship with the communities, especially those impacted • Distribute non-technical information • Facilitate meetings with presentations, PowerPoint, posters etc. • Record discussions, comments, questions.
Focus group meetings	<ul style="list-style-type: none"> • Present Project information to a group of stakeholders (8-15 people groups) • Allow stakeholders to provide their views on targeted baseline information • Build relationships with communities • Record responses
Project leaflet	<ul style="list-style-type: none"> • Brief project information to provide regular update • Site specific project information.
Surveys	<ul style="list-style-type: none"> • Gathering opinions and views from individual stakeholders • Gather baseline data • Record data • Develop a baseline database for monitoring impacts
Multi-stakeholder meetings and/or Workshops	<ul style="list-style-type: none"> • Present project information to a group of stakeholders • Allow a group of stakeholders to provide their views and opinions • Use participatory exercises to facilitate group discussions, brainstorm issues, analyse information, and develop recommendations and strategies • Record responses

6.8 ENGAGEMENT ACTIVITIES AND INFORMATION DISCLOSURE

6.8.1 Stakeholders Engagement Activities

Prior to the commencement of stakeholder's engagement activities, meetings shall be scheduled with relevant Traditional Authorities, Community Representatives, political leaders in the project area, Government Ministries and Departments, Media, and other Interested & Affected Parties (I&APs). The purpose of these meetings shall be to refine stakeholder's engagement strategy to meet the requirements of I&APs and ensure that future communication is effective and cognisant of all social sensitivities.

Table 6-3 Stakeholder Engagement Activities

STAGE	OBJECTIVES	KEY ACTIVITIES	TARGET STAKEHOLDERS
Preliminary Engagements	<ul style="list-style-type: none"> To gain a preliminary understanding of the scope of the PSAC Project and relevant stakeholders; 	<ul style="list-style-type: none"> Field Visits Stakeholder identification process 	<ul style="list-style-type: none"> Government Ministries and Departments Communities Coalitions Local Authorities Local Leadership
Engagements	<ul style="list-style-type: none"> To meet key stakeholders and introduce them to the project and Grievance Redress Mechanism (GRM) Process, To disclose the GRM as well as other project documents in the public domain to all interested and affected stakeholders, To gather issues of concern and through this identify a list of potential negative and positive impacts, 	<ul style="list-style-type: none"> Meetings with key stakeholders to facilitate the broader stakeholder's engagement process, Dissemination of engagement materials (background information documents, posters, media notices etc.), Consultations through training workshops with GRM focal points, and all other stakeholders Feedback from stakeholders. 	<ul style="list-style-type: none"> Government Ministries and Departments, Communities, Coalitions Local authorities, Local Leadership PSAC Consultants, Agric Extension Officers NGOs Vulnerable Persons
Disclosure of the Grievance Redress Mechanism (GRM) and other project specific Reports.	<ul style="list-style-type: none"> To expose the stakeholders to the developed GRM and other project specific Reports. 	<ul style="list-style-type: none"> Disseminate the GRM and other project specific Reports to all stakeholders, Exound the contents of the GRM and other project specific Reports to all stakeholders, 	<ul style="list-style-type: none"> Government Ministries and Departments Communities Coalitions Local Authorities Local Leadership General Public Media

6.8.2 Communication Plan

Table 6-4 Stakeholders Engagement Communication Plan

DATE	STAKEHOLDERS	COMMUNICATION	METHOD OF ENGAGEMENT
	MINAGRI	<ul style="list-style-type: none"> Grievance Redress Mechanism PSAC Stakeholders Engagement Plan 	<ul style="list-style-type: none"> Formal Meeting
	<ul style="list-style-type: none"> District Agricultural Officers RDC Chief Executive Officers 	<ul style="list-style-type: none"> Preliminary Meeting Present information on GRM and other project specific reports Induction and training on use of GRM tools Distribute non-technical information 	<ul style="list-style-type: none"> Formal Meetings Workshops

	<ul style="list-style-type: none"> • Village Development Committees • Community Leadership 	<ul style="list-style-type: none"> • Facilitate meetings with presentations, PowerPoint, posters etc. 	
	<ul style="list-style-type: none"> • Project Field Officers (PFO) • Forestry Field Officers. • Agric Extension Officers • 	<ul style="list-style-type: none"> • Present information on GRM • Induction and training on use of GRM tools • Distribute non-technical information • Facilitate meetings with presentations, PowerPoint, posters etc. • Allow to provide their views and opinion • Request guidance on how to handle PSAC issues related to their views and opinions 	<ul style="list-style-type: none"> • Formal Meeting • Workshop • Email
	<ul style="list-style-type: none"> • Communities • Coalitions • Project Beneficiaries • Vulnerable Persons 	<ul style="list-style-type: none"> • Present GRM and other project specific reports to project communities • Allow the communities to provide their views and opinions • Build relationships with the communities • Facilitate meeting with presentation and posters 	Community Meetings
	Media	<ul style="list-style-type: none"> • Distribute non-technical information 	<ul style="list-style-type: none"> • Press Statements

6.8.3 Information Disclosure

The type of information to be disclosed to the various stakeholders depends on their interests and how they will be affected by the Programme – or how PSAC activities may be affected by them. Thereafter various communication tools can be utilized for the engagement process, such as:

- Project notices published in local newspapers,
- Radio advertisements,
- Direct mailings to communities,
- Presentations with or without focus group sessions),
- Targeted e-mails,
- Virtual meetings, presentations, seminars, workshops, with stakeholders,
- One-on-one meetings, presentations, seminars, workshops, e-mails, and phone conversations with stakeholders,
- Site tours, and
- The use of social media.

Table 1.5 below gives a general overview of the types of information needs for various stakeholder groups.

Table 6-5 Summary Overview of the Stakeholder Engagement Plan (SEP)

Stakeholders	Information to be disclosed	Consultation means
ROLL community, neighbouring communities, general public	Current and new activities and how these relate to them in terms of opportunities and threats	Local leaders i.e., Chief's or district offices, Churches, national media, social media, Forestry website etc.
	Forum to express community / health fears and get feedback e.g., accidental release/escape; contamination; emergencies (fire)	Public consultations, focal group discussions, social media. Training specific members of the communities, awareness, education

Staff / workers at target Districts	How regeneration of landscapes and other project work will affect their work environments including Occupational Health & Safety rules	Staff newsletters, bulletin boards, email, website, meetings with management, staff sensitization & inhouse training programs.
Farmers Groups, Agricultural NGOs Farmer Union Agrochemical companies	Consultation on agricultural needs / food security issues.	District Extension services, Baseline surveys/subsequent surveys to monitor impacts, emails, bulletins
Intergovernmental Institutions; IFAD, FAO, etc	Setting regeneration agenda for participating Districts	Intergovernmental meetings and consultations
	Capacity building for participating Districts.	Build partnerships through meetings, seminars, workshops
University Graduates	Internship opportunities	Website, public media, bulletin boards
Youths	Opportunities for employment during project implementation, sponsorships for education	District Agricultural Offices, public consultations

7 AN OVERVIEW OF STAKEHOLDER ENGAGEMENT

7.1 WHAT IS STAKEHOLDER ENGAGEMENT?

Stakeholder Engagement will be free of manipulation, interference, coercion, and intimidation, and conducted based on timely, relevant, understandable, and accessible information, in a culturally appropriate format. It involves interactions between identified groups of people and provides stakeholders with an opportunity to raise their concerns and opinions (e.g., by way of meetings, surveys, interviews and/or focus groups), and ensures that this information is taken into consideration when making project decisions.

Effective stakeholder engagement develops a “social licence” to operate and depends on mutual trust, respect and transparent communication between MINAGRI and its stakeholders. It thereby improves its decision-making and performance by:

- **Managing costs:** Effective engagement can help PSAC avoid costs, in terms of money and reputation.
- **Managing risk:** Engagement helps PSAC and communities to identify, prevent, and mitigate environmental and social impacts that can threaten project viability.
- **Enhancing reputation:** By publicly recognising human rights and committing to environmental protection, MINAGRI and financial institutions IFAD involved in financing the project can boost their credibility and minimise risks.
- **Avoiding conflict:** Understanding current and potential issues such as rights to service provision and proposed project activities.
- **Improving corporate policy:** Obtaining perceptions about a project, which can act as a catalyst for changes and improvements in MINAGRI corporate practices and policies;
- **Identifying, monitoring and reporting on impacts:** Understanding a project’s impact on stakeholders, evaluating and reporting back on mechanisms to address these impacts; and
- **Managing stakeholder expectations:** Consultation also provides the opportunity for MINAGRI to become aware of and manage stakeholder attitudes and expectations.

7.2 PRINCIPLES FOR EFFECTIVE STAKEHOLDER ENGAGEMENT

This (SEP) shall be informed by a set of principles defining its core values underpinning interactions with identified stakeholders. Common principles based on “International Best Practice” include the following:

- **Commitment** is demonstrated when the need to understand, engage and identify the community is recognized and acted upon early in the process,
- **Integrity** occurs when engagement is conducted in a manner that fosters mutual respect and trust,
- **Respect** is created when the rights, cultural beliefs, values and interests of stakeholders and affected communities are recognized,
- **Transparency** is demonstrated when community concerns are responded to in a timely, open, and effective manner,
- **Inclusiveness** is achieved when broad participation is encouraged and supported by appropriate participation opportunities; and
- **Trust** is achieved through open and meaningful dialogue that respects and upholds a

community's beliefs, values, and opinions.

7.3 STAKEHOLDER ENGAGEMENT CONSIDERATIONS

The following considerations should be made when planning for stakeholder engagement:

7.3.1 Time and resources:

It takes time to develop and build trust-based relationships with stakeholders. The consensus from practitioners is that from the outset relationships with stakeholders should develop and grow, and that these relationships should be nurtured and fostered not to disappear.

Additional stakeholders might be identified that also want to be engaged. No willing stakeholder should be excluded from the process of engagement. Some stakeholders will need to be educated about the concept of engagement itself, as well as on the complex issues requiring specialised and technical knowledge. These demands can increase the cost of consultation required to meet external expectations, and often this occurs at a time when a project lacks the internal capacity and resources to implement a broad engagement strategy.

7.3.2 It raises expectations:

Stakeholders can have unrealistically high expectations of benefits that may accrue to them from a project. As such MINAGRI from the outset must be clear on what they can and cannot do, establishing a clear understanding of their roles and responsibilities.

In PSAC areas, the engagement processes should provide MINAGRI with an opportunity to develop relationships with stakeholders and potential project partners.

7.3.3 Securing stakeholder participation:

Cultural norms and values can prevent stakeholders from freely participating in meetings. Often there are conflicting demands within a community, and it can be challenging for a project to identify stakeholders who are representative of common interests. This might be avoided by employing local consultants who are sensitive to local power dynamics, which requires project proponents developing an awareness of the local context and implementing structures to support and foster effective stakeholder engagement.

7.3.4 Consultation fatigue:

Moreover, there is evidence to suggest that stakeholders can easily tire of consultation processes especially when promises are unfulfilled, and their opinions and concerns are not taken into consideration. Often stakeholders feel their lives are not improving because of a project and this can lead to consultation meetings being used as an area to voice complaints and grievances about the lack of development. This might be avoided by coordinating stakeholder engagement and by ensuring PSAC Consultants do not make promises to stakeholders, but rather use the public consultation process as an opportunity to manage expectations, challenge misconceptions, disseminate accurate project information, and gather stakeholder opinions which are feedback to the client and other project specialists.

8 RESOURCES AND RESPONSIBILITIES FOR IMPLEMENTATION

8.1 RESOURCES

The stakeholder engagement activities have been estimated to cost about US \$ 25,000.00 throughout the project life and will be allocated from the overall project allotment. However, the design and implementation of a **detailed and accurate SEP** will be the overall responsibility of NAEB. Other resources to be committed will be organized as such:

- The NAEB/SPIU Information Office will be in charge of the SEP in liaison with the project development team led by MINAGRI.
- The NAEB/SPIU are committed to the implementation of the project as well as the implementation of the SEP in keeping with requirements and good governance pillars therefore make a commitment to commit some of the project funds towards the implementation of the SEP activities.
- Additional information on SEP related activities will be available from the Information office with support from the MINAGRI.

8.1.1 Budget

The Project Coordinator will ensure that NAEB has an adequate standing budget allocated towards the Stakeholder Management Programme.

8.1.2 Training

All the PSAC partners and NAEB team will attend a workshop that will bring awareness on the project, SEP, GRM as well as other project specific documents.

8.2 RESPONSIBILITIES

The management, coordination and implementation of the SEP and its integral tasks will be the responsibility of dedicated team members within NAEB, partner ministries and its Contractors, Sub-contractors, and Consultants. The roles and responsibilities of the organizations are presented below.

NAEB will be responsible for the preparation and physical implementation of the PSAC Project.

The Project Coordinator will work closely with the Environmental and Social Specialist (ESS) to ensure that the SEP is implemented in a successful manner.

Environmental and Social Specialist (ESS) is responsible for the management of project related social and environmental issues. The ESS will oversee all stakeholders' engagement activities regarding the implementation of the GRM as well as other project specific documents. Responsibilities of the ESS include the following:

- Develop, implement and monitor stakeholders engagement plan for the project, GRM and other project specific documents;
- Liaise with the Project Coordinator to ensure that stakeholders engagement requirements are understood,
- Maintain the stakeholder database; and
- Proactively identify stakeholders, project risks and opportunities and inform Project Coordinator to ensure that the necessary planning can be done to either mitigate risk or exploit opportunities.

9 GRIEVANCE REDRESS MECHANISM

9.1 INTRODUCTION

Implementation of the project may generate several challenges and complaints especially those which relate to infringement of rights of sections of the society. As part of addressing such complaints and in the spirit of the continuous consultation process, a Grievance Redress Mechanism (GRM) has been developed for PSAC. This GRM is in line with the GRMs that are being applied by the rest of the projects currently in the country.

Transparency and accountability are core elements of the Project. For this purpose, the project will include a Grievance Redress Mechanism (GRM). The goal of the GRM is to strengthen accountability to beneficiaries and to provide channels for project stakeholders to provide feedback and/or express grievances related to project supported activities. The GRM is a mechanism that allows for the identification and resolution of issues affecting the project. By increasing transparency and accountability, the GRM aims to reduce the risk of the project inadvertently affecting citizens/beneficiaries and serves as an important feedback and learning mechanism that can help improve project impact.

The mechanism focuses not only on receiving and recording complaints but also on resolving them. While feedback should be handled at the level closest to the complaint, all complaints should be registered and follow the basic procedures set out in this chapter.

9.2 DEFINITION OF GRM

For the purposes of these Operational Guidelines, a Grievance Redress Mechanism is a process for receiving, assessing, and addressing project-related complaints from citizens and affected communities at the level of the project. The terms ‘grievance’ and ‘complaint’ are used interchangeably.

9.3 GRM SCOPE AND USE

SCOPE: Grievance Redress Mechanism will be available for project stakeholders and other interested parties to submit questions, comments, suggestions and/or complaints, or provide any form of feedback on all project-funded activities.

GRM's users: Project beneficiaries, project affected people (i.e., those who will be and/or are likely to be directly or indirectly affected, positively or negatively, by the project), as well as the broader citizenry can use the GRM for the above purposes (see Scope).

GRM's management: The GRM is managed by NAEB, under the direct responsibility of MINAGRI.

Submission of complaints: Complaints can be expressed at any time throughout project implementation.

9.4 GRM FOR PSAC

The PSAC GRM will be a system by which queries or clarifications about the programme will be responded to, problems with implementation will be resolved, and complaints and grievances will be addressed efficiently and effectively. The purpose of the grievance redress mechanism is:

- To be responsive to the needs of beneficiaries and to address and resolve their grievances,
- To serve as a conduit for soliciting inquiries, inviting suggestions, and increasing community participation,
- To collect information that can be used to improve operational performance,
- To enhance the programme's legitimacy among stakeholders,
- To promote transparency and accountability,
- To deter fraud and corruption and mitigate programme risks.

9.5 STRUCTURE OF THE GRM

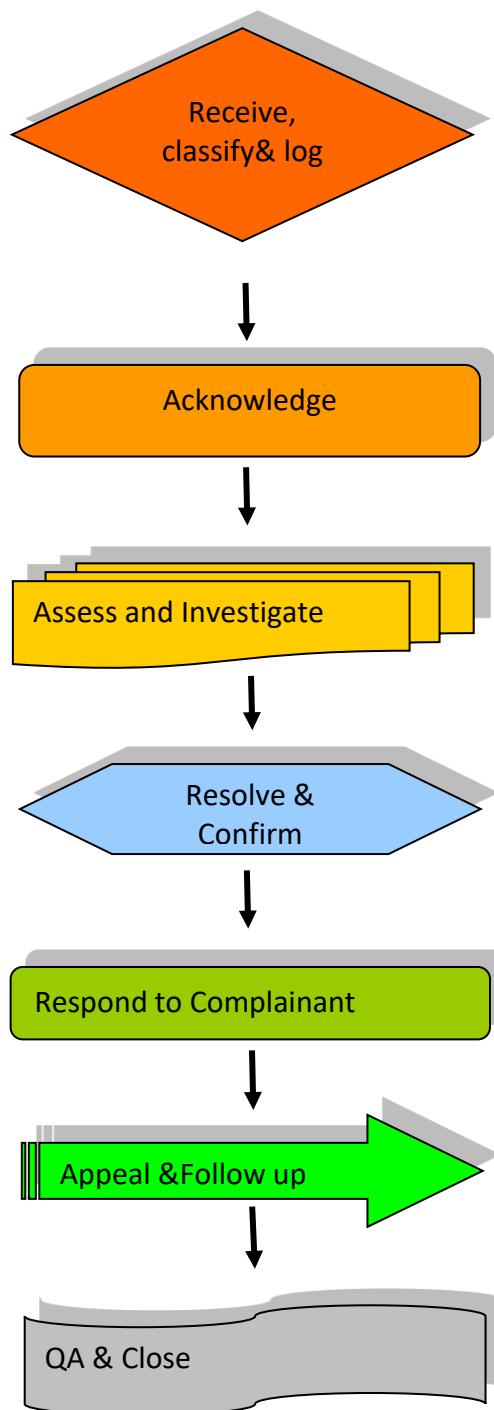
The GRM consists of a small number of components:

- The access point for impacted/concerned people
- Grievance log
- Acknowledgement stage
- Assessment stage
- Passing of resolution
- Response
- Room for appeal
- Case closure

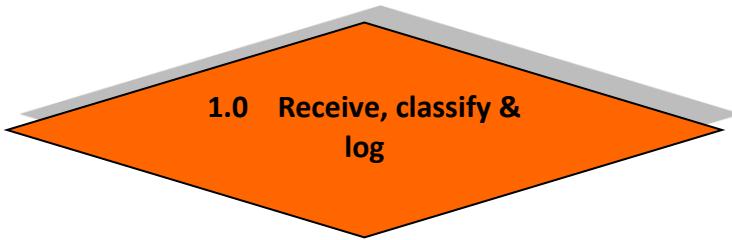
The components are summarized in the process flow diagram below.

9.5.1 Process Overview

The following key steps must be followed for all complaints received by NAEB staff:



The requirements for each of these steps is detailed below



Summary

Ensure that all potential issues are captured and classified for escalation, review and action as required.

Receiving the Grievance:

The access points will be as close to the users as possible. An easily accessible and well publicized focal point or user-facing ‘help desk’ is the first step. This will be established at each sub-project, and NAEB Offices so that it will be seen as credible and accessible. The main issues for the access point include the following:

- Uptake channels should include some or all of the following:
 - phone hotline,
 - email,
 - mail,
 - SMS,
 - webpage,
 - or face-to-face.
- The uptake channels will be publicized and advertised via local media and the implementing agency.
- Verbal complaints should be recorded by staff for them to be considered.
- Many complaints may be resolved ‘on the spot’ and informally by the PSAC staff but should also be logged to (i) encourage responsiveness; and (ii) ensure that repeated or low-level grievances are being noted in the system.
- The GRM should have the ability to handle anonymous complaints.

Typically, the complainant will be provided with a receipt and ‘roadmap’ telling him/her how the complaint process works and when to expect further information.

Logging and classifying:

Any complaint, issue or negative stakeholder interaction (whether this is formally logged by the complainant or not), must be logged and classified for action.

All of these complaints must be formally logged using the standard forms.

All complaints must be prioritized as follows:

- **Priority 1 – urgent**, potential high health and high business impact. **This require a response to the Complainant within three (3) working days.**
 - This should be used (sparingly) for major health issues where the complaint may have disastrous impacts on either human, the environment or PSAC itself.

- Also, this could be used in a situation where the complainant may be able to influence or make public statements that would impact upon the IADP reputation.
- ✓ **Priority 2, - non-urgent**, lower health environmental and social impact. This requires a response to the complainant within 2 working weeks.
 - This should be used for most complaints with individual stakeholders, as this allows a reasonable time to collect information and produce a balanced response.
- Discretion and flexibility should be exercised in prioritizing all complaints
 - The staff member logging the complaint should review the complaint and its priority with the Sub-project/PSAC Project Manager before proceeding to the next step.
 - The Sub-project/PSAC Project Manager will decide on the appropriate person(s) to carry out subsequent steps, including the investigation.
 - **All Priority 1 complaints must be escalated immediately to the PSAC Project Manager.**

2.0 Acknowledge

Summary

Ensure that every complaint receives a formal written acknowledgement, containing an expectation of when they will receive a response, and the person dealing with it.

- All complaints, regardless of priority, should receive a pro forma acknowledgement sent out 1st class mail on the day of receipt.

3.0 Assess & Investigate

Summary

Follow up all aspects of the complaint, both internal and external, to ensure that the key facts are identified and clarified.

- The priority of the complaint will drive the timescale for completion (3 days for urgent or 2 weeks for non-urgent).
- All areas of interaction and communication should be established (who, what, where, when why etc.) and documented where possible.

4.0 Resolve & Confirm

Summary

Ensure that the final resolution is clear and fair. Also confirm the proposed action and resolution with another senior person (PSAC Management).

- Ensure that the proposed resolution meets corporate guidelines and does not prejudice IADP in any unnecessary legal or financial manner.
- Document the proposed action and discuss and agree with the PSAC Project Manager.
- Discuss and review the solution from both the corporate and complainant viewpoint to ensure fairness and clarity.
- The review should include recognition and documentation of any underlying issues that have contributed to the complaint and recommendations for actions to prevent further occurrence.
- This should then be reviewed as part of the bi-monthly quality assurance reviews.

5.0 Respond to Complainant

Summary

Provide the Complainant with the resolution within the timescales promised.

- The details of the findings and proposed resolution should be clearly explained (in written or verbal form as appropriate) to the complainant- within the agreed timescales.
- If this cannot be done on time the Complainant should be contacted by telephone to request further time.

6.0 Appeal & Follow up

Summary

Ensure that complaints are followed up to confirm that the complainants are satisfied with the response given. If not satisfied the Complainant is advised on the route for Appealing.

- All Priority 1 complaints and 95% of priority 2 complaints must be followed up within a reasonable timescale.
- This will be carried out by PSAC Administration team / Project Manager's office.
- The follow-up should identify the following
 - Is the complainant satisfied with the response?
 - Did they feel that their complaint was properly and fairly handled?
- Any negative responses to these questions should be referred to ROLL-GEF Project Managers for action and direct follow up with the complainant.
- The complainant is given room for appealing to the Ministry of Forestry or Courts of Law, if he is not satisfied.

7.0 QA & Close

Summary

Ensure that the PSAC as a whole is aware of the complaints and any underlying issues. Plan actions to remove these and prevent future recurrence.

- All complaints should be reviewed monthly as part of the quality assurance review meetings.
- Any complaints where action can be taken to avoid recurrence must be acted upon and raised with the appropriate managers/teams across the PSAC.

9.6 SEP RESOURCES AND RESPONSIBILITIES

9.6.1 Responsibilities

The management, coordination and implementation of the SEP and its integral tasks will be the responsibility of the project Environmental and Social specialist (ESS) together with other dedicated team members within NAEB. Their roles and responsibilities are presented below.

9.6.2 The Project Management Unit

NAEB will be accountable for ensuring PSAC achieves its development objectives and for oversight of all day-to-day operations of the project. NAEB will also be responsible for all reporting requirement of the Government of Rwanda (GoR) and IFAD related to the project. NAEB under the oversight of the Permanent Secretary will work closely with relevant stakeholders to ensure that the SEP is implemented in a successful manner.

9.6.3 Environment and Social Specialist (ESS).

The Social Inclusion Specialist will be responsible for the management of project related Environment and social safeguards issues. He/she will oversee all stakeholder engagement activities regarding the implementation of the GRM as well as other project specific documents. Responsibilities will include the following:

- Continuous Development, implementation and monitoring of the stakeholder's engagement plan and other project specific documents,
- To bring together the different stakeholders engaged in the project and develop joint strategies and plans, ensuring that key stakeholders are engaged while creating and maintaining momentum. Liaise with the Project Director to ensure that stakeholders engagement requirements are understood,
- Guiding and overseeing community sensitization processes, ensuring that key information reaches all intended target groups, that beneficiary selection is transparent and in line with pre-defined criteria and that all target groups participate in relevant programme decision-making processes,

- Liaising with local stakeholders regularly to disseminate information about social risk mitigation activities considered by PSACPSAC,
- To develop and maintain the stakeholder database/map,
- Proactively identify stakeholders, project risks and opportunities and inform Project Director to ensure that the necessary planning can be done to either mitigate risk or exploit opportunities.
- To organize regular meetings and/or prepare regular communications, in close collaboration with NAEB
- Liaise with the Project Director to ensure that stakeholder engagement requirements are understood.

9.6.4 Resources

The design and implementation of a detailed and accurate SEP will be the overall responsibility of NAEB. The Project Director will oversee the SEP implementation to ensure the success of the PSAC project.

9.6.5 Budget

The Project Director will ensure that NAEB has an adequate standing budget allocated towards the Stakeholder Management Programme.

9.6.6 Training

All the PSAC partners and NAEB team members will attend a workshop that will bring awareness on the project, SEP, GRM as well as other project specific documents.

9.7 MONITORING AND REPORTING

Monitoring and evaluation of the SEP process is vital as it ensures that the NAEB can respond to identified issues and alter the schedule and nature of engagement activities to make them more effective. As part of the SEP, a mechanism for providing feedback to the stakeholders on their information needs will be set up. In addition, the SEP will include means for monitoring the effectiveness of the public consultation processes and outcomes from consultations, and for determining where further action may be necessary regarding engagement.

The environmental and social safeguards specialists in NAEB will be responsible to ensure that the SEP is implemented throughout the life of the project. They will also be responsible for communicating and reporting on all stakeholder matters to the Project Director.

Monitoring of the stakeholder engagement process allows the efficacy of the process to be evaluated. Amongst others the following monitoring activities will be implemented:

- During the engagement activities: short-term monitoring to allow for adjustments/improvements to be made during engagement; and
- Following completion of all engagement activities: review of outputs at the end of engagement to evaluate the effectiveness of the SEP as implemented.

To help in the monitoring system, a series of key performance indicators for each stakeholder engagement stage will be developed. Table below shows an example of the indicators and performance against the indicators to show successful completion of engagement tasks

Table 9-1 Key Performance Indicators by Project Phase

PHASE	ACTIVITIES	INDICATORS
Planning for Project	Share updates on Project activities	Posters displayed in allocated service centres by time specified
GRM, SEP and other project specific documents Implementation	Share updates on SEP, GRM and other project specific documents activities	<ul style="list-style-type: none">• Posters displayed in allocated service centres by time specified,• Affected community stakeholders will have received and understand the information disclosed and attended the public meetings,• Communities provided feedback,• No complaints about non-receipt of project specific documents received.

The identification of PSAC related impacts and concerns is a key element of stakeholder engagement that will occur over the complete Project life cycle. As such, the identification of new concerns, impacts, and grievances as the GRM and project progress will serve as an overall indicator for the implementation of the stakeholder engagement process. There are two keyways in which the stakeholder engagement process, as will be provided for in the M&E action plan, will be monitored:

9.7.1 Review of Engagement Activities in the Field

During the engagements with stakeholders the engagement team will assess meetings using the following engagement tools:

- Stakeholders database,
- Issue and Response table, and
- Meeting records of all consultations held.

9.7.2 Reporting Stakeholders Engagement Activities

Performance will be reviewed following the stakeholder's engagement sessions conducted in the field. The following will be considered in assessing performance:

- Materials disseminated: Types, frequency, and location,
- Place and time of formal engagement events and level of participation including specific stakeholders' groups.
- Number of people attending public or formal meetings,
- Number of comments received, type of stakeholder and detail of feedback provided,
- Meeting minutes, attendance register and photographic evidence,
- Numbers and type of stakeholders who contact the PSAC project team by mail, telephone, and any other means of communication,
- Comments received by government authorities, community leaders and other project partners and passed to the PSAC project, and
- Number and types of feedback and/or grievances and the nature and timing of their resolution; and the extent to which feedback and comments have been addressed and have led to corrective actions being implemented.

Rwanda

Promoting Smallholder Agro-Export Competitiveness Project Project Design Report

Annex: Annex 19. Environmental Social And Climate Management Framework

Mission Dates: 09-27 May 2022

Document Date: 14/12/2022

Project No. 2000003934

Report No. 6186-RW

East and Southern Africa Division
Programme Management Department



GOVERNMENT OF RWANDA

PROMOTING SMALLHOLDER AGRO-EXPORT COMPETITIVENESS PROJECT (PSAC)



ENVIRONMENTAL, SOCIAL AND CLIMATE MANAGEMENT FRAMEWORK (ESCMF)

Prepared for:

Ministry of Agriculture and Animal Resources (MINAGRI).
KG 569 Street.
Kigali.
Rwanda.

The Rwanda - Promoting Smallholder Agro-Export Competitiveness Project (PSAC) Stakeholder Engagement Plan (SEP) is intended to provide complete documentation for the requirements of a holistic Stakeholder Engagement system for the project. This SEP contains the findings of a study conducted for the agriculture sector of Rwanda and the instrument has been developed based on the local conditions and findings.

Report no.	001
Issue no.	001
Date of issue	

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CHECKED

DATE

APPROVED

DATE

This Report is Available from:

Ministry of Agriculture and Animal Resources (MINAGRI)
KG 569 Street
Kigali
Rwanda

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ABBREVIATIONS AND ACRONYMS

AEZ	Agro Ecological Zone
AIDS	Acquired Immunodeficiency Syndrome
AWPB	Annual Work Plan and Budget
BDF	Business Development Fund.
BMOs	Business Membership Organizations
BRD	Rwanda Development Bank.
CEO	Chief Executive Officer
CEPAR	Coffee Exporters and Processors Association of Rwanda.
CRA	Climate Risk Analysis
CSA	Climate Smart Agriculture
CSNs	country strategy notes.
DGs	Sustainable Development Goals
DRC	Democratic Republic of Congo
EA	Environmental Assessment
EDPRS	Economic Development and Poverty reduction Strategy
EIA	Environmental Impact assessment
EICV	Integrated Household Living Conditions Survey.
ESCMF	Environmental, Social and Climate Management Framework
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
FAO	Food and Agriculture Organization
FPIC	Free, prior and informed consent
GBV	Gender Based Violence.
GDP	Gross Domestic Product
GEF	Global Environment Facility
GGCRS	Green Growth and Climate Resilience Strategy.
GII	Gender Inequality Index.
GoR	Government of Rwanda
GRM	Grievance redress mechanism
GVTC	Greater Virunga Trans-boundary Collaboration.
HCoE	Rwanda-Israel Horticulture Centre of Excellence
HIV	Human Immunodeficiency Virus
IEC	Information, Education and Communication ()
IFAD	International Fund for Agricultural Development
ILO	International labour Organisation
IMCE	Integrated Management of Critical Ecosystems.
INDC	Intended Nationally Determined Contributions
IPMP	Integrated Pest Management Plan
ITCZ	Inter-Tropical Conversion Zone
JICA	Japan International Cooperation Agency
KIIWP	Kayonza Irrigation and Integrated Watershed Management Project
LAC	Land Adjudication Committee
LMP	Labour management plan
M&E	Monitoring and Evaluation
MIGEPROF	Minister of Gender and Family Promotion
MINAFFET	Minister of Foreign Affairs and International Cooperation.
MINAGRI	Ministry of Agriculture and livestock
MINALOC	Minister of Local Government
MININFRA	Minister of Infrastructure

MINITERE	Ministry of Lands, Environment, Forests, Water and Mines
MoU	Memorandum of Understanding.
NAEB	National Agricultural Export Development Board.
NBI	Nile Basin Initiative.
NBSAP	National Biodiversity Strategy and Action Plan.
NDC	Nationally Determined Contribution.
NGO	Non-Governmental Organisation.
NISR	National Institute of Statistics of Rwanda.
NLUDMP	National Land Use and Development Master Plan.
NST1	First phase of the National Strategy for Transformation
OHS	Occupational Health and Safety
OSHA	Occupational Safety and Health Administration
PAPs	Project Affected Persons
PCP	public consultation plan
PDO	Programme Development Objective
PDR	Project Design Report
PMU	Project Management Unit
POs	Producer Organizations
PPE	Personal Protective Equipment
PRICE	Rwanda Project for Rural Income through Exports
PSAC	Promoting Smallholder Agro-export Competitiveness Project
PSC	Project Steering Committee
PSTA 4	Fourth phase of the Strategic Plan for Agricultural Transformation (
PSTA 4	4th phase of the Strategic Plan for the Transformation of Agriculture
PWD	Persons With Disabilities.
RAB	Rwanda Agriculture Board
RAFs	Resettlement Action Frameworks
RAP	Resettlement Action Plan
RB-COSOPs	Results-Based Country Strategic Opportunities Programmes.
RCA	Rwanda Cooperative Agency
REMA	Rwanda Environment Management Authority
RPF	Resettlement Policy Framework
RSB	Rwanda Standards Board
SEA	Sexual Exploitation and Abuse
SECAP	Social, Environmental and Climate Assessment Procedures
SEP	Stakeholder Engagement Plan
SMEs	Small and medium enterprises
SPIU	Single Project Implementation Unit
UN	United Nations
UNCCD	UN Convention to Combat Desertification
UNDP	United Nations Development Programme
UNEP	United Nations Environmental Programme.
UNESCO	United Nations Educational, Scientific and Cultural Organization,
UNFCCC	UN Framework Convention on Climate Change
UNICEF	United Nations Children's Fund
VC	Value Chains
WB	World Bank
WFP	World Food Programme

EXECUTIVE SUMMARY

Introduction.

The Government of Rwanda is in the process of preparing the “Promoting Smallholder Agro-export Competitiveness Project (PSAC), with the assistance from IFAD. PSAC will support the inclusion of rural poor in targeted export-driven value chains, by increasing their climate-resilient productive capacity and market access. As one of the prerequisites for the project through IFAD, an Environmental, Social and Climate Management Framework (ESCMF) must be developed in accordance with the Social, Environmental and Climate Assessment Procedures (SECAP).

The PSAC Project Development Objective.

The Project Development Objective (PDO) is “*To support the inclusion of rural poor in targeted export-driven value chains, by increasing their climate-resilient productive capacity and market access*”.

Project Components.

The proposed project consists of three main components: The first two (technical components) will generate varying effects to different components of the environment and the society at large:

Component 1: Investments to enhance climate smart production and productivity of selected export-driven value chains

This component will support the intensification and improve the competitiveness of the production levels of the selected export-driven value chains through targeted investments along two sets of interventions:

- **Sub-component 1.1 – Support smallholder farmers’ production and productivity.**
- **Sub-component 1.2 - Improvement of rural infrastructure facilities.**

Component 2: Enabling business environment along selected export-driven value chains)

This component will enhance the competitiveness and sustainability of the targeted VCs by improving smallholder value chain actors’ access to advisory services, sustainable markets and financial services through various components of the following sub-components:

- **Sub-component 2.1 – Capacity building of Producer Organizations.**
 - *Quality control and market-driven certification.*
 - *Backward and forward market linkages.*
 - *Enhanced access to financial services.*

Component 3: Policy support and coordination

This component will support policy and coordination through the following activities:

- *Policy dialogue*
- *Enabling rural finance environment.*
- *Other issues affecting PSAC export-driven value chains.*
- *Specific support to value chain platforms:* In this area PSAC intends to:

Objectives of the Environmental, Social and Climate Management Framework.

The proposed programme constitutes several components or activities, which will generate varying effects to different components of the environment and the society at large. The PSAC activities will directly and indirectly generate impacts that may result in varied social and environmental impacts, necessitating the establishment of an ESCMF.

This ESCMF has been prepared because the location and design of the Program activities and subprojects, and the magnitude of their impacts are not precisely known at project appraisal stage, although the types of potential Program activities that could take place have been defined. The principal aim of this ESCMF is to provide a framework for addressing all environmental and social safeguards issues in PSAC activities and subprojects from screening, preparation, through review and approval, to implementation.

The ESCMF Process.

The ESCMF development process consisted of the following aspects: (i) establishment of baseline socio-environmental conditions, (ii) development of the screening criteria/tool, (iii) review of policy, regulations, institutional framework, (iv) assessment of potential environmental impacts, (v) assessment of potential social impacts (vi) preparation of the environmental and social mitigation plan and a monitoring plan and (vii) providing guidelines for the implementation of the measures.

The process involved extensive review of related literature from published and unpublished documents, investigations and scanning of the potential project areas, and consultations with the various stakeholders. The consultations ensured that the substantive concerns of the relevant IFAD policies and the Rwanda legislation will be considered during the implementation of the PSAC activities.

Policy, Legal and Institutional Framework.

This chapter assessed the relevant Rwanda policies, regulations and acts that guide the environmental and social assessment for the PSAC activities, including relevant IFAD SECAP and international conventions.

The policy and legal review established that the PSAC will be supported by a host of laws, regulations and institutions that promote sustainable natural resources use, whilst protecting the environment and the well-being of the population of Rwanda. All these instruments are guided by the Rwanda Constitution which emphasizes on prudent management of the environment and accords future generations full rights to the environment and benefits thereof.

Environmental and Social Baseline Conditions.

Rwanda is well endowed with natural resource which includes very fertile soils, mountains, forests and water resources which accommodate diverse species of flora, fauna and fish resources. However, these resources are currently challenged by a complex interaction of several factors which include the rapid industrialisation and extensive farming.

Rwanda is a landlocked country situated in central Africa. It is known as 'The Land of a Thousand Hills' and has five volcanoes, 23 lakes and numerous rivers, some forming the source of the river Nile. The Main lakes include Kivu, Muhazi, Ihema, Bulera, Ruhondo, and Mugesera.

Rwanda's Vegetation ranges from dense equatorial forest in the north-west of the country to tropical savannah in the east. Rwanda has two rainy seasons, with an average rainfall of 110-200 mm per month.

The country is located in two major basins, Nile and Congo basins, and its hydrological network is composed of nine catchments. The topography is characterized by hills and mountains and widely varying altitudes. The lowest altitude in the country is 950 m above the sea level. The country is divided into 12 agro-ecological zones that can be clustered into three natural regions: highlands, midlands, and lowlands.

Agriculture is the main economic activity in Rwanda with 70% of the population engaged in the sector, and around 72% of the working population employed in agriculture. It accounts for 33% of the national GDP (FAO, 2022). it is estimated that 90% of domestic cropland is on slopes ranging from 5% to 55%. Tea and coffee are the major exports followed by exports of dry beans, potatoes, maize, rice, cassava flour, maize flour, poultry, and live animals within Eastern Africa. (GoR 2015).

Climate Change Adaptation

The project activities are expected to improve the climate resilience of the smallholder farmers, which includes i) the reduction of soil erosion and the improved retention of rainwater contributing to the buffer capacity of agricultural lands, ii) the adoption of improved, environmentally sustainable practices contributing to a more efficient usage of natural resources, and iii) planning future plantations in locations that take account of the warmer climate such as higher, cooler regions.

The PSAC project will promote sustainable practices which will be consistent with Climate Smart Agriculture (CSA) approaches. It will also build on the work carried out within the existing IFAD project portfolio like PRICE and KIIWP.

Screening, Approval and Implementation of Subprojects

Every sub-project that will be funded through PSAC will have to be screened for social and environmental issues. NAEB/PSAC-PMU will conduct the environmental and social screening at district level, using the Environmental and Social Screening Form (Appendix 1) together with information on typical subproject impacts and mitigation measures in the environmental and social management plan (ESMP). In some cases, special planning reports (e.g., site specific ESMPs, ESIAs, IPMPs) may have to be developed and implemented.

Programme Categorisation

The Environmental and Social Category for PSAC is "Moderate" because of the anticipated risks emanating from the construction, agricultural and other rural economic activities. This Categorisation was arrived at using IFAD's SECAP requirements. Where several sub-projects

are involved, IFAD categorisation for the programme is based on those sub-projects having the highest risk level. These are all expected to pose medium risks to the environment and social system. These risks will be localised, manageable and/or reversible through recommended mitigation measures.

Environmental and Social Management in PSAC.

The potential associated impacts were analysed and mitigation measures for the identified impacts proposed. The ESCMF then establishes a process for addressing all environmental and social policy issues in sub-projects from preparation, through review and approval, to implementation. The **expected positive impacts** of the proposed project include:

- a) Revegetation resulting in reduction in environmental degradation, retention of soil and water,
- b) Rehabilitation of fragile ecosystems (mountain sides and wetlands)
- c) Improved management of catchments and mountainsides,
- d) Reduce vulnerability of rural communities to environmental degradation and climate shocks because of diversified income,
- e) Increased health awareness.
- f) Economic Opportunities Employment (job creation)

The project's main **potential negative impacts** prior to mitigation measures include:

- a) Vegetation Clearing and potential soil erosion from bare ground.
- b) Habitat loss and Biodiversity disturbances and natural resource pollution (air and water).
- c) Solid waste generation and Effluent Discharges from processing plants.
- d) Potential abuse and misuse of Agro-Chemicals resulting in pollution and poisoning
- e) Limited and inadequate Stakeholder Involvement and Poor project Inception/Introduction.
- f) Vulnerable groups excluded from decision-making and affected by fencing off plantations.
- g) Gender Based Violence
- h) Poor working conditions for people implementing project activities resulting in occupational Health and Safety Issues

Expected mitigation benefits.

PSAC will implement "multiple-benefit" approaches which will typically build climate resilience alongside other benefits, contributing to poverty reduction, enhancement of biodiversity, increased agricultural productivity and lowering of greenhouse gas emissions from the agriculture sector. Climate change mitigation benefits in PSAC are expected from:

- (i) the use of shade trees such as carbon sequestration,
- (ii) improved net assimilation of tea leaf and additional organic matter from leaf litter and minimized wind damage, and reduced soil erosion.
- (iii) capacity building in timing of husbandry activities such as pruning and fertilizer application,
- (iv) when to plant, which varieties to plant and which inputs to use,
- (v) adjustment of spraying programs and wider use of improved coffee varieties and tested tea clones,

- (vi) intercropping of nitrogen-fixing plants with staple crops,
- (vii) construction of erosion control and water holding structures and
- (viii) composting and mulching among others.

The agro-forestry activities will also have GHG benefits from reduced soil carbon loss through tree planting and regeneration of degraded soils through increased agroforestry practices.

Public Consultation Plan and The Grievance Redress Mechanism

The NAEB/PSAC-PMU must continuously engage the project stakeholders throughout the programme cycle to achieve successful implementation and monitoring. The ESCMF outlines a public consultation plan (PCP) which describes the objectives of the PCP, the key stakeholders, information disclosure and consultation approach, grievance redress mechanism, feedback, and monitoring.

As part of the continuous consultation process, a grievance redress mechanism (GRM) has been developed. The GRM will be a system by which queries or clarifications about the project will be responded to, problems with implementation will be resolved, and complaints and grievances will be addressed efficiently and effectively. The GRM will mainly serve the purpose of responding to the needs of beneficiaries and addressing and resolving their grievances.

Environmental And Social Monitoring Plan

The PMU with the help of relevant authorities will monitor the environmental and social effects of project implementation and the success of mitigation measures. In addition to monitoring the implementation of mitigation measures proposed to address environmental and social impacts of the PSAC project, the overall performance and effectiveness of the Program can be assessed through monitoring the following indicators:

Environmental Indicators.

- (i) Evidence of anti-soil erosion measures such as terraces,
- (ii) Re-planted vegetation,
- (iii) intercropping of nitrogen-fixing plants with staple crops
- (iv) Constructed drainage channels,
- (v) Filled up burrow pits, etc

Social indicators.

- (i) Representation on the community management committees,
- (ii) Equitable sharing of benefits from the programme intervention,
- (iii) Numbers of members attending programme planning and implementation meetings,
- (iv) Effect of programme implementation on local household economies.

Capacity Building and Training For E&S Management

Currently there is little capacity within the MINAGRI/NAEB to implement environmental and social requirements necessary to manage the potential environmental and social risks and impacts resulting from the PSAC project activities. Thus, the ESCMF recommends various trainings in order to build capacity within the MINAGRI/NAEB to manage environmental and

social risks. This includes training in environmental and social risks of PSAC, Environmental and Social Risks and Impacts of PSAC, Environmental and Social Impact Assessment of the Projects, Gender, HIV/AIDS awareness, Water and crop Management, and Agro-chemicals and Agro-facility Management. Total training costs are estimated at approximately USD 137,000.00.

Funding for the Environmental Management Activities

The estimated cost for the implementation of the ESCMF, which covers technical assistance, site specific ESAs and ESMPs, mitigation measures, monitoring, training and audits is USD **677,600.00**.

Conclusions and Recommendations

The proposed PSAC programme has potential to significantly enhance the agricultural productivity and improve the livelihoods of smallholder tea, coffee and horticulture farmers in the target districts. An improvement in the productivity of the Smallholder farmers will translate to improved livelihoods as they now will have cash to secure other needs.

The envisaged environmental and social impacts include disturbance of soil from infrastructure construction, establishment of new plantations, rehabilitation of existing plantations, other agricultural activities, digging of pits and foundations, and irrigation and value addition infrastructures construction activities, Solid and liquid waste generation, tree cutting and general vegetation clearing, emission of dust and generation of noise. **These envisaged environmental impacts will generally be localized, minimal, short term and can be mitigated.** However, this will entail adhering to the requirements of the current ESCMF. **The Final benefits of this programme to the nation will, by far outweigh any potential negative effects. The programme overall will not have any apparent significant environmental impacts if the recommended mitigations are carried out.**

1. INTRODUCTION AND PROJECT CONTEXT.

1.1 BACKGROUND

The Government of Rwanda is in the process of preparing the “Promoting Smallholder Agro-export Competitiveness Project (PSAC), with the assistance from IFAD. PSAC will support the inclusion of rural poor in targeted export-driven value chains, by increasing their climate-resilient productive capacity and market access. As one of the prerequisites for the project through IFAD, an Environmental, Social and Climate Management Framework (ESCMF) must be developed in accordance with the Social, Environmental and Climate Assessment Procedures (SECAP).

The development of the ESCMF was effected through carrying out a literature survey, consulting the main stakeholders and inspecting a selection of several potential beneficiaries, representative of the country - to gather the essential data necessary to have a sufficient understanding of the situation regarding the status of the selected agricultural value chains (tea, coffee and horticulture) and to determine the potential social and environmental impacts any developmental project may exhibit in this sector.

Besides the ESCMF, PSAC will also develop appropriate SECAP risk management instruments which will include a Targeted Climate Change Risk Assessment, site specific Environmental and Social Management Plans (ESMPs), Environmental Checklists, Integrated Pest Management Plans (IPMPs), Labour Management Plan, etc. Through a dedicated Environmental Specialist PSAC will ensure that the developed SECAP risk management instruments are implemented and that mitigation measures are instituted.

1.2 THE PROJECT DEVELOPMENT OBJECTIVE.

The Project Development Objective is *“To support the inclusion of rural poor in targeted export-driven value chains, by increasing their climate-resilient productive capacity and market access”*.

1.3 PROJECT IMPLEMENTATION ARRANGEMENTS

The Lead Implementation Agency will be the National Agriculture Export Development Board (NAEB), under the responsibility of its Chief Executive Officer (CEO)¹. NAEB will host all the key technical positions, and one NAEB Focal Person will be posted in each target district to ensure smooth coordination at field level. See Figure 1-1 below.

The Single Project Implementation Unit (SPIU) will retain the core functions of financial management, procurement and Management Information System (MIS), for which, and it has a long-standing experience with IFAD, as they have been key element contributing to the good performance of the IFAD portfolio in Rwanda.

1. ¹ NAEB is the Government authority that is in charge of developing and implementing policies and strategies for expanding exports of agricultural products meeting international market requirements. NAEB has the appropriate structure to implement PSAC interventions through its Traditional Commodities Division (for tea and coffee), Emerging Commodities Division (for horticulture), Quality Assurance and Regulatory Division and Export Services Division. NAEB has also gained relevant expertise and capacity to lead the implementation of large projects and programmes, including the 9-year IFAD-funded PRICE project.

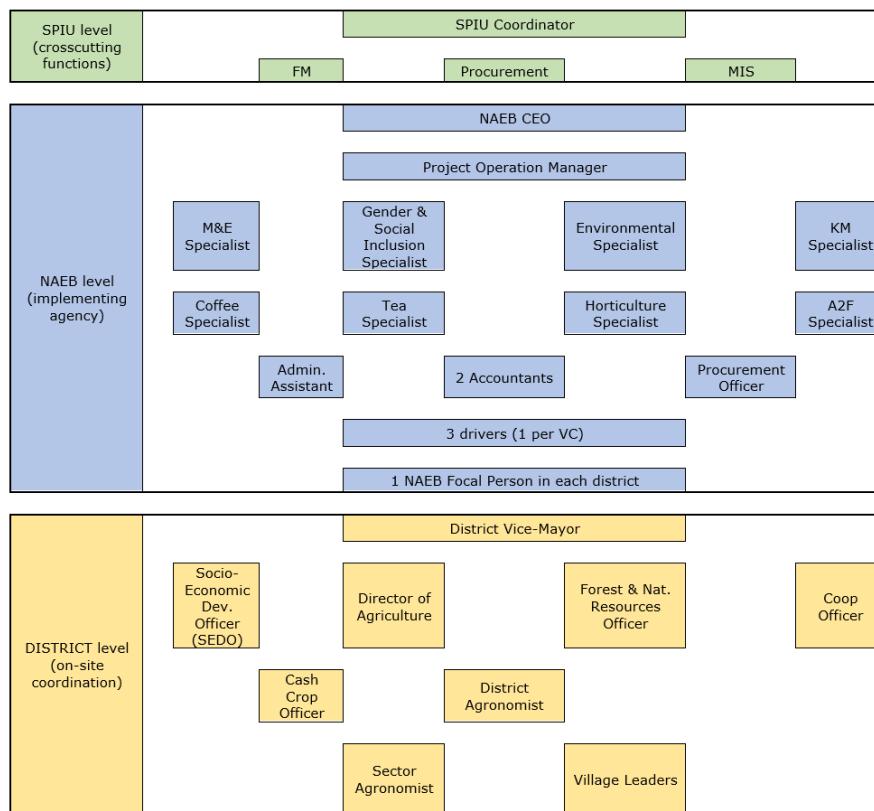


Figure 1-1 Project Organigram

The project implementation arrangements will be as depicted in Figure 1-2 with a steering Committee at the top and several partnerships with relevant government and international institutions, notably: (i) MINALOC, (ii) Rwanda Agriculture Board (RAB), (iii) MINAFFET, (iv) MIGEPROF, (v) BRD, (vi) BDF, (vii) Rwanda Environment Management Authority (REMA), (viii) Rwanda Standards Board (RSB), (ix) Rwanda Cooperative Agency (RCA), and (x) HCoE.

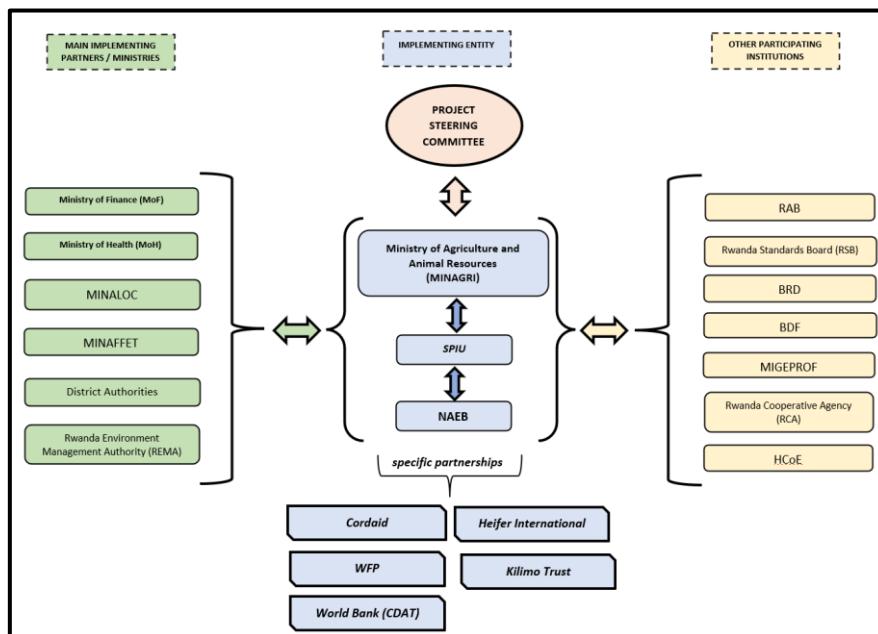


Figure 1-2 PSAC Implementation Arrangements

1.4 PSAC SCOPE AND TARGETING

1.4.1 Geographical targeting.

The project will target a total of fourteen (14) districts distributed across Rwanda, with a particular emphasis on the Western and Southern regions, that are also including some of the most vulnerable rural populations (Figure 1-3). These will be: *Nyamasheke, Rutsiro, Karongi, Nyabihu and Rusizi in Western Province; Huye, Nyaruguru, Nyamagabe, Ruhango and Nyanza in Southern Province; Rulindo and Musanze in Northern Province and Rwamagana and Bugesera in Eastern Province*. In addition to these, Kayonza district will be targeted solely for the purpose of conducting trials on new improved essential oils varieties.

1.4.2 Target Groups.

Two main categories of beneficiaries will be targeted through complementary interventions meant to support their participation in commercial and inclusive VCs: (i) rural smallholder farmers, grouped as much as possible along Producer Organizations (POs)², with a strong focus on women and youth; (ii) off-takers processors/exporters, who can be cooperatives, individuals or rural SMEs. PSAC will mostly focus on existing actors with proven track record in inclusive VC development; yet new producers/off-takers will also be given an opportunity to benefit from project support, especially in the more nascent horticulture sector. The targeting mechanisms will be based on the Ubudehe system, as is currently done for all IFAD-funded projects in Rwanda.

The revised estimation indicates that the main direct beneficiary group will be composed mostly of 90,000 households (approximately 405,000 household members³, of which 300,000 persons receiving direct project services), giving preferential attention to Categories 2 and 3⁴ amongst whom the project will give priority to women (40%) (and among them to women heads of households) and youth (30%). Possible graduation pathways for the poorest and the most vulnerable households such as those with persons with disabilities will be explored. (**See PDR for the Target Group Profiles**)

² This includes cooperatives, smallholder farmers grouped along out-grower schemes, informal associations, community-based nurseries, FFS groups, etc. Individual farmers may also be considered on a case-by-case basis according to their role in the target VCs and the services they can offer to the community.

³ Current ratio is 1 household = average 4.5 members

⁴ As per Rwanda's classification, *Ubudehe Category 2, Subsistence and vulnerable poor*, have limited access to resources and less than 0.5 ha of land, and depend on crop production, seasonal labour or external support – *Ubudehe Category 3, Market-oriented producers* are less vulnerable and go beyond subsistence farming. These farmers have on average 0.5 ha or more, are engaged in a more entrepreneurial logic.



Figure 1-3 Map of the Project Area.

1.5 PROJECT COMPONENTS

To address the Smallholder Agro-export Competitiveness challenges and support the achievement of the PDO, the proposed project consists of three main components: The first two (technical components) will generate varying effects to different components of the environment and the society at large:

1.5.1 Component 1:

Investments to enhance climate smart production and productivity of selected export-driven value chains

This component will support the intensification and improve the competitiveness of the production levels of the selected export-driven value chains through targeted investments along two sets of interventions as detailed below:

Sub-component 1.1 – Support smallholder farmers' production and productivity.

This sub-component (SC) will focus on expansion and rehabilitation of plantation areas, supported by the development and adoption of innovative climate-resilient technologies and practices. At the inception level the project will conduct study to determine the most cost-effective strategies in coffee processing and production. It will support the coffee drying parabolic structures to address the challenges of increasing wet periods affecting the quality of the coffee during harvest. Support conservation measures at tea plantations and promote a community-based approach for the production of avocado and mango seedlings

Sub-component 1.2 - Improvement of rural infrastructure facilities.

PSAC will address the key infrastructure gaps that are hindering smallholder cooperatives/POs in each export-driven VC. Acquisition of trucks to fast-track delivery of fresh tea leaves. The investment in an Avocado grading acquisition of Complete Soil and Water Testing Kit Investments in new hangar construction in 52 tea and 2 coffee cooperatives. Basic facilities, tools and equipment to all investments involving a grant will be supported under component 2 for business planning and linkage to financing, in addition to the overall capacity building support to be provided for improved cooperative governance and enhanced technical skills.

1.5.2 Component 2:

Enabling business environment along selected export-driven value chains)

This component will enhance the competitiveness and sustainability of the targeted VCs by improving smallholder value chain actors' access to advisory services, sustainable markets and financial services.

Sub-component 2.1 – Capacity building of Producer Organizations.

The support will be provided to both established cooperatives, especially the ones that have been identified as weak in previous assessments, the new cooperatives, out-grower schemes, farmer groups that will be formed to accompany the expansion of certain crops as foreseen under component 1. Issues to be addressed will focus will include

governance, decision-making process and management; group dynamics, gender equality climate change adaptation approaches, and environmental and natural resources management.

Quality control and market-driven certification: PSAC support will support in the accreditation of certain testing services, creating a national pool of various voluntary standards certified lead trainers

Backward and forward market linkages: The project will support efforts that promote brands that display the uniqueness of the Rwandan produce in Tea and coffee as well as horticulture through digital marketing and capacity building of exporters about international business environment

Enhanced access to financial services: The project, through its business development services will support the quality and outreach of rural financial services by financial institutions, and build the capacity of the target groups to access financial services

1.5.3 Component 3: Policy support and coordination

Policy dialogue: in PSAC will aim at efficiently completing the work undertaken by other development projects and agencies.

Enabling rural finance environment. To ensure enabling agriculture finance environment, especially for export agriculture, PSAC in collaboration with Cordaid and AFR will create a platform to coordinate the proposed activities of the final strategy.

Other issues affecting PSAC export-driven value chains: PSAC, through NAEB will contribute and will ensure close follow up on policy products that are expected to have a positive impact on the project's target group.

Specific support to value chain platforms: In this area PSAC intends to:

- (i) support roundtables for policy formulation in the coffee VC.
- (ii) build Capacity of Business Membership Organizations (BMOs) like Coffee Exporters and Processors Association of Rwanda (CEPAR

1.6 ENVIRONMENT AND SOCIAL CATEGORY

The environment and social category for PSAC is **substantial**, recognizing that some activities can have adverse impacts on the environment and increase pressure on the natural resources. This categorisation and classification are in cognisance of the activities of PSAC that focus on productivity and the enabling environment for the tea, coffee and horticulture value chains. However, the potential adverse impacts are predictable, will be localized, mostly reversible and can be managed with appropriate measures. The activities will take place in non-sensitive areas and the infrastructure being developed will be small scale.

The activities to improve production may have some adverse effects on the environmental and natural resources such as increased erosion, particularly when cultivating on slopes, possible siltation of water channels, increased demand for water resources at particular times; diffuse pollution from increased use of agro-chemicals; point source pollution from increased effluent discharges from processing plants and washing stations; and organic waste from processing of all the value chains, vegetation removal and land use change as infrastructure such as roads and storage facilities are being developed. However, these effects are expected to be localised with minimal adverse impacts that can be managed with appropriate actions.

PSAC also envisages expansion of production areas (approx. 4,800 ha), which may result in land use change or deforestation and loss of biodiversity as additional risks as well as increased pressure on water and energy resources. The adverse impacts from the development of infrastructure (roads rehabilitation, hanger construction and cold storage facilities) in non-sensitive areas will be localized and can be managed through site-specific environment and social management plans that will be developed during the project implementation.

The main social risks include labour, health and safety related to handling of pesticides and conditions for the seasonal labour, which is mainly informal and hardly skilled.

1.7 CLIMATE RISK CATEGORY

The climate risk classification for PSAC is **moderate**. The main climate change risks facing the smallholders in the PSAC target areas include rising temperatures and rainfall variability with more intense rainfall in some areas, shorter rain seasons and potential droughts in some locations. The increases in temperature (1.7–2.1°C) in the rainy season months will increase crop water demand and evapotranspiration losses of water from agricultural soils; reduced rainfall is also predicted during these months.

PSAC will invest in climate adaptation and resilience measures with mitigation co-benefits. These include:

- a) climate smart agricultural practices,
- b) climate and weather advisories,
- c) climate insurance,
- d) drought tolerant varieties,
- e) shade nets and greenhouses,
- f) climate proofing of infrastructure,
- g) renewable energy (solar),
- h) agroforestry and

2. SCOPE AND METHODOLOGY OF THE ESCMF AND ESCMP

2.1 JUSTIFICATION FOR THE PREPARATION OF THE ESCMF

This Environmental, Social and Climate Management Framework (ESCMF) has been developed in order to meet the environmental, social and climate safeguards requirements of the Government of Rwanda (GoR) as well as of IFAD when development is being undertaken.

The main activities in components 1 and 2 of the programme will have environmental and social concern. These activities may cause various impacts, most of which are localized to the project site, short term and most importantly can be avoided/reduced or mitigated by properly applying mitigation measures.

The environmental and social category of the project is “Substantial”. The project may lead to adverse risks to the environment and humans which are reversible through proposed mitigation actions. Some of the sub-project’s activities which are likely to have significant or adverse risks include: a) rehabilitation and or establishment of tea, coffee and horticulture plantations; b) irrigation schemes infrastructure installations; c) agro-processing facilities construction and operations; d) operations of washing stations; e) rural roads’ rehabilitation; and f) use of agrochemicals.

Potential environmental, social and climatic risks include deforestation; land degradation; inappropriate use of agrochemicals leading to pollution; conflicts; gender-based violence; child labour and social unrests. These lead to the requirement to prepare safeguard instruments to mitigate the potential adverse impacts from the project. In this case an Environmental, Social and Climate Management Framework (ESCMF) is required since the actual project sites are not yet known. The ESCMF must contain a generic Environmental Social and Climate Management Plan (ESCMP), which will be adopted by the individual sub-projects when they finally get selected. An ESCMF is a useful tool meant to guide environmental and social risk management considerations of the project Implementation.

2.2 PURPOSE OF THIS ESCMF

IFAD is continuously updating its approach to environmental, social and climate risk management and is currently applying the “Social Environmental and Climate Assessment Procedures (SECAP, 2021). IFAD’s SECAP, 2021 describe how to better mainstream environmental, social and climate change considerations into the project cycle, going beyond “doing no harm” to maximize development gains. The SECAP have a dual nature of safeguarding (minimizing negative impact) and increasing positive impact, including those related to climate change.

In line with IFAD policy, a SECAP review note was prepared for PSAC, which identified the project as “Moderate” category in terms of environmental and social risks. Given the environmental management thrust of the project, the expected environmental impacts are predominantly positive. Potential negative social impacts may emanate from the reduced access to natural resources, particularly grazing land that may be caused by the project. The project will deploy participatory methods to ensure these effects are recognized and

minimized and that alternatives are offered to those people affected. Further details on project interventions and mitigation measures can be found in Chapter 7, and 8 of this document.

The ESCMF should be disclosed on the Rwanda/MINAGRI website and various elements thereof, primarily the procedures and forms used in screening and monitoring of subprojects will be integrated into the project's overall implementation documentation and made accessible to local stakeholders. The IFAD SECAP and this ESCMF apply to all components, sub-projects and activities of PSAC, even if these are funded entirely by another Development Partner or private party.

2.3 APPROACH TO THE PREPARATION OF THE ESCMF

The focus of the ESCMF is to highlight the potential environmental, Social and Climate impacts for the planned future activities of the programme and recommend a management plan for addressing potential negative impacts. To achieve these targets, the ESCMF takes on board views from a cross section of people, at least from the local level, District level, and National government level.

The strategies of preparing the ESMF followed the following six steps:

- a) Review current conditions of the existing agricultural livelihood activities, and provide an assessment of their status and operation levels,
- b) Review and analysis of the level of degradation of the plantations, and potential fields (Baseline Conditions) in the potential project areas.
- c) Review of typical implementation approach and processes for the proposed development activities within the smallholder sector,
- d) Identification and analysis of potential environmental and social impacts the implementation processes will likely trigger and generate within and around the agriculture activities,
- e) Development of a screening process for negative impacts for proposed programme sites and activities,
- f) Identification of appropriate mitigation measures for the predicted impacts and compilation of a management plan for addressing environmental, social and climate impacts during implementation, operation, and maintenance of the programme activities.

In general, the study was then prepared in accordance with applicable IFAD's SECAP and policy documents and Rwanda's Environmental Impact Assessment Guidelines, 2006, 2000, and EIA Regulations: Ministerial Order Nos. 003/2008 & 004/2008. The distinct phases of the study included:

- Data Gathering,
- Literature review,
- Characterization of the baseline conditions,
- Identification of potential impacts,
- Identification of impact mitigation measures,
- Preparation of an Environmental and Social Management Plan, and
- Preparation of sub-project guidelines

The consultant assembled and evaluated relevant baseline data related to the physical, biological and socio-cultural environment of the country through a number of research methods, which include field surveys, and investigations, stakeholder consultations, review of related literature from published and unpublished documents:

(i) Field surveys.

The field surveys were a bit restricted by the travel restrictions caused by the COVID-19 Pandemic.

1) Stakeholder consultations.

Comprehensive stakeholder consultations were conducted in the process of developing the PDR and this current ESCMF to solicit their views and concerns as regards the proposed agricultural livelihoods activities. The strategy that was applied included the following:

- Desk Study of available documents and literature about the project and Rwanda at large.
- Virtual (Zoom, Microsoft Teams, Skype, etc.) Meetings with some of the key stakeholders in IFAD, MINAGRI, NAEB, etc
- Physical meetings with some of the key stakeholders

3. POLICY, LEGISLATIVE AND INSTITUTIONAL FRAMEWORKS

3.1 INTRODUCTION

This chapter describes the administrative, policy and regulatory framework relevant to environmental and climate change concerns in Rwanda that may trigger the IFAD SECAP. The objective is to ensure that project activities and implementation processes are consistent with local laws and policies and IFAD Safeguards Policies, and to point out possible gaps in local legislation in view of full compliance with IFAD Safeguards Policies. The proposed PSAC project will be subject to a number of these pieces of legislation. The following paragraphs highlight some selected policies and laws which are applicable in the planning and implementation of the project:

3.2 THE RWANDA CONSTITUTIONAL PROVISIONS

The Constitution of the Republic of Rwanda, promulgated in 2003 and revised in December 2015, articulates the rights and responsibilities of all citizens and the role of the state regarding the environment by providing that every citizen is entitled to a healthy and satisfying environment and that every person has the duty to protect, safeguard and promote the environment under Articles 22 and 53 respectively. Guidance of the Constitution on environmental preservation and management as a cross cutting issue is reflected in the National Vision 2020 and the National Policy on Environment of 2003.

The Constitution recognizes ownership of property and every person's right to private property (Article 34). Consequently, private property, whether individually or collectively owned, is inviolable. Exceptionally, the right to property may be overruled in the case of public interest. In these cases, circumstances and procedures are determined by the law and subject to fair and prior compensation (Article 34). Article 35 stipulates that private ownership of land and other rights related to land are granted by the State. The constitution provides that a law should be in place to specify modalities of acquisition, transfer and use of land.

The Constitutional rights as articulated in Vision 2020 and Environment Policy are given effect by Organic Law No. 4/2005 of 8 April 2005 as amended in 2018. Principle 1 of Article 7 in the Organic Law stipulates precautionary measures that are informed by the results of both environmental assessment of policies, plans, projects, and development activities and the assessment of social wellbeing.

3.3 RELEVANT RWANDA POLICES AND PLANS

Table 3-2 below discusses the relevant Rwanda legislation, their interpretation and relevance to the PSAC Project. On implementation, PSAC must recognize the requirements of these acts.

Table 3-1 Relevant Policies

No.	RELEVANT POLICIES and Strategic Provisions	INTERPRETATION	RELEVANCE TO PSAC
1.	The National Environment Policy of 2003	<p>The National Environment Policy of 2003 seeks to achieve its overall objective of the improvement of human wellbeing, the judicious utilization of natural resources and the protection and rational management of ecosystems for a sustainable and fair development through improved health and quality of life for every citizen and promotion of sustainable socio-economic development through a rational management and utilization of resources and environment, integrating environmental aspects into all the development policies, planning and in all activities carried out at the national, provincial and local level, with the full participation of the population, conservation, preserve and restoration of ecosystems and maintenance of ecological and systems functions.</p> <p>The key principles include issues such as a safe and stable environment, rational use of resources, inclusive participation of members of public for environment protection and management, environmental education and sensitization programme at all levels with more women and youth representation.</p> <p>Further, the policy proposes the elaboration or updating of master plans and special planning in urban areas.</p> <p>It proposes the following in regard to biodiversity, forests, wetlands management and other natural reserves and or ecosystems:</p> <ul style="list-style-type: none"> i. Set up protection measures for slopes to avoid degradation of swamps, ii. Promote the rehabilitation of ecosystems under degradation and restoring endangered species. 	The Environment Policy harmonizes other policies like on agriculture, energy. The policy further proposes that the Central Government will be concerned with conservation and protection policies while tourism and environmental management will be transferred to the District and Kigali City levels.
	National Environment and Climate Change Policy (2019)	Rwanda to be a nation that has a clean and healthy environment, resilient to climate variability and change that supports a high quality of life for its society	Policy requires sub-project to consider principles that complement ESF including Assessment of environmental risks and impacts for development projects; Mitigation and Adaptation; Information dissemination and community awareness raising in the conservation and protection of the environment; Promoting

No.	RELEVANT POLICIES and Strategic Provisions	INTERPRETATION	RELEVANCE TO PSAC
2.	The Land Policy of 2004	<p>The Land Policy of 2004 introduces the consideration of master plans for use and sound management of land resources. The policy also provides development of land use plans based on suitability of the areas/lands thus distinguishing the different categories of land and their purpose. The policy promotes irrigating areas that are more or less flat and semi-arid to support agricultural production while discouraging overgrazing and pasture burning. On the use and management of hillsides and marshlands, the policy stipulates that marshlands meant for agriculture should be cultivated after adequate planning and Environmental Impact Assessment.</p>	<p>Circular Economy and industrial symbiosis</p> <p>The development of ESCMF for PSAC is in line with provisions of the land policy which is basically intended to identify risks associated to changes in climate impacting agricultural productivity and adoption of mitigation strategies such as climate smart agriculture</p>
3.	Agriculture Policy of 2018	<p>The objectives of national Agriculture Policy of 2018 are aligned to the Malabo Declaration (2014) under the CAADP framework of the AU and cover increased contribution to wealth creation; economic opportunities and prosperity; improved food security and nutrition; and increased resilience and sustainability. Pillar 3 of the policy stipulates productivity and sustainability through the increase of countering of the adverse effects on land resources and climate change with continued efforts to increase inputs and sustainable climate smart practices. Actions under this pillar for the promotion of irrigation and sustainable water management include the following:</p> <ul style="list-style-type: none"> • Increase the area under irrigation, • Promote private sector-led models of irrigation scheme management and establish maintenance fee collection, • Attract private sector and external finance for irrigation development, • Support efforts to increase the capacity of on-farm water harvesting, storage, and use; develop groundwater and improve drainage and flood management. 	<p>PSAC is very relevant to this policy as it focuses on improving food security, nutrition; and increased resilience to the external environmental shocks .</p>
	The national Fertilizer Policy of 2014	<p>The national Fertilizer Policy of 2014 aims to contribute to increased agricultural productivity, economic returns and incomes through increased and sustainable access and use of fertilizers. The policy's specific objectives among others include:</p> <ul style="list-style-type: none"> • Create an enabling environment for the development of a privately driven and liberalized fertilizer importation and distribution system that fosters competition and innovation. • Promote fertilizer trade by introducing appropriate and effective incentives that encourage investment by the private sector. 	<p>PSAC complements the policy by encouraging appropriate use of fertilizers which could detrimental to the environment if misused. Especially leaching to underground water sources and the emission of "greenhouse gases", which contribute to global</p>

No.	RELEVANT POLICIES and Strategic Provisions	INTERPRETATION	RELEVANCE TO PSAC
		<ul style="list-style-type: none"> Establish an efficient regulatory and monitoring system that is private sector friendly and ensures the sustainable supply to high quality fertilizer products along the distribution chain in a manner that safeguards human health and the environment. <p>The policy recognizes that inappropriate use of fertilizers could have a negative effect on the environment. It provides for mitigation actions for minimizing greenhouse gas emissions from fertilizer application practices as well as environmental safety and sustainability.</p> <p>The policy stipulates that Government shall be responsible for regulating fertilizers the quality fertilizer products that traded in the country according to the law governing the use of Agrochemicals and the Ministerial Instructions Regulating the control of Agro chemicals, agro dealers and premises.</p> <p>The policy recognizes women participation in agriculture and stipulates the assurance that women have a fair chance to benefit from opportunities in fertilizer extension, trade, and use.</p>	warming and climate change
	The national Policy for Water Resources Management of 2011	<p>The goal of the national Policy for Water Resources Management of 2011 is to manage and develop the water resources of Rwanda in an integrated and sustainable manner, so as to secure and provide water of adequate quantity and quality for all social and economic needs of the present and future generations with the full participation of all stakeholders in decisions affecting water resources management. The policy recognizes the impacts of climate change on the water resources and provides for a comprehensive programme to introduce flow control, irrigation and storage. The policy further recognizes that as climatic variability increases over the medium term, decision-makers will be increasingly challenged to manage the water resource as the objectives of different sectors diverge.</p>	PSAC will ensure that its activities do not pollute water bodies and guarantee an effective use of water resources. If any liquid waste is generated from project activities, it must be collected in a treatment plant for purification before being released into a river, a stream, a lake or a pond. Furthermore, separate water supply and sanitation will be provided for the temporary facilities including offices, construction camps and workers workshops in order not to cause shortages and/or contamination of existing drinking water sources.

No.	RELEVANT POLICIES and Strategic Provisions	INTERPRETATION	RELEVANCE TO PSAC
	The Green Growth and Climate Resilience Strategy	<p>Rwanda adopted the national Green Growth and Climate Resilience Strategy (GGCRS) in 2011 with the vision for Rwanda to be a developed climate-resilient and low-carbon economy by 2050. The mainstreaming and implementation of the GGCRS is mandated to the ministry responsible for environment and climate change, which is currently the Ministry of Environment. The GGCRS stipulates 4 strategic objectives:</p> <ul style="list-style-type: none"> i. Energy security and a low-carbon energy supply that supports the development of Green Industry and Services; ii. Sustainable land use and water resource management that results in food security; iii. Appropriate urban development and preservation of biodiversity and ecosystem Services; and iv. Social protection, improved health and disaster risk reduction that reduce vulnerability to climate change. <p>The strategic objectives are elaborated in an implementation framework of 14 Programmes of Action. Rwanda submitted its Intended Nationally Determined Contributions (INDC) for adaptation and mitigation under the requirements of the UNFCCC in 2015 and subsequently confirmed Nationally Determined Contributions (NDCs) in 2016 following the ratification of the Paris Agreement. The NDCs were developed with the 14 Programmes of Action of the GGCRS as the main reference. Rwanda's NDCs are also appropriately aligned to the Sustainable Development Goals (SDGs) agenda 2030.</p> <p>Adaptation and climate risk management programmes of action of the GGCRS involve the “Sustainable Intensification of Small-Scale Agriculture” and “Agricultural Diversity in Local and Export Markets” which are aligned to NDC measures for mainstreaming agro ecology, utilizing resource recovery and reuse, using fertilizer enriched compost, mainstreaming IPM and adding value to agricultural products. The programmes are also in alignment with SDG 2: “End hunger, achieve food security and improved nutrition and promote sustainable agriculture”.</p> <p>GGCRS programmes of action, NDCs measures and SDGs targets are also linked to the fourth phase of the Strategic Plan for Agricultural Transformation (PSTA 4) and the first phase of the 7-year National Strategy for Transformation (NST1) that runs from 2018 to 2024. PSTA 4 actions as featured in NST-1 include the following:</p> <ul style="list-style-type: none"> • Development of biological soil conservation practices. • Farmer practice of integrated pest management. • Farmer improvement feed and fodder through technologies; and • Dissemination of weather and climate information products and services to farmers. 	<p>GGCRS stipulates strategic objectives aligned with the PSAC requiring sub-projects to practice sustainable land use and water resource management that results in food security; appropriate rural development and preservation of biodiversity and ecosystem Services; and social protection, improved health and disaster risk reduction that reduce vulnerability to climate change.</p>

No.	RELEVANT POLICIES and Strategic Provisions	INTERPRETATION	RELEVANCE TO PSAC
	National Biodiversity Strategy and Action Plan NBSAP) (2016-2020)	<p>This strategy defines the objectives and priorities for the conservation and sustainable management of biodiversity. The plan includes hillsides and wetlands and protected areas as some of the areas that need to be conservation. The strategy focuses on five major aims: improved conservation of protected areas and wetlands; sustainable use of biodiversity in natural ecosystems and agroecosystems; rational use of biotechnology; development and strengthening of policy, institutional, legal and human resources frameworks; and equitable sharing of benefits derived from the use of biological resources. The Action Plan consists of urgent and priority actions which are attainable in a period of five years. However, the plan is not based on the actual status quo of wetlands which is one of the most important ecosystems in Rwanda. There is need to undertake inventory of wetlands in the country which will allow planning of these ecosystems.</p>	<p>PSAC sub projects are required to comply with environmental protection and management instruments meant to provide insights on biodiversity use and ecosystem services, environmental sustainability and restoration of degraded ecosystems. Additionally, flood risk management will enhance overall resilience of urban planning and infrastructure development.</p>
	The national Health Sector Policy of 2015	<p>The overall objective of the national Health Sector Policy of 2015 is to ensure universal of equitable and affordable quality health services (preventative, curative, rehabilitative and promotional services) for all Rwandans. The policy recognizes the importance of strengthening coordination with several development sectors (agriculture, education, social protection) in the fight against malnutrition.</p>	<p>PSAC will provide workers with PPE, facilities for a safe and clean environment to eat and change, sanitation facilities, and first aid kits at workplace</p>
	The National Strategy for Transformation (NST) (2019)	<p>Rwanda's medium term development implementation framework followed a phase 5year Economic Development and Poverty reduction Strategy (EDPRS) that started in 2008 -2012 as phase 1 and 2013-2018 as phase 2. The EDPRS framework ran parallel to the 7 Government Programme but was out of phase by 2 years. A new 7-year framework that merges the 2 frameworks known as the National Strategy for Transformation (NST) has been adopted with the phase 1 running from 2019 to 2024 as NST-1. NST-1 lays out Priority 7 as "Sustainable Management of Natural Resources and Environment to Transition Rwanda towards a Carbon Neutral Economy". The carbon neutral transformation priority includes increased sustainability and profitability of forestry management, increased sustainability of land use systems, integrated water resource management and accelerated growth in Green Innovation.</p>	<p>NST1 requires sub-project to consider principles that complement ESF including Assessment of environmental risks and impacts for development projects.</p>

3.4 RELEVANT RWANDA LEGISLATION

3.4.1 Relevant Rwanda legislation

Table 3-2 below discusses the relevant Rwanda legislation, their interpretation and relevance to the PSAC Project. On implementation, PSAC must recognize the requirements of these acts.

Table 3-2 Relevant Rwanda legislation.

No.	LEGISLATION	INTERPRETATION	RELEVANCE TO PSAC
	National Environment Law	<p>Chapter IV of Title III of the Organic Law n° 04/2005 of 08/04/2005 determining the modalities of protection, conservation and promotion of environment in Rwanda regulate the Environmental impact Assessments. In its Article 67, every project shall be subjected to environmental impact assessment, before obtaining authorization for its implementation. This applies to programmes and policies that may affect the environment.</p> <p>Article 68 specifies the main points that an Environmental Impact Assessment must include. Article 69 stipulates that the environmental impact assessment shall be examined and approved by the Rwanda Environmental Management Authority (REMA) or any other person given a written authorization by the Authority. The environment impact assessment shall be carried out at the expense of the promoter. Article 70 states that an order of the Minister having environment in his attributions establishes the list of projects for which the public administration shall not warrant any authorization without an Environmental Impact Assessment describing direct and indirect consequences of the project to the environment.</p> <p>Under Title VI of this Organic Law, Article 81 stipulates that the following activities are prohibited:</p> <ul style="list-style-type: none"> • Dumping or disposal of any solid, liquid waste or hazardous gaseous Substances in a stream, river, lake and in their surroundings. • Damaging the quality of air and of the surface or underground water. • Non authorized bush burning. • Smoking in public and in any other place where many people meet. • Defecating or urinating in an inappropriate place. • Spitting, discarding mucus and other human waste in any place. 	PSAC project will be implemented along with impact assessment instruments developed in compliance with the provisions of the environmental law

No.	LEGISLATION	INTERPRETATION	RELEVANCE TO PSAC
		<p>For Article 87, it is prohibited to construct houses in wetlands (rivers, lakes, big or small swamps), in urban or rural areas, to build markets there, a sewage plant, a cemetery and any other buildings that may damage such a place in various ways. All buildings shall be constructed in a distance of at least twenty (20) meters away from the bank of the swamp. If it is considered necessary, construction of buildings intended for the promotion of tourism may be authorized by the Minister having environment in his or her attributions.</p> <p>It is also prohibited to carry out any activities, except those related to research and science, in reserved swamps. For the purpose of enforcement, Article 95 announces that anyone or association that does not carry out environmental impact assessment prior to launching any project that may have harmful effects on the environment is punished by suspension of his or her activities and closure of his or her association and without prejudice to be ordered to rehabilitate the damaged property, the environment, people and the property. Falsification and alteration of documents of environmental impact assessment is punished in the same manner as what is provided for in paragraph one of this Article.</p>	
	Law N°48/2018 on Environment	<p>Article 3: Precautionary principle - Activities considered or suspected to have negative impacts on environment must not be implemented pending results of a scientific assessment ruling out the potentiality of such impacts.</p>	<p>The law will apply to sub-projects involving construction activities that may have negative environmental and social impacts which will need EIA certification before any works start.</p>
	Law No. 43/2013 Governing Land in Rwanda (2013)	<p>The Land Law has been developed to determine the modalities of allocating, acquiring, transferring, using and managing land in Rwanda. Article 3 of the law reaffirms the States supreme power in management of land and the right to expropriate in the public interest. Under Article 6, any citizen can be granted freehold title, and as per Article 7, for an area up to 5 hectares. The Minister may allow for freehold titles in excess of 5 hectares.</p> <p>Article 10 notes that private individual land shall comprise land acquired either through customary or written law. Article 17 notes that in addition to freehold title, the right to land may be granted by the State in the form of emphyteutic lease (specifying that the lessee must improve the property with construction), for between 3 and 99 years, which can be renewed. Article 18 states that allocated or leased land shall be evidenced by a certificate of land registration issued by the registrar of land titles. Article 20 notes that registration of land is obligatory.</p>	<p>The land law will be applicable to PSAC where farmers in the project areas realizes a need to acquire land and provisions of this law will apply.</p>

No.	LEGISLATION	INTERPRETATION	RELEVANCE TO PSAC
		<p>In terms of land use consolidation, Article 30 notes that it is prohibited to subdivide agricultural land plots if this would result in a plot of less than 1 hectare. Owners of lands which are prohibited from subdivision should co-own and use the land. Article 34 notes that landowners have the right to exploit their land in accordance with the law, and freely own land, except in the case of expropriation in the public interest.</p>	
	National Water Law: Law n°62/2008 of 10/09/2008 putting in place the use, conservation, protection and management of water resources regulations	<p>This Law defines the applicable rules to the use, conservation, protection and management of water resources. The law further defines water reserves, public water domain of the State in the districts, natural public water domain and provides modalities of compensation for damage to a water resource and penalty on water polluting</p>	<p>The project contractors will carry out the construction of the civil works while observing the applicable rules to the use, conservation, protection and management of water resources. In case the water utility services are to be relocated or damaged, the contractor will be responsible for expenses for relocation by the utility providers and compensation</p>
	Law No. 32/2015 Relating to Expropriation in the Public Interest	<p>Article 2 defines expropriation in the public interest and fair compensation. Article 3 notes that, 'No person shall hinder the implementation of the program of expropriation in the public interest on pretext of self-centred interests.' Though Article 17 requires the publication of a decision on expropriation with a list of holders of rights registered on land titles and property incorporated on land,</p> <p>Articles 22,23, 25 and 28 deal with valuation of the property, while Article 27 reaffirms that compensation for land must include any improvements on the land and compensation for disruption associated with expropriation.</p> <p>In terms of payment of compensation, Article 35 notes that, 'fair compensation can be paid in monetary form, Article 36 notes that compensation must be paid within 120 days of approval by the Ministry, or otherwise becomes null and void, unless mutually agreed otherwise. After payment, the affected person has a further 120 days to relocate. In this time, they should not plant any crops that would take more than 120 days of growth before harvesting.</p>	<p>The law will apply to sub-projects whose activities will entail resettlement and compensation guided by RPF document, detailing the modalities of resettlement and compensation.</p>
	Law n° 28/2016 on the preservation of cultural heritage and traditional knowledge	<p>Defines tangible cultural heritage, provides classification criteria, organs in charge of classification and stresses on the preservation of cultural heritage and traditional knowledge</p>	<p>The project will protect and preserve the historical area, building, visual representation, and monuments showing artistic talent.</p>
	Law N° 30/2012 of 01/08/23012 On	<p>This Law governs the manufacturing, importing, distribution, use, storage, sale and disposal and burial of agrochemicals for the protection of human and animal health and the environment, to avoid injury and contamination which may result from their use.</p>	<p>This Act will be relevant in PSAC activities by facilitating training of farmers to strictly adhere to the approved use of agrochemicals and safe disposal</p>

No.	LEGISLATION	INTERPRETATION	RELEVANCE TO PSAC
	Governing of Agrochemicals Ministerial Order No. 001/2006 Determining the Structure of Lands (2006)	<p>The Ministry of Agriculture and Animal Resources (MINAGRI) has the responsibility for its implementation.</p> <p>This ministerial order determines the structure of Land Registers, and the responsibilities and functions of the District Land Bureau. The responsibilities of the land bureau include among others to implement land registration, keep land registers, monitor and approve activities pertaining to valuation of land and property, and demarcate and approve land cadastral maps. Rural populations with customary land rights are being encouraged to register their land through these institutions.</p>	thereof to preserve the environment
	Wetlands Law: Prime Minister's order No 006/03 of 30/01/2017	<p>Wetlands (and lakes) are protected by levels of exploitation published in a list of swamp lands, their characteristics and boundaries and determining modalities of their use, development and management. The order prescribes three management levels for specific lakes and wetlands: "Full Protection"; "Use under Specific Conditions" and "Use without Specific Conditions"</p>	The project will consider the environmental management instruments in place which among other things, determine the legal management level prescriptions of wetlands and/or lakes that may be affected by sub-project works and recommend mitigation measures.
	Forest Law: Law Nº47bis/2013 of 28/06/2013 determining the management and utilization of forests in Rwanda	<p>The law provides modalities of protecting the State forests and isolated trees. The law also stresses on planting trees in urban areas and on roadsides, protection and conservation of protected trees</p>	The project contractors will record the number of trees to be cut and get an approval from the districts. Trees cut will be planted, upon completion of civil works, in urban areas and on roadsides for protection and beautification purposes.
	Law no 66/2018 regulating labour in Rwanda	<p>Stipulates several provisions for employment contract, Occupational Health and Safety (OHS) and general working conditions.</p>	The law will apply to sub-projects that will entail employment of workers to ensure their health and safety. Any form of sexual harassment will be prohibited. Contractors will conclude an employment contract with workers and paid their salary as agreed by two parties. The project will put in place mechanisms and strategies to prevent and / or report any work- related accident or death of a staff/worker in accordance with established modalities.

3.4.2 Relevant Statutory Instruments (SI)

Several regulations have been enacted to support the implementation of the main Acts. Table 3-3 below discuss the subsidiary legislation which supports the legislation in table 3-2. These are the regulations which give teeth to the legislation and on implementation, PSAC must recognize the requirements of these regulations.

Table 3-3 Relevant Statutory Instruments (SI).

No.	STATUTORY INSTRUMENT	INTERPRETATION	RELEVANCE TO PSAC
	Ministerial order N° 003/2008 relating to the requirements and procedure for EIA	Provides roles and responsibilities of all participants in the EIA process and a General Guidelines and Procedure for Environmental Impact Assessment-by step guide of the procced	The order will apply to sub-projects involving construction activities that may have negative environmental and social impacts in the preparation of EIAs according to Rwandan law.
	Ministerial Order No. 002/2008 Determining Modalities of Land Registration (2008)	<p>The Ministerial Order includes dispute resolution procedures in relation to land registration, including the use of a Cell Land Adjudication Committee (LAC). The LACs are comprised of five members, supplemented by five members of the particular village (imidugudu) where demarcation and adjudication is taking place. The cell executive secretary acts as the LAC secretary, although he or she has no voting rights.</p> <p>Article 17 grants parties to a dispute the right to take that dispute to the LAC. Where disputes are resolved with the assistance of the LAC, the parties are bound by that agreement, and may not later raise the issue. Article 20 provides procedures for the LAC when hearing disputes, including that the hearing is open to the public and announced eight days in advance.</p>	In the instance where there is a land dispute during the project implementation the Ministerial order will provide guidance
	Ministerial order N° 003/2008 of 15/08/2008 relating to the requirements and procedure for environmental impact Assessment (EIA)	Article 1 (1) stipulates that Environmental Impact study is a systematic way of identifying environmental, social and economic impacts of a project before a decision of its acceptance is made. In Article 3, the developer submits an official application which includes a project brief of the proposed project to the authority. Article 4 specifies that within thirty (30) calendar days after receipt of the project brief and after its analysis, the Authority shall submit the Terms of reference to the developer for the Environmental impact study.	The implementation of PSAC is preceded by the Environmental Impact study which is a systematic way of identifying environmental, social and economic impacts of a project to inform a decision-making process
	Ministerial order N°004/2008 of 15/08/2008 establishing the list of works, activities	Article 2 and the appendix of this Order specify the works, activities and projects that have to undertake an environmental impact assessment before being granted permission to commence.	The present project has adhered to this order by listing works, activities that the project is going to do

No.	STATUTORY INSTRUMENT	INTERPRETATION	RELEVANCE TO PSAC
	and projects that have to undertake an environment impact assessment		

3.5 INTERNATIONAL CONVENTIONS AND TREATIES

Rwanda is a signatory and party to international, conventions, treaties, and protocols, the following listed in table 3-4 are relevant to the implementation of PSAC.

Table 3-4 Overview of the relevant International Conventions and Treaties.

No.	INTERNATIONAL CONVENTIONS	INTERPRETATION	RELAVANCE TO PSAC
	<u>Convention on Biological Diversity (CBD1992)</u>	Aims to conserve biological diversity, promote the sustainable use of the components of biological diversity, and ensure fair and equitable sharing of the benefits arising out of the utilization of genetic resources.	Schemes may require the clearing of vegetation but also may affect aquatic ecology if environmental flow if not maintained.
	<u>Cartagena Protocol on Biosafety to the Convention on Biological Diversity</u>	Aims to ensure the safe handling, transport and use of living modified organisms (LMOs) resulting from modern biotechnology that may have adverse effects on biological diversity, taking also into account risks to human health.	Will be relevant in instance where modified seed is to be used on the schemes.
	<u>The Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization</u>	A supplementary agreement to the Convention on Biological Diversity which provides a legal framework for the effective implementation of the fair and equitable sharing of benefits arising out of the utilization of genetic resources. The Protocol addresses traditional knowledge associated with genetic resources with provisions on access, benefit-sharing and compliance. It also addresses genetic resources where indigenous and local communities have the established right to grant access to them.	May be relevant if traditional legumes are to be replaced by cash crops, and where plants traditionally used for medical or cultural practices may be destroyed due to conversion of wetlands or Catchments.
	<u>Convention on the Conservation of Migratory</u>	A framework convention which provides a global platform for the conservation and sustainable use of migratory animals and their habitats.	Project activities will affect marshlands/wetlands where migratory fowl frequent, across

No.	INTERNATIONAL CONVENTIONS	INTERPRETATION	RELAVANCE TO PSAC
	Species of Wild Animals (CMS)		wetlands
	UN Framework Convention on Climate Change (UNFCCC)	Provides a framework for international cooperation to combat climate change by limiting average global temperature increases and the resulting climate change and coping with its impacts.	PSAC focusses on sustainable agro value chains and requires a climate risk assessment to be undertaken in order to guide detailed sub-project designs in coping with climate-related impacts on livelihoods
	Paris Agreement to the UNFCCC (2015)	Seeks to accelerate and intensify the actions and investment needed for a sustainable low carbon future. Its central aim is to strengthen the global response to the threat of climate change by keeping a global temperature rise this century well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius. The Agreement also aims to strengthen the ability of countries to deal with the impacts of climate change	PSAC focusses on sustainable agro value chains and requires a climate risk assessment to be undertaken in order to guide detailed sub-project designs in coping with climate-related impacts on livelihoods
	United Nations Convention to Combat Desertification (UNCCD, 1994)	Aims to combat desertification and mitigate the effects of drought in countries experiencing serious drought and/or desertification, particularly in Africa, through effective action at all levels, supported by international cooperation and partnership arrangements. It specifically addresses the arid, semi-arid and dry sub-humid areas, known as the drylands, where some of the most vulnerable ecosystems and peoples can be found.	PSAC focuses on smart agricultural productivity with a view to minimize incidents of poor resource management.
	The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal (the Basel Convention, 1989)	Designed to reduce the movements of hazardous waste between nations, and specifically to prevent transfer of hazardous waste from developed to less developed countries (LDCs). It does not, however, address the movement of radioactive waste. Also intended to minimize the amount and toxicity of wastes generated, to ensure their environmentally sound management as closely as possible to the source of generation, and to assist LDCs in environmentally sound management of the hazardous and other wastes they generate.	PSAC subscribes to provisions that assist in the management of hazardous and other wastes – in this case it applies to the disposal of expired agrochemicals and their containers.
	The Rotterdam Convention (formally, the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade)	Promotes shared responsibilities in relation to importation of hazardous chemicals. The convention promotes open exchange of information and calls on exporters of hazardous chemicals to use proper labelling, include directions on safe handling, and inform purchasers of any known restrictions or bans. Signatory nations can decide whether to allow or ban the importation of chemicals listed in the treaty, and exporting countries are obliged to make sure that producers within their jurisdiction comply.	Agrochemicals used on the schemes must be those that are registered with, and approved by, the MINAGRI and properly labelled for safe handling, disposal, etc. In addition, farmers must be trained on the hazards of these agrochemicals and how to store, handle and use them.

No.	INTERNATIONAL CONVENTIONS	INTERPRETATION	RELAVANCE TO PSAC
	Convention concerning the Protection of the World Cultural and Natural Heritage (World Heritage Convention, 1972)	Requires state parties to recognize that the duty of ensuring the identification, protection, conservation, presentation and transmission to future generations of the cultural and natural heritage situated on its territory, belongs primarily to that State. It will do all it can to this end, to the utmost of its own resources and, where appropriate, with any international assistance and co-operation, in particular, financial, artistic, scientific and technical, which it may be able to obtain.	Rwanda has a number of UNESCO World Heritage Sites. However, the Project will have no interaction with these. As such, requirements under the convention will not be triggered
	Stockholm Convention on Persistent Organic Pollutants (1992)	Aims to eliminate or restrict the production and use of persistent organic pollutants (POPs).	Agrochemicals used in PSAC schemes must be those that are registered with and approved by MINAGRI.
	Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) (Washington Convention, 1975).	Aims to protect endangered plants and animals and to ensure that international trade in specimens of wild animals and plants does not threaten the survival of the species in the wild. It accords varying degrees of protection to more than 35,000 species of animals and plants.	PSAC schemes' proximity to the Akagera National Park may indirectly encourage poaching and trade in endangered species.
	The Bamako Convention on the ban on the Import into Africa and the Control of Transboundary Movement and Management of Hazardous Wastes within Africa (Bamako Convention, 1991).	Prohibits the import of any hazardous Relevant in the event that expired (including radioactive) waste into Africa agrochemicals and their containers are taken to other countries for disposal.	PSAC will ensure that environment is well protected against hazardous wastes by adopting safe environmental instruments and extending the same to project beneficiaries and stakeholders

3.6 GAP ANALYSIS OF LEGISLATION

The following is a gap analysis between the IFAD SECAP and Rwanda Legislation.

3.6.1 Project Classification

The Rwanda legislation classifies projects and activities into three categories which are IL1, IL2 and IL3 Categories as outlined in table 3-5 below. On the other hand, IFAD classifies projects into three categories as “high, substantial, moderate and low” Categories. They are outlined in table 3-5 below:

Table 3-5 Comparison of Rwanda and IFAD Classification.

NO.	RWANDA CLASSIFICATION	IFAD CLASSIFICATION
	<p>IL1: Projects believed to have minimal adverse impacts, that can easily be identified through a Project Brief and not requiring further environmental analysis. IL1 project are exempt.</p> <p>IL2: Projects believed to have adverse, but not irreversible environmental impacts and for which mitigation and management measures can be readily designed and incorporated into the project.</p> <p>IL 3: Projects for which it is evident that there will be significant and adverse environmental impacts whose mitigation measures cannot readily be prescribed, and thus, must undergo through a complete EIA process.</p>	<p>High Risk Category: A proposed project is classified as High-risk Category, if it is likely to have sensitive, diverse, irreversible or unprecedented significant adverse environmental and social impacts. These impacts may affect an area broader than the sites or facilities subject to physical works.</p> <p>Substantial Risk Category: A proposed project is classified as Substantial risk Category, if its potential adverse environmental and social impacts on human populations or environmentally important areas – including wetlands, forests, grasslands and other natural habitats – are less adverse than those of the High-Risk category projects. These impacts are site – specific, temporary, predictable, few if any of them are irreversible; and in most cases mitigatory measures can be designed more readily than for High-Risk category projects.</p> <p>Moderate Risk Category: A proposed project is classified as Moderate risk Category if the potential adverse risks and impacts on human populations or the environment are not likely to be significant. This may be because the project is not complex or large, does not involve activities with high potential for harming people or the environment, and is located away from environmentally or socially sensitive areas. The potential risks and impacts are predictable, temporary, reversible, Low in magnitude, Site-specific, and can be easily mitigated in a predictable manner.</p> <p>Low Risk: A project should be classified as Low Risk if it will have negligible or no environmental or social implications. Such projects include technical assistance grants for agricultural research and training, Health, Nutrition, Education and Capacity- and institution building.</p>

IFAD requires that all its projects be screened for their potential environmental and social impacts to determine the appropriate extent and type of environmental work. It then requires that the requisite environmental assessment work be carried out based on these screening results.

3.6.2 Environmental and Social Assessment Procedures

While Rwanda's EA procedures are generally consistent with the IFAD policies, there are some gaps regarding the screening of subprojects where the sites and potential adverse localized impacts cannot be identified prior to the appraisal of the project. Therefore, under the RW-PSAC the environmental and social screening processes as described in this report will be used. Table 3-6 describes the gap analysis and comparison of IFAD and Rwanda environmental and social assessment procedures.

Table 3-6 Comparison between IFAD and Rwanda ESA Procedures.

REQUIREMENT OR CATEGORY	IFAD SECAP AND OTHER POLICIES	GoR Policy	COMMENTS
EIA process	EA is initiated as early as possible in project processing and is integrated closely with the economic, financial, institutional, social, & technical analyses of all proposed projects.	As provided for in Article 67 of the Organic Law, a project cannot receive authorization for implementation unless issued with a certificate stating that an EIA is not required or, basing on an EIA report, REMA has approved the project.	EIA should be initiated as early as possible in project processing to inform design of all projects (Appendix 3)

a) Screening Criteria

The IFAD requires that all its projects are screened for their potential environmental and social impacts to determine the appropriate extent and type of environmental and social work. The screening requirements are compared in table 3-7 below.

Table 3-7 Comparison of Screening Criteria Requirements.

Subject/Issue	IFAD SECAP and Other Policies	GoR Policy	Solution/mitigation
Use of ESCMF	ESCMF used for screening of subprojects where the sites and potential adverse localized impacts cannot be identified prior to the appraisal of the project.	No Provision for screening of subprojects where the sites and potential adverse localized impacts cannot be identified prior to the appraisal of the project.	PSAC-Rwanda will use the environmental and social screening process as described in this ESCMF.
Environmental and Social Screening High Risk Category / Prescribed list A,	<p>The programme/project may have significant environmental and social implications that are sensitive, adverse, irreversible or unprecedented and affect an area broader than the sites or facilities subject to physical interventions.</p> <p>Relevant Project Type and Scale:</p> <p>Irrigation projects exceeding 100ha</p> <p>SECAP's Guidance Statement #8 on Small Dams categorises dams and reservoirs having a dam wall > 5m or reservoir volumes of > 50 000 m³ as High-Risk Category (requiring full ESIA).</p>	<p>Rwanda EIA guidelines define 3 Impact Level (IL) categories that are determined through the screening process:</p> <p>IL 3: Projects for which it is evident that there will be significant and adverse environmental impacts whose mitigation measures cannot readily be prescribed, and thus, must undergo through a complete EIA process.</p>	<p>Impact Level 3 (IL-3) projects require the Environmental Impact Study where potential impacts of a project and their magnitude are identified</p>

	Requirements: For High-Risk Category projects a formal ESIA, RAP and/or IPMP, as applicable, are required with ESMP elaboration.		
Environmental and Social Screening Substantial Risk Category / Prescribed list B,	<p>The project may have some environmental and social impacts on human populations or environmentally significant areas, but which are site-specific and less adverse than High Risk Category.</p> <p>SECAP categorises small scale irrigation projects as Substantial Category but does not define "small scale" as being below a given area of land to be irrigated. Professional judgement is therefore used to determine the categorisation which can be influenced by proximity to environmentally or ecologically sensitive areas, or other social, cultural or socio-economic considerations</p> <p>SECAP's Guidance Statement #8 on Small Dams categorises dams and reservoirs having a dam wall ≤ 5m high wall or reservoirs having a volume of ≤ 50 000 m³ as Substantial Category (requiring a Preliminary ESIA or ESMP)</p> <p>Requirements: <i>While no formal ESIA is required, environmental analysis will be undertaken in the course of project implementation. This can be in the form of an ESMP which may be a stand-alone document or an output from environmental analysis</i></p>	<p>IL2: Projects believed to have adverse, but not irreversible environmental impacts and for which mitigation and management measures can be readily designed and incorporated into the project.</p>	<p>EIA is mandatory in this level to identify environmental impacts of the project and their magnitude.</p> <p>.</p>
Environmental and Social Screening "Moderate" Risk Category / Non - Prescribed	<p>The project will have negligible environmental and social implications.</p> <p>Requirements: <i>No further environmental analysis is specifically required.</i></p>	<p>IL1: Projects believed to have minimal adverse impacts, that can easily be identified through a Project Brief and not requiring further environmental analysis.</p> <p>IL1 project are exempt;</p>	<p>In both regulations there is no demand for ESIA.</p>

b) Climate Risk Classification

Climate Risk Classification is discussed in table 3-8 below.

Table 3-8 Climate Risk Classification.

REQUIREMENT OR CATEGORY	IFAD SECAP AND OTHER POLICIES	GoR Policy	COMMENTS
Climate Risk Classification	SECAP provides a Climate Risk Classification methodology which specifies that projects that have high	The Rwanda EIA guidelines do not have a climate risk classification methodology.	Climate risk analysis not yet a requirement at National level but it is essential to meet IFAD

	<p>vulnerability to climate risk are for example: those that promote agricultural activity on marginal and/or highly degraded areas; projects that establish infrastructure in areas with a track record of extreme weather events; and projects in areas in which rural development projects have experienced weather-related losses and damages in the past. IFAD requires that projects classified as high risk undertake an in-depth climate risk analysis. Examples of medium risk projects include projects that make use of climate-sensitive resources, but do not focus on these resources as a main commodity (such as irrigation projects); projects which invest in infrastructure not directly exposed to extreme weather events but have potential to become more resilient through adaptation of green technologies; and projects which focus on institutional development and capacity building for rural institutions in climatically heterogeneous areas, where opportunities exist to strengthen indigenous climate risk management capabilities. Low risk projects are those that are not likely to be vulnerable to climate risks (e.g., development of a micro-finance institution). Projects under PSAC are therefore considered to lie within the high and medium climate risk category.</p> <p>Requirement: <i>For High-Risk projects an in-depth analysis of climate risks is required</i></p>	<p>However, Rwanda's guidelines for Strategic Environmental Assessment suggests climate risk analysis during the analytical development of qualitative profile of areas affected by a policy, programme or plan.</p>	<p>requirements, and therefore must be conducted.</p>
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c) Disclosure Requirements,

Table 3-9, below gives a comparison of the disclosure requirements:

Table 3-9 Comparison of disclosure Requirements.

Subject/Issue	IFAD SECAP and Other Policies	GoR Policy	Solution/mitigation
Disclosure	IFAD's Policy on the Disclosure of Documents (2010) requires full disclosure to the public and includes information notes on projects being developed for Board presentation, agreements for approved loans and grants, and project/programme design documents which include ESIAs, ESCMFs, RAPs and RAFs.	REMA, in consultation with the lead agency determines whether or not a public hearing is necessary based on the submitted project brief of the proposed development. REMA arranges and facilitates at least 3 public consultations on the final report from which justified objections	Rwanda Legislation will be applied as far as is possible. Where there are gaps the provisions of SECAP will apply Upon completion of ESA reports, these must be: <ul style="list-style-type: none">• circulated for written comments from the various agencies and government agencies.

		my result in the refusal to proceed.	<ul style="list-style-type: none"> notify the public of the place and time for its review; and solicit oral or written comments from those affected.
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d) The Framework Approach

The Rwanda Laws do not provide for the Framework Approach (ESCMF and RPF) but rather only, specific instruments (ESIA, ESMP, Environmental Audits). This ESCMF prepared for RW-PSAC in line with SECAP will guide the preparation of the specific instruments; Table 3-10 summarises the comparison of the Framework Approach Requirements.

Table 3-10 Comparison of the Framework Approach Requirements.

Subject/Issue	IFAD SECAP and Other Policies	GoR Policy	Solution/mitigation
the Framework Approach	IFAD requires an ESCMF, RPF, etc. for projects whose location and design of the Program activities and subprojects, and the magnitude of their impacts are not precisely known at project appraisal stage	Rwanda Legislation, Organic Law (Article 67) requires that projects, programmes and policies that may affect the environment shall be subjected to environmental impact assessment before obtaining authorisation for implementation. Article 69 gives REMA legal authority to oversee the conduct of EIA	This ESCMF prepared for RW-PSAC in line with SECAP will guide the preparation of the specific instruments for the sub-projects as and when deemed necessary.

e) Specific Instruments

Specific instruments include ESIA's ESCMPs, etc. The table 3-11 below gives a comparison of the requirements for specific instruments:

Table 3-11 Comparison of specific Instruments Requirements.

Subject/Issue	IFAD SECAP and Other Policies	GoR Policy	Solution/mitigation
Specific Instruments: e.g., Environmental, Social and Climate Management Plans (ESMPs)	ESMPs are required for each set of activities (e.g., subprojects) that may require specific mitigation, monitoring and institutional measures to be taken during implementation	Rwanda Legislation, Organic Law (Article 67) requires that projects, programmes and policies that may affect the environment shall be subjected to environmental impact assessment before obtaining authorisation for implementation. Article 69 gives REMA legal authority to oversee the conduct of EIA	ESMPs will be prepared for each subproject to be financed under PSAC and will include specific mitigation, monitoring and institutional measures to be taken during implementation

f) Public Consultation Requirement

The table 3-12 below gives a comparison of the requirements for public consultation Requirements.

Table 3-12 Comparison of public consultation Requirements.

Subject/Issue	IFAD SECAP and Other Policies	GoR Policy	Solution/mitigation
<i>Public Consultation</i>	<p>SECAP emphasises the need for greater consultation by communities (especially the marginalized poor) and stakeholders that are likely to be affected by IFAD's Operations during the respective programme/project cycle, in order to provide input to the project design, receive feedback on the draft ESIA report, ensure broad community support to the project, and to ensure that affected people endorse the proposed mitigation/risk reduction and management measures. In addition to public consultations, SECAP requires FPIC for all projects that are likely to affect land or user rights to land, whether or not the affected people belong to indigenous groups or minorities.</p> <p>Affected persons/communities are provided timely and relevant information and informed about their options and rights. Consultation with customary landowners and affected persons is essential and may require their participation in a Social Assessment.</p>	<p>Rwanda's National Land Policy of 2004 in reference to the constitutional principle of equality of all citizens, states that all Rwandans enjoy the same rights of access to land without any discrimination whatsoever.</p> <p>The policy elaborates the principle by stipulating that woman, married or not, should not be excluded from the process of land access, land acquisition and land control, and female descendants should not be excluded from the process of family land inheritance.</p> <p>Moreover Article 3 of Organic Law No. 08/2005 of 2005 determining the use and management of land in Rwanda stipulates that state also has rights to expropriation due to public interest, settlement and general land management through procedures provided by law and prior to appropriate compensation.</p>	<p>Consultation Process in this ESCMF will guide the consultations for the project.</p> <p>Identification of affected persons must consider vulnerable persons (disabled, women, youth, etc.).</p> <p>Notification periods should allow adequate time to salvage property being removed for the project (i.e., two weeks prior to any construction activity).</p>

g) Health And Labour Safety Requirements

Sections 77 to 79 of Rwandan law of labour 2018 deals with occupational health and safety where employers are required to ensure the health, safety, and welfare in the workplace for employees. The law includes measures relating to OHS for protecting workers from injuries, illness or impacts associated with exposure to hazards encountered in the workplace during work. The OHS measures include provision of PPE, awareness raising, trainings and guidance on how to prevent accidents at workplace. Related issues are explicitly included in the SECAP, as part of the environmental and social management. The table 3-13 below gives a comparison of health and labour safety requirements.

Table 3-13 Comparison of health and labour safety requirements.

Subject/Issue	IFAD SECAP and Other Policies	GoR Policy	Solution/mitigation
health and labour safety	SECAP provides for Environmental Health and Safety, including all issues related to labour influx and sexual harassment.	Sections 77 to 79 of Rwandan law of labour 2018 deals with occupational health and safety where employers are required to ensure the health, safety and welfare	Rwanda Legislation will be applied as far as is possible. Where there are gaps the provisions of SECAP will apply.

	<p>in the workplace for employees. The law includes measures relating to OHS for protecting workers from injuries, illness or impacts associated with exposure to hazards encountered in the work place during work. The OHS measures include provision of PPE, awareness raising, trainings and guidance on how to prevent accidents at workplace.</p> <p>Other articles 82 and 119 Require employer to inform the management of the social security and to the Inspectorate of labour where the enterprise is located, occupational accident, disease or death in accordance with relevant Laws</p>	
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h) Physical Cultural Resources

Although the chances of affecting any Physical Cultural Resources is small, the policy was triggered as a precautionary measure for any chance finds of ancient relicts. Thus, an Archaeological Chance Finds Procedure is included in the ESCMF to address that possibility of archaeological deposits, finds and features becoming exposed during refurbishments. Table 3-14 below gives a comparison of the Physical Cultural Resources Requirements

Table 3-14 Comparison of Physical Cultural Resources Requirements.

Subject/Issue	IFAD SECAP and Other Policies	GoR Policy	Solution/mitigation
Physical Cultural Resources and chance finds procedures	In cases where physical cultural resources are found, IFAD assists borrowers in avoiding, minimising or mitigating adverse impacts on PCR in the development programmes/projects that it finances. Due diligence is carried out through applying SECAP to ensure that PCR are properly identified and adequately addressed and that any measures to protect PCR comply with the borrower's national legislation as well as with its obligations under relevant international treaties and agreements. SECAP prescribes general steps for programmes/ projects that apply in cases involving PCR: screening; collecting data; assessing impacts; and formulating mitigating measures.	EIA guidelines indicate criteria for EIA compliance requirements to include location and potential to affect environmentally sensitive areas including National Parks and Protected Areas, wetlands, productive agricultural land, important archaeological, historical and cultural site and areas containing rare or endangered flora or fauna.	Rwanda Legislation will be applied as far as is possible. Where there are gaps the provisions of SECAP will apply

i) Grievance Mechanisms

Table 3-15 below gives a comparison of the Grievance Mechanisms.

Table 3-15 Grievance Mechanisms.

Subject/Issue	IFAD SECAP and Other Policies	GoR Policy	Solution/mitigation
Grievance Mechanisms	<p>IFAD has developed a Complaints Procedure for "Alleged Non-Compliance with its Social and Environmental Policies and Mandatory Aspects of Its Social Environmental and Climate Assessment Procedures". Parties adversely or potentially adversely affected by IFAD-funded projects and programmes may bring issues to the Fund's attention using SECAPcomplaints@ifad.org</p> <p><i>Any Sexual Exploitation and Abuse (SEA) complaints received shall be directed to IFAD's Ethics Office</i></p> <p>Complaints must be put forward by at least two people who are both nationals of the country concerned and/or living in the project area. Complaints from foreign locations or anonymous complaints will not be taken into account. Complaints must concern projects/programmes currently under design or implementation. Complaints concerning closed projects, or those that are more than 95 per cent disbursed, will not be considered. IFAD does not provide monetary compensation to resolve complaints. The IFAD website provides a clear summary of the steps involved and guidance on how to report issues</p>	<p>Article 19 of the national Expropriation Law provides for an application to revoke a public interest expropriation within 15 days of publication and that a decision must be provided within 30 days of receipt of the application. Further, Articles 33 and 34 provide for contestation of valuation results for land and property by the person to be expropriated with 7 days of the approval of a valuation report at own cost and that the contestant should provide a counter valuation report within 10 days of application.</p> <p>It is common practice in development projects that grievance mechanisms are formulated during project design for all stages of the project in order that affected parties present grievances to the project authorities without cost and with assurance of satisfactory and timely solutions. They commonly include institution of a grievance resolution committee and its working procedures as well as grievance logging and monitoring systems.</p>	<p>IFAD has an established Grievance redress mechanism (GRM) this could compliment Rwanda Legislation</p>

j) Compensation and Resettlement

The Constitution recognizes ownership of property and every person's right to private property (Article 34). Consequently, private property, whether individually or collectively owned, is inviolable. Exceptionally, the right to property may be overruled in the case of public interest. In these cases, circumstances and procedures are determined by the law and subject to fair and prior compensation (Article 34). Article 35 stipulates that private ownership of land and other rights related to land are granted by the State. The constitution provides that a law should be in place to specify modalities of acquisition, transfer and use of land. while IFAD SECAP policies require the need to provide alternative land, resettling the Project Affected Persons (PAPs) to levels or standards of livelihood similar to or better than before compensation. The Rwanda legislation also does not provide for restoration of livelihoods, resettlement assistance and compensation at replacement value. Under circumstances like

these regarding shortcomings in the Rwanda law on compensation process, the provisions of SECAP shall be applied. Table 3-16 below gives a comparison of the Involuntary Resettlement Requirements.

Table 3-16 Comparison of Involuntary Resettlement Requirements.

Subject/Issue	IFAD SECAP and Other Policies	GoR Policy	Solution/mitigation
Involuntary Resettlement	Involuntary resettlement should be avoided wherever feasible, or minimized, exploring all viable alternative project designs.	Rwandan legislation make provision for involuntary resettlement Law No. 08/2005 of 2005. while Expropriation is implemented under Law No. 32-2015	The project design will seek to avoid physical and economic displacement. Where such impacts cannot be avoided, best efforts will be made to minimize impacts through design review. Acquisition of land will only be pursued once all viable alternatives have been considered.
	Displaced persons should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs.	Rwanda legislation provides for public notification of the intention to take land and allows for objections to be lodged.	Affected persons will be meaningfully consulted throughout the preparation of implementation of resettlement plans. Any severely affected persons will be consulted on the development of mitigation measures for relocation or livelihood restoration.
	Affected land and non-land property is required to be compensated at full replacement cost.	Rwanda legislation provides for terms of payment of compensation, Article 35 notes that, 'fair compensation can be paid in monetary form, Article 39 allows for payment of compensation in-kind as opposed to cash.	Compensation will be provided at full replacement cost. For land, compensation will be based on market value plus transaction costs. For structures, compensation will be sufficient to replace the affected structure without depreciation plus the cost of any transaction costs such as registration fees. For non-land property that can be feasibly moved, assistance will be provided to restore the affected property.
	WHO IS ELIGIBLE: IFAD requires compensation/ assistance to informal land users & illegal occupants ("squatters and encroachers")	Rwanda Legislation does not recognize illegal settlers.	The provisions of SECAP shall be applied where there are short comings in the Rwanda legislation.
	VALUATION: IFAD requires compensation equal or better than replacement value of land/assets	Rwanda legislation make a provision for fair compensation	The provisions of SECAP shall be applied where there are short comings in the Rwanda legislation.
	BEYOND COMPENSATION: IFAD requires assistance for restoration of livelihoods (not worse off as result of project)	There is no provision for beyond compensation restoration of livelihoods.	The provisions of SECAP shall be applied where there are short comings in the Rwanda legislation.
TIMING: IFAD requires compensation/assistance provided in full prior to beginning implementation of works	No provision for compensation/assistance in full prior to implementation of works		The provisions of SECAP shall be applied where there are short comings in the Rwanda legislation.

The IFAD procedures and the Rwanda legislation are basically similar. However, while Rwanda's EA procedures are generally consistent with IFAD's policies, there exists a gap regarding the screening of small-scale subprojects where the sites and potential adverse localized impacts cannot be identified prior to the appraisal of the project. Also, GoR policies do not specifically provide for climate risk categorisation, and FPIC and livelihood restoration where physical and economic displacement may occur. Therefore, Rwanda- PSAC will use the environmental and social screening process as described in this report.

3.7 IFAD SECAP AND POLICIES

IFAD is one of the largest sources of development financing for agriculture and rural development in developing countries. In line with the Sustainable Development Goals (SDGs) and other international relevant agreements IFAD's core mandate is to support the social and economic empowerment of poor rural women and men. As such, it is opposed to any investment that will have a negative impact on its target groups. In respect to the overall goal of environmental and economic sustainability, IFAD is committed to take a proactive and innovative approach to promote projects and initiatives that are specifically designed to deliver significant environmental, social and climate adaptation and mitigation benefits.

RW - PSAC has been designed and informed by IFAD's Climate Change Strategy, Environment and Natural Resources Management (ENRM) Policy, Indigenous Peoples Policy, Gender and Targeting Policy and Land Policy. The Programme has also been designed in compliance with IFAD's guidelines on Social, Environmental and Climate Assessment Procedures (SECAP). To ensure an integrated approach to environmental and social management, the SECAP presents guidance statements. The following is a summary of the relevant pieces of policies.

3.7.1 IFAD Environment and Natural Resources Management (ENRM) Policy

Accelerating environmental degradation is eroding the natural asset base of poor rural people. Environmentally damaging agricultural and other economic activities the drivers of these challenges. The knowledge and technology exist to tackle these challenges and IFAD has years of experience helping poor rural communities manage their natural resources, but it has the potential to do a lot more (IFAD, 2011).

The goal of the ENRM policy is: "To enable poor rural people to escape from and remain out of poverty through more-productive and resilient livelihoods and ecosystems".

Its purpose is: "To integrate the sustainable management of natural assets across the activities of IFAD and its partners".

The policy sets out 10 core principles to guide IFAD's support for clients in ENRM. The principles include both the core issues to be addressed and suggested approaches (section II.A). In summary, IFAD will promote:

- (1) Scaled-up investment in multiple-benefit approaches for sustainable agricultural intensification,
- (2) Recognition and greater awareness of the economic, social, and cultural value of natural assets,
- (3) 'Climate-smart' approaches to rural development,

- (4) Greater attention to risk and resilience to manage environment and natural-resource-related shocks,
- (5) Engagement in value chains to drive green growth,
- (6) Improved governance of natural assets for poor rural people by strengthening land tenure and community-led empowerment,
- (7) Livelihood diversification to reduce vulnerability and build resilience for sustainable natural resource management.
- (8) Equality and empowerment for women and indigenous peoples in managing natural resources.
- (9) Increased access by poor rural communities to environment and climate finance; and
- (10) Environmental commitment through changing its own behaviour.

3.7.2 IFAD's Strategy and Action Plan on Environment and Climate Change (2019-2025)

The speed and intensity of climate change are outpacing the ability of poor rural people and societies to cope. The natural environment and climate change influence the lives of poor rural people in critical ways. Sustained agricultural productivity and economic success depend on reliable access to environmental goods and services, as well as the assets and capacities to withstand environmental and climate hazards and shocks.

IFAD has formulated this strategy in order to address environment and climate change issues across all its policies, strategies and operations. The main objective of the strategy is to enhance the resilience of smallholder farmers and rural communities to environmental degradation and climate change impacts.

Thus, IFAD is enhancing its approach to rural development in the context of increasing environmental threats, including climate change. As IFAD will continue to target its investments at the poorer and often most climate-change affected people – whose livelihoods depend largely on agriculture and natural resources – particularly at women as producers and indigenous people as stewards of natural resources, it has put in place measures to address the adversarial climate changes. The Strategy recognises that climate-related risks, and potential opportunities, can be addressed more systematically within the different projects and policy advice. This will be done by being alert to new sources of risk, and exploring more opportunities like rewarding emissions reductions (IFAD, 2018)

3.7.3 IFAD Indigenous Peoples' Policy

This Policy on Engagement with Indigenous Peoples aims to enhance IFAD's development effectiveness in its engagement with indigenous peoples' communities in rural areas. It sets out the principles of engagement IFAD will adhere to in its work with indigenous peoples, and the instruments, procedures and resources IFAD will deploy to implement them.

Indigenous people account for an estimated 5 per cent of the world's population, but 15 per cent of those people living in poverty. In many countries, rural poverty is increasingly concentrated in indigenous and tribal communities.

IFAD's Strategic Framework identifies indigenous peoples as an important target group because they face economic, social, political, and cultural marginalization in the societies in

which they live, resulting in extreme poverty and vulnerability for a disproportionate number of them. To reach them requires tailored approaches that respect their values and build upon their strengths. In its engagement with indigenous peoples, IFAD will be guided by nine fundamental principles: (a) cultural heritage and identity as assets; (b) free, prior and informed consent; (c) community-driven development; (d) land, territories and resources; (e) indigenous peoples' knowledge; (f) environmental issues and climate change; (g) access to markets; (h) empowerment; and (i) gender equality.

The formulation of the ESCMF document recognises these principles so that they can be implemented throughout the project cycle.

3.7.4 IFAD Gender and Targeting Policy

Poverty targeting, gender equality and empowerment are cornerstones of IFAD's work to reduce rural poverty and food and nutrition insecurity. This puts people – rural women, men, youth, and indigenous peoples – at the centre of IFAD's development projects and policy engagement. This unique approach aims to support the development of inclusive, equitable, sustainable and resilient rural societies and agriculture sectors that are food secure and able to take advantage of the opportunities provided by growing markets, thus providing a springboard to rural transformation. Thus, IFAD has developed a deliberate Policy to address this issue.

3.7.5 IFAD Land Policy

Secure access to productive land is critical to the millions of poor people living in rural areas and depending on agriculture, livestock, or forests for their livelihood.

It reduces their vulnerability to hunger and poverty; influences their capacity to invest in their productive activities and in the sustainable management of their resources; enhances their prospects for better livelihoods; and helps them develop more equitable relations with the rest of their society, thus contributing to justice, peace and sustainable development (IFAD, 2008)

The Fund's first strategic objective is to help "ensure that, at the national level, poor rural men and women have better and sustainable access to natural resources (land and water), which they are then able to manage efficiently and sustainably." Land access and tenure security issues are linked, directly or indirectly, to all the strategic areas of IFAD's interventions.

The IFAD Policy on Improving Access to Land and Tenure Security has been formulated to: (a) provide a conceptual framework for the relationship between land issues and rural poverty, acknowledging the complexity and dynamics of evolving rural realities; (b) identify the major implications of that relationship for IFAD's strategy and programme development and implementation; (c) articulate guiding principles for mainstreaming land issues in the Fund's main operational instruments and processes; and (d) provide the framework for the subsequent development of operational guidelines and decision tools.

In the policy, land refers to farmland, wetlands, pastures, and forests. Land tenure refers to rules and norms and institutions that govern how, when and where people access land or are

excluded from such access. Land tenure security refers to enforceable claims on land, with the level of enforcement ranging from national laws to local village rules, which again are supported by national regulatory frameworks. It refers to people's recognized ability to control and manage land – using it and disposing of its products as well as engaging in such transactions as the transferring or leasing of land.

3.7.6 IFAD Guidelines on SECAP

The updated SECAP sets out IFAD's aspirations regarding environmental, social and climate adaptation, mitigation and sustainability, and describes its approach to addressing environmental, social and climate risks and impacts throughout the project cycle. It highlights IFAD's mainstreaming requirements (including for mainstreaming the themes: youth, gender, environment and climate change, and nutrition) and includes nine environmental, social and climate standards, which set out the mandatory requirements that borrowers/recipients/partners must apply to IFAD-supported projects

SECAP provides a stepwise description of the processes to assess risk at each phase of the project or programme cycle, namely: Environmental and Social Categorisation and Criteria, Environmental and Social Impact Assessment (ESIA); Climate Risk Analysis (CRA); ESIA Review and Recommendations; Loan Negotiations; Executive Board Approval, Project Supervision and Implementation, and Project Completion and ex-post ESIA.

SECAP REQUIRES an environmental and social screening of sub-projects of each proposed project to determine the appropriate extent and type of Environmental and social Assessment to be undertaken and whether or not the project may trigger other policies.

IFAD's environmental and social categorization of projects/programmes comprises the following categories: (See SECAP 2021 version for Details)

- **High Risk:**

- The programme/project may have most or all of the following significant adverse environmental and/or social characteristics:
- i. Result in sensitive, irreversible or unprecedented significant risks and impacts (for example, resulting in loss of major natural habitat or conversion of wetlands),
 - ii. Result in risks and impacts that are significant in magnitude and/or spatial extent (large geographical area or size of the population likely to be affected),
 - iii. Have significant risks and impacts that affect an area much broader than the sites or facilities subject to physical interventions,
 - iv. Result in significant adverse cumulative or transboundary impacts,
 - v. High probability of serious adverse effects to human health and/or the environment (e.g., due to accidents, toxic waste disposal),
 - vi. Risks and potential impacts are not readily remedied by preventive actions or mitigation measures.

- **Substantial Risk:**

A project should be classified as Substantial Risk when it is not as complex as a High-Risk project and its environmental and social scale is not in such a sensitive area but may pose significant risks and impacts if not adequately managed. These potential risks and impacts have most or all of the following characteristics:

- i. They are mostly temporary, predictable or reversible, and the nature of the project makes it possible to entirely avoid or reverse them,
- ii. There are concerns that the project's adverse social impacts and associated mitigation measures may give rise to a limited degree of social conflict, harm or impacts on human security,
- iii. The geographical area and size of the population likely to be affected are medium to large,
- iv. There is some potential for cumulative or transboundary impacts, but they would be less severe and more readily avoided or mitigated than in a High-Risk project,
- v. There is medium to low probability of serious adverse effects to human health or the environment (e.g., due to accidents, toxic waste disposal), and there are known and reliable mechanisms to prevent or minimize such incidents,
- vi. The project's effects on areas of high value or sensitivity are expected to be lower than for High-Risk projects,
- vii. Mitigation or compensation measures may be designed more easily and be more reliable than those of High-Risk projects.

While no formal ESIA is required for Substantial Risk programmes/projects, in many cases further environmental analysis could be undertaken during project preparation or implementation.

- **Moderate Risk:**

A project should be classified as Moderate Risk when potential adverse risks and impacts on human populations or the environment are not likely to be significant. This may be because the project is not complex or large, does not involve activities with high potential for harming people or the environment, and is located away from environmentally or socially sensitive areas. The potential risks and impacts are:

- i. Predictable and expected to be temporary or reversible,
- ii. Low in magnitude,
- iii. Site-specific, without the likelihood of impacts beyond the project life cycle,
- iv. Low probability of serious adverse effects to human health or the environment (e.g., they do not involve the use or disposal of toxic materials, or routine safety precautions are expected to be sufficient to prevent accidents),
- v. The project's risks and impacts can be easily mitigated in a predictable manner.

- **Low Risk:**

A project should be classified as Low Risk if it will have negligible or no environmental or social implications. Examples include:

- i. Technical assistance grants for agricultural research and training,
- ii. Research,
- iii. Extensions,
- iv. Health,
- v. Nutrition,
- vi. Education and
- vii. Capacity- and institution building.

In addition, the environmental and social screening exercise of sub-projects is used to determine the exposure of the programme objectives to climate-related risks (High, Moderate or Low). SECAP provides guidance statements on biodiversity and protected area management; agrochemicals; energy; fisheries and aquaculture; forest resources; water; small dams; physical cultural resources; rural roads; development of value chain, microenterprises and small enterprises; and physical and economic resettlement – most of which are applicable in the context of the PSAC programme. Where resettlement or economic displacement is envisaged, SECAP requires that the principles of “do no harm” and “free, prior and informed consent” are adhered to at all times and for all beneficiaries for any intervention that might affect the land access and user rights of communities.

Included in SECAP are a series of standards which focus on nine environmental, social and climate issues that should be met through the project life cycle. These standards are aimed predominantly at borrowing governments and private sector partners, which are responsible for undertaking environmental, social and climate risk assessments, and for implementing projects. The table 3-17, below indicates which ones are most relevant to PSAC:

Table 3-17 Standards most relevant to PSAC

STANDARDS	RELEVANCE TO PSAC	
	Less Relevant	More Relevant
Standard 1: Biodiversity conservation		X
Standard 2: Resource efficiency and pollution prevention		X
Standard 3: Cultural heritage	X	
Standard 4: Indigenous peoples	X	
Standard 5: Labour and working conditions		X
Standard 6: Community health and safety		X
Standard 7: Physical and economic resettlement	X	
Standard 8: Financial intermediaries and direct investments	X	
Standard 9: Climate change		X

3.7.7 Free, Prior and Informed Consent in IFAD Investment Projects (FPIC)

Free, prior and informed consent (FPIC) is an operational principle empowering local communities to give or withhold their consent to proposed investment and development programmes that may affect their rights, access to lands, territories and resources, and livelihoods (IFAD, 2015). FPIC is solicited through consultations in good faith with the representative institutions endorsed by communities. It ensures that they participate in decision-making processes concerning a given development project.

Consent should be sought in a way that is “free, prior and informed”⁵:

- **Free** implies no coercion, intimidation, or manipulation.
- **Prior** implies that consent has been sought sufficiently in advance of any decision point or commencement of activities.
- **Informed** implies that information provided covers all relevant issues to make decision maker fully enlightened.
- **Consent** is the expected outcome of the consultation, participation, and collective decision-making process by the local communities.

⁵ United Nations Development Group (UNDG), Guidelines on Indigenous Peoples’ Issues, 2009:30

3.7.7.1 General guiding principles

a) Responsibility and institutional capacity for seeking FPIC

The IFAD general policies and procedures, stipulate that the borrower or grant recipient is responsible for programme and project preparation, including social, environmental and climate assessments and seeking FPIC. In this case the Government of Rwanda through the lead Ministry, i.e., MINAGRI will be responsible for seeking the FPIC.

The first step is for the government of the Government of Rwanda to identify the laws that regulate the rights to land and resources. And check if it has demarcated and recognizes community lands. If Rwanda has not done so, this can be rectified by conducting early consultations with concerned communities and inclusion in project design of the measures, approaches and resources for ensuring demarcation and recognition of territorial and communal and rights.

b) Identifying representative institutions

To ensure legitimacy, it is crucial that FPIC be obtained from the representative institutions of local communities. Understanding how communities make decisions is the first important step in the FPIC process. The important criteria are that representation should be determined by the concerned peoples and communities themselves to avoid misrepresentation or manipulation. This can be done in line with the community structure for representation, figure 3-1 below.

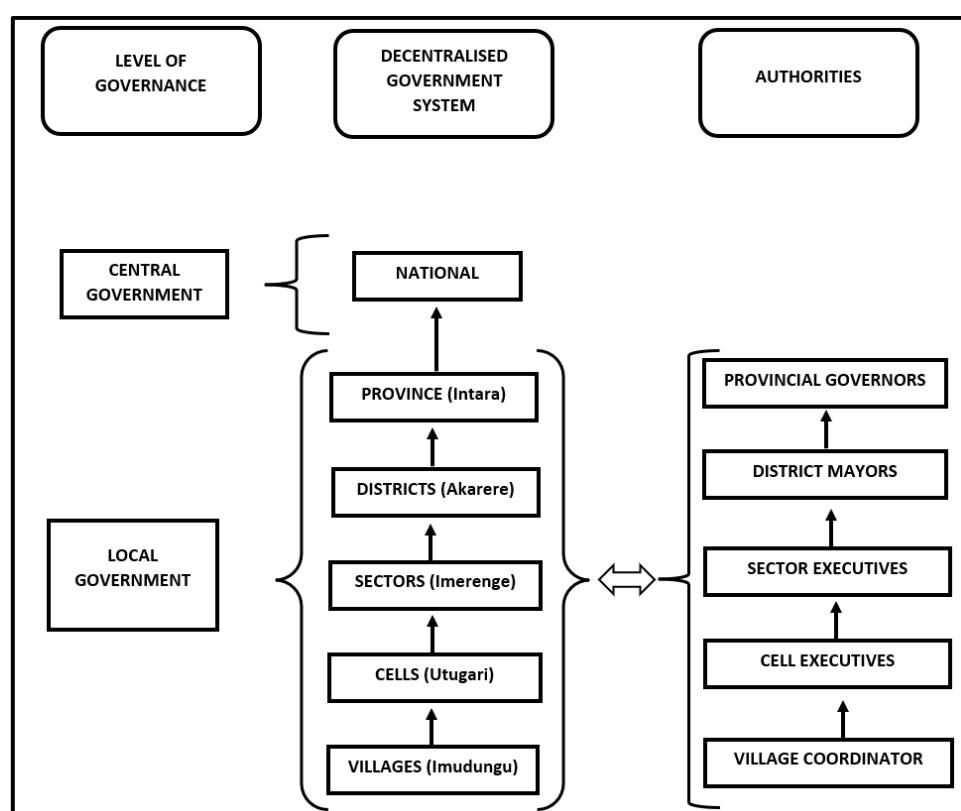


Figure 3-1 The Local Governance structures in The Kingdom of Rwanda
(Disclaimer: This structure is aimed at improving understanding on the duality of administration and development.)

In general, representative institutions must strive to adhere to the principles of inclusive consultation, participation, and consent in their internal decision-making processes.

The FPIC process at design and implementation phases is intended to ensure that the project does not negatively affect the future beneficiaries. Solutions should be found during the consultation on how to maximize benefits expected from local communities.

Consultation, participation, and consent

Consultation is an important feature of any project design process. PSAC is expected to follow the IFAD participatory approach to ensure that local communities are included in project design. It will give appropriate attention to women and young people in these consultations.

Besides the initial Impact assessments of the project at design stage, GoR will institute a continuous consultation process during implementation.

Consent to the project or to a project component or specific activity under a component, will be an outcome of the collective decision-making process by the local communities. GoR will seek recorded consent agreements with the concerned communities through their freely chosen representative bodies to engage in the FPIC process.

The consent agreement and record will document the outcome(s) of the process and terms and conditions agreed upon. It will also document any dissent to the overall project or project activities. The agreement must be independently verified as fair and true by the communities and follow the process agreed by them.

The procedures and rules of the FPIC process will be largely determined by the communities affected and those who have the right to give or withhold consent. The FPIC process must be in harmony with their own governance and internal collective process for taking decisions.

c) Documenting consultation, participation and FPIC

Government of Rwanda will undertake to document all consultations, participations, and consents in the following manner:

- **Keep record of consultations undertaken:** - how participants were selected and invited; what documentation/information they received beforehand and in which language; who participated; what was discussed; and what was agreed.
- **Keep record of participation:** when did representatives of indigenous peoples and local communities participate; how they were selected; what institutional roles or accountability links to constituents do they have; what commitments do they assume; and what agreements were made.
- **Document specific instances that express FPIC:** often FPIC is expressed as an agreement between the borrower (or the duly designated implementing agency) and the concerned local communities. These agreements should clearly articulate what has been agreed (issues, commitments, time frames, budgets, roles, responsibilities, etc.); who entered into the agreement (clearly identifying the individuals involved as well as their title and role); and what mechanisms have been set up to maintain

dialogue and address disagreements.

d) Where to seek FPIC?

FPIC is not so much a safeguard principle, rather a proactive approach to identify development pathways with local communities and it is applied in two scenarios (IFAD, 2015):

- Investment projects that may have an impact on the land access and use rights of rural communities,
- Projects targeting indigenous peoples or rural areas that are home to indigenous and tribal peoples and ethnic minorities.

The first scenario refers to the type of investment project and the second to the type of project area and target groups. Table 3-18 outlines the FPIC requirement according to these two criteria.

Table 3-18 FPIC requirements
based on project type and areas of intervention (IFAD, 2015)

No	• Location	• Project likely to affect land access and/or use rights of communities	• Agricultural and rural development projects unlikely to affect land rights (agricultural technologies and production, value chain development, social infrastructure)	• Project supporting demand-driven services to individuals (rural finance, small and medium-sized enterprise development)
1.	• Rural areas without indigenous peoples or minorities.	• YES	• NO	• NO
2.	• Rural areas with some indigenous peoples and minorities' communities.	• YES	• On a case-by-case basis	• NO
3.	• Indigenous people's territories or tribal areas	• YES	• YES	• YES

In projects that affect land access and use rights of communities, the principle of FPIC is applied to local communities in a broad sense, i.e., the local communities that will potentially be affected, are identified during project design and in application of SECAP.

However, there is a general requirement for FPIC⁶ in areas that are home to indigenous and tribal peoples and ethnic minorities,

3.7.7.3 Soliciting FPIC at implementation stage

FPIC of investments is sought during the implementation phase when:

- The project, or some of its component, is likely to affect land access and use rights of local communities, and/or
- The project area is home to indigenous and tribal peoples and ethnic minorities.
- Communities are not identifiable at project design stage.

⁶ Consistent with international practice, the IFAD Policy on Engagement with Indigenous Peoples states that they are characterized by: "Priority in time, with respect to occupation and use of a specific territory; the voluntary perpetuation of cultural distinctiveness, which may include the aspects of language, social organization, religion and spiritual values, modes of production, laws and institutions; self-identification, as well as recognition by other groups, or by state authorities, as a distinct collectivity; and an experience of subjugation, marginalization, dispossession, exclusion or discrimination."

- Specific investments in specific communities are not predefined during project design phase, but open to communities' demand during the project implementation period.

If at design stage the specific locations and communities to be affected were not identifiable, the project documents will include the FPIC implementation plan describing how the participatory and consultation process for seeking communities' consent would be conducted. The FPIC would then be sought during implementation before a specific investment is decided in each community.

Since investments in specific communities and territories were not identifiable during the project design stage, FPIC will further be solicited during the implementation phase.

3.7.8 FPIC Implementation Plan

The purpose of the present FPIC Implementation Plan is, among others, to provide information on how the FPIC Process will be conducted throughout the course of the project and which methods will be used as part of the process; as well as to outline the responsibilities of MINAGRI AND NAEB.

3.7.8.1 Decision-Making Institutions And Representatives

The key institutional actors involved with issues of resettlement, property and land rights, access to resources, etc, are the local government departments both at National level and District level. The implementing agency will be the **MINAGRI** through the NAEB.

NAEB's Environmental and Social Specialists will work very closely with the Rwanda Environmental Management Authority (REMA), Local Government officials and District Council Officials to facilitate consultations leading to FPIC with concerned communities /project affected persons (PAPs).

3.7.8.2 Consultations Leading To FPIC

Subsequent to the socio-cultural and land tenure assessments and the identification of key decision-making institutions, consultations will be held with the sub-project communities and plantations Cooperatives /Cooperatives /Associations during programme implementation – when site specific ESMPs and designs are being updated or prepared, as the case may be. Consultations will be conducted by the PSAC Environmental and Social Specialist, or by an independent facilitator/advisor hired by NAEB.

The use of participatory mapping will be instrumental for the consultation process leading to FPIC. This is because of the advantages of participatory mapping and accompanying participatory enquiry techniques which allow the assessment of ownership, occupation and use of land and resources as well as the social dynamics (e.g., movements and relationships among the different social groups) and right holders.

Given that the sub-projects are initiated by the communities and proposed to the NAEB the consultations will:

- Confirm that the sub-project is a community-driven initiative.

- Share the objective and scope of the proposed sub-project with the communities/Cooperatives /Cooperatives /Associations directly or through their representatives (existing or elected by the communities in the process).
- Clearly inform the Cooperatives /Cooperatives /Associations/communities' representatives on the actors financing and implementing the project and their respective responsibilities.
- Provide clear and transparent information on the benefits and risks of the project.
- Share the findings of the socio-cultural, land tenure and environmental assessment and reality check/confirmation of findings.
- Engage selected Association/community members or their representatives in the resources and social mapping activities, in order to assess ownership, occupation and use of land and resources as well as the social dynamics (relationships among the different social groups).
- Share the objective and scope of the mapping exercise with the Cooperatives /Cooperatives /Associations/communities.
- Ensure inclusive participation - men, women, young people, the elderly, representatives of different communities present on the same land and neighbouring villages - and provide for multiple maps by the different Cooperatives /Cooperatives /Associations/communities.
- Share the maps with all stakeholders and actors; and,
- Formalise ownership of the land use maps by the communities that have developed them.

3.7.8.3 Formalising The Consent Agreement

Once project activities and project sites requiring FPIC agreement are identified, this will be formalised in a written form in English as well as in Kinyarwanda. The effective time the consent agreement would be formalised will be agreed upon during the consultation process and needs to be formalised before any investment is made.

The consent agreement will be prepared by the PSAC District Teams. The format for a consent agreement would, among others, include:

- Project activities on which consent is provided,
- Respective expectations,
- Proposed project duration, expected results and activities,
- Participatory monitoring and verification plan and procedures,
- Identification of grievances procedures and mechanisms,
- Terms of withdrawal of consent,
- Record of process through means and languages accessible to all stakeholders and parties involved.

The FPIC agreement and record of process will be made available through means and languages that are accessible to all stakeholders and parties involved.

3.7.8.4 Disclosure

The FPIC Implementation Plan will be disclosed together with the Programme Design Report (PDR), Environmental, Social and Climate Management Framework (ESCMF), and other documents to be submitted to the Executive Board (and Evaluation Committee).

3.7.8.5 Documenting The FPIC Process

FPIC process will be documented through minutes of consultations, mapping documents prepared by the Cooperatives /Associations/communities, videos where feasible, and FPIC agreements/formalisation documents.

3.7.8.1 The FPIC Implementation Plan

The following is a summary of the PSAC FPIC implementation Plan:

Table 3-19 Summarised PSAC FPIC Implementation Plan

No.	DESCRIPTION/ACTIVITY	RESPONSIBLE	TIMEFRAME
1.0	Conduct sociocultural and land tenure assessment:		
	<p>Identify:</p> <ul style="list-style-type: none"> Customary laws, informal rules and organizing practices on land ownership. Institutions and governance systems. Types of livelihoods. Mutual support and solidarity mechanisms. Cooperatives /Associations/Community stakeholders, land users and assess who has the right to give or withhold the consent. <p>Assess:</p> <ul style="list-style-type: none"> Consequences from the proposed project that may result in the change of the status of the lands, and resources 	District offices of the NAEB (who may hire consultants to carry out the sub-project specific socio-cultural/land tenure assessments.	At the beginning of programme implementation phase. This could be part of the participatory mapping exercise.
2.0	Identify decision-making institutions and representatives		
	<ul style="list-style-type: none"> Conduct preliminary consultations with the Cooperatives /Associations/community and explain the nature of the proposed project. Allow time for Cooperatives/Associations/communities to discuss and decide on their representatives for the consultation process leading to FPIC Clarify responsibilities of representatives Agree on the process leading to FPIC Identify signatory parties for the consent agreement. 	District offices of the NAEB, possibly through an independent facilitator, supported by IFAD as part of project implementation support, as required.	At the beginning of programme implementation phase (this could be done in tandem with the socio-cultural and land tenure assessment and mapping exercise)
3.0	Capacitate the implementors and the stakeholders		
	Conduct various capacity building workshops for both the implementing partners and the stakeholders so that they are all on the same page and will make informed decisions (See Section 5 for Details): <ul style="list-style-type: none"> Training of implementing partners on background of project: Environmental and Social Risks and Impacts of PSAC. Training of Extension staff on background of project: Environmental and Social Impact Assessment of the Projects: 	<ul style="list-style-type: none"> MINAGRI National Aids Council (NAC) Ministry of Environment Private Consultant 	Programme implementation phase - before individual sub-projects start begins and throughout the project cycle

No.	DESCRIPTION/ACTIVITY	RESPONSIBLE	TIMEFRAME
	<ul style="list-style-type: none"> • Cascading training to lower levels on background of project: Environmental and Social Impact Assessment of the Projects; • Training of Stakeholder on Gender, HIV/AIDS awareness; • Training of Stakeholder on land issues: <ul style="list-style-type: none"> ○ Land Tenure and rights ○ Land rights ○ Use of land ○ Pollution and degradation. 		
4.0	Conduct consultation leading to FPIC on the proposed project/specific component/activities		
	<ul style="list-style-type: none"> • Share objective and scope of the project with the representatives identified by the communities and identify project component(s) requiring FPIC. • Inform them on the actors financing and implementing the project and their respective responsibilities. • Provide clear and transparent information on the benefits and risks of the project. • Share the findings of the sociocultural, land tenure and environmental assessment • Formalize consent agreement. 	District offices of the NAEB possibly through an independent facilitator, supported by IFAD as part of project implementation support, as required.	At the beginning of programme implementation phase and before individual sub-projects start.
5.0	Formalize the consent agreement		
	<p>Formalize the consent agreement (written or in other form if so, requested by the community)</p> <p>The format for a consent agreement would include:</p> <ul style="list-style-type: none"> • Respective expectations • Proposed project duration, expected results and activities • Participatory monitoring and verification plan and procedures • Identification of grievances procedures and mechanisms • Terms of withdrawal of consent <p>Record the process through means and languages accessible to all stakeholders and parties involved</p> <p>Annex the FPIC agreement and documented process to the PDR.</p>	District offices of the NAEB possibly through an independent facilitator, supported by IFAD as part of project implementation support, as required.	Programme implementation phase. Timing agreed upon during the consultation process and before individual sub-projects starts.
6.0	FPIC implementation		
	Implement the FPIC agreements throughout the project life.	MINAGRI, NAEB, IFAD implementation support and joint supervision missions	Programme implementation phase - before individual sub-projects start begins and throughout the project cycle
7.0	Monitoring the FPIC implementation		

No.	DESCRIPTION/ACTIVITY	RESPONSIBLE	TIMEFRAME
	<p>Assess FPIC implementation as part of the M&E exercise during the project life.</p> <p>Appropriate indicators for measuring progress towards and/or attainment of agreed terms will be defined and linked with a timeframe in the FPIC agreement</p>	MINAGRI, NAEB, IFAD implementation support and joint supervision missions	Programme implementation phase - before individual sub-projects start begins and throughout the project cycle

3.7.9 Timeframes for Seeking FPIC.

When the precise nature and specific location of an investment is known and well defined, FPIC must be solicited at design stage. In the case of PSAC the precise nature and specific locations of the potential investment were not known, thus the Government of Rwanda was not expected to directly seek FPIC at this stage.

FPIC will be sought at Implementation stage before any of the sub-projects is implemented and the FPIC process will be implemented throughout the project life cycle with constant monitoring and evaluation.

3.7.10 FPIC Implementation Arrangements

The following is a description of arrangement responsibilities and mechanisms for seeking FPIC, as well as the role of independent, impartial entities to monitor the FPIC implementation process.

The lead implementing agency for the project is MINAGRI with the assistance of NAEB. NAEB will be tasked with the day-to-day coordination, planning and management of select project activities.

Due to the multifaced nature of PSAC, a project steering committee (PSC) will be established and will contribute to the project oversight.

The NAEB will spearhead the implementation of the FPIC process and will be assisted by several key implementation ministries who have staff down to district level. The structure of the implementation is outlined in figure 7-1 below.

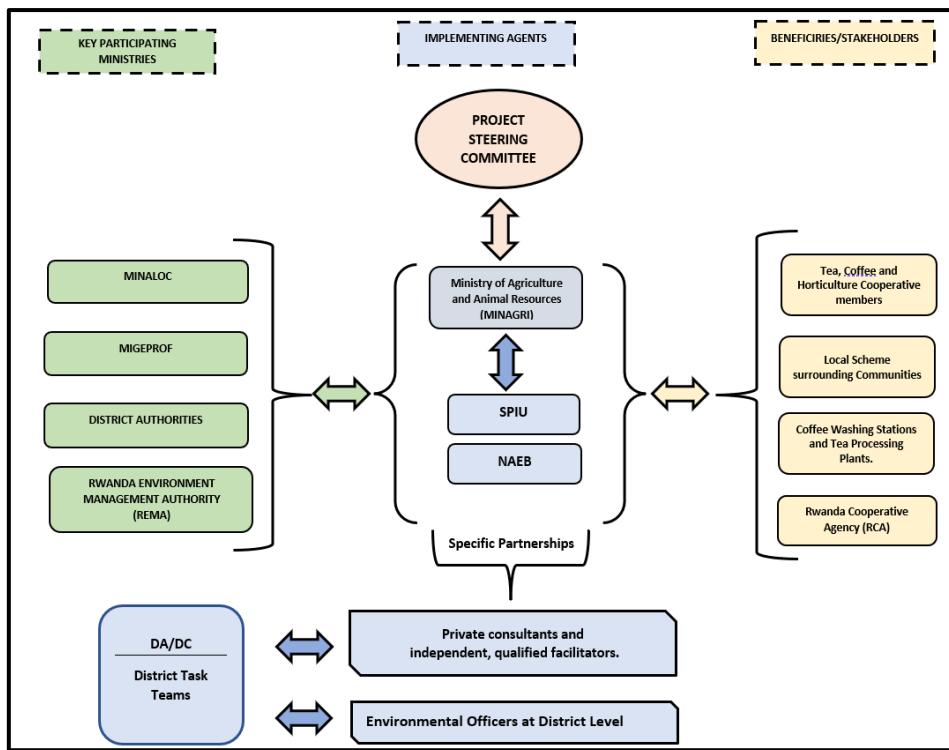


Figure 3-2 Implementation Arrangements for FPIC.

NAEB staff with their District teams comprised of the staff from the key implementing partners will be capacitated by undergoing training as explained in section 5 of this report. The target beneficiaries will similarly be capacitated. All the training will be conducted by designated Ministries or private consultants. Once capacitated the teams will start the consultation processes leading to FPIC. This process will also be assisted with private consultants.

3.7.11 Assess FPIC Implementation.

To assess FPIC implementation, the appropriate indicators for measuring progress towards and/or attainment of agreed terms will be defined and linked with a timeframe in the FPIC agreement. Subsequent workshops and stakeholders' reviews of the FPIC plan may also amend the various indicators to be established in the FPIC agreement. Joint supervision missions assessing project progress will also assess the implementation of FPIC agreements on a regular basis. Whenever possible, supervision and evaluation missions would include experts of relevance.

3.7.12 Budget and Financing

The following is an itemized budget for undertaking the FPIC activities described in this report.

Table 3-20 Estimated Budget for ESMF Implementation (US\$)

No .	ACTIVITY	ESTIMATE (US \$)
1	Conduct sociocultural and land tenure assessment	50,000.00
2	Identify decision-making institutions and representatives	-

3	Capacitate the implementors and the stakeholders - Environmental and Social Training	113,000.00
4	Conduct consultation leading to FPIC on the proposed project/specific component/activities	50,000.00
5	Formalize the consent agreement	5,000.00
6	Assess FPIC implementation: - Monitoring and evaluation purposes (R&D, M&E, Field Visits)	40,000.00
7	TOTAL (US \$)	258,000.00

4. ENVIRONMENTAL AND BIOPHYSICAL/CLIMATE/SOCIAL BASELINE

4.1 INTRODUCTION

Rwanda is a landlocked country situated in central Africa. It is known as 'The Land of a Thousand Hills'. Rwanda has five volcanoes, 23 lakes and numerous rivers, some forming the source of the river Nile. The Main lakes include Kivu, Muhazi, Ihema, Bulera, Ruhondo, and Mugesera. Rwanda's Vegetation ranges from dense equatorial forest in the north-west of the country to tropical savannah in the east. Rwanda has two rainy seasons, with an average rainfall of 110-200 mm per month.

The average Temperature ranges from 24.6 to 27.6° C, with the Hottest months being August, and September. The country lies literally in the heart of Africa. The Altitude ranges from 950m to 4500m above the sea level. The main National Parks are Akagera, Volcanoes and Gishwati-Mukura National Parks. The Volcanoes National Park in the Virunga volcanic mountains with high altitude forests is the home for the world-famous mountain gorillas. The Park is teeming with wildlife both large and small, while Lake Kivu to the west offers beautiful beaches, jutting peninsulas and an archipelago of islands. https://www.gov.rw/about#section_Overview.

Rwanda is located in two major basins, Nile and Congo basins, and its hydrological network is composed of nine catchments. The topography is characterized by hills and mountains and widely varying altitudes. The lowest altitude in the country is 950 m above the sea level. The country is divided into 12 agro-ecological zones that can be clustered into three natural regions: highlands, midlands, and lowlands. Agriculture is the main economic activity in Rwanda with 70% of the population engaged in the sector, and around 72% of the working population employed in agriculture. It accounts for 33% of the national GDP (FAO, 2022). it is estimated that 90% of domestic cropland is on slopes ranging from 5% to 55%. Tea and coffee are the major exports followed by exports of dry beans, potatoes, maize, rice, cassava flour, maize flour, poultry, and live animals within Eastern Africa. (GoR 2015).

4.2 CONTEXT

The agriculture sector accounts for one-third of the GDP and employs over two-thirds of the Rwandan population (67%). Despite its importance, the sector continues to be predominantly subsistence and low-income agriculture. Most farmers possess small plots of less than 0.4 hectares (ha) on average⁷, which negatively affects productivity and competitiveness. Agriculture is also affected by climate change, which leads to soil degradation and vulnerabilities of the majority of farmers' dependent on rain-fed agriculture. Development of agriculture value chains and transition into high-value export markets remains a big challenge. Yet, strong opportunities exist in the coffee, tea and horticulture sectors that enjoy favourable agro-climatic conditions and an investment-friendly environment that led to classify them as priority export value Chains. To support this transition, the Government of Rwanda has been proactively creating an enabling environment through strengthening of agricultural extension

⁷ As per Agricultural household Survey 2020 report, the national average land size per household is 0.4 ha ; and 77.2% of agricultural households operate on a farm size of less than 0.5 ha.

services, promoting export through the National Agricultural Export Development Board (NAEB), creation of guarantee funds for small enterprises development, and emphasizing the role of private sector and smallholder farmer cooperatives in the development of these export-oriented value chains. Therefore, PSAC project complements GoR efforts to increase incomes of the rural poor, by supporting inclusive agro exports' value chains by increasing their climate resilient productive capacity and market access. The proposed project will focus on key activities that are priorities for the MINAGRI within the context of economic, social, and governance transformation towards the aspirations of Vision 2050.

4.3 BIOPHYSICAL BASELINE

The following paragraphs review some of the key country's background information on environmental, social and climate issues with regards to the agriculture system.

4.3.1 Topographical Features & Agro-Ecological Zones

Rwanda is located in two major basins, Nile and Congo basins, and its hydrological network is composed of nine catchments. The topography is characterized by hills and mountains and therefore widely varying altitudes (900 m in south-west, 1500-2000 m in the south and the centre of the country, 1800-3000 m in the highlands of the north and the west and 3000-4507 m in the regions of Congo-Nile Crest and the chain of volcanoes). The country is divided into 12 agro-ecological zones that can be clustered into three natural regions: highlands, midlands, and lowlands.

The topography, results in 60% of the total land area being under cultivation. The climatic conditions and the generally fertile soils favour cultivation of both cash crops the most important being coffee, tea, sugar cane and pyrethrum and food crops such as roots and tubers, bananas, fruits, vegetables, cereals and pulses (beans and peas). Most crop land (90%) is located on slopes with a gradient ranging from 5% to 50%. occupied mostly by terraced agriculture. The gradients exacerbate vulnerability to the impacts of climate change such as intense rainfall that leads to soil erosion and soil fertility loss (GoR 2015).

The topography in the target districts includes slopes and this leads to soil erosion with reduced water holding capacity and soil fertility when cultivating in slopes. Improved land resources management would therefore be of benefit to the productivity of the small holders targeted under PSAC. Soil and water conservation measures and environmentally friendly practices such as mulching, composting of organic wastes from all VCs, erosion control measures and intercropping with other crops and shade trees, which can have the additional benefit of improving soil fertility, will be included under the PSAC activities.

The map below illustrates Rwanda's topography.

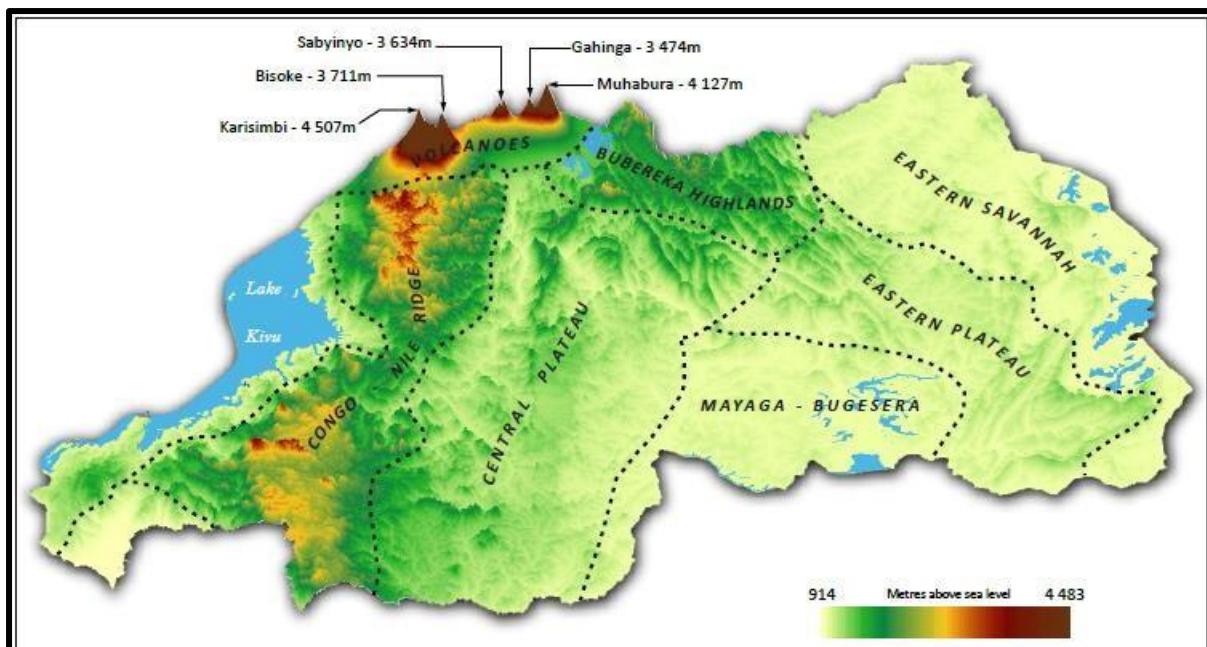


Figure 4-1 Topography of Rwanda
(REMA (2011). Atlas of Rwanda's Changing Environment)

4.3.2 Biodiversity inventories

The savannah vegetation in the Project area comprises a mosaic of grassland, broadleaved and/or deciduous shrubland and forest. The grass savannah is dominated by *Themeda triandra*, *Hyparrhenia* sp., with *Sporobolus pyramidalis* and *Botriochloa insculpta*. Acacia species are the most common trees found in the forest savannah; these include *Acacia senegal*, *A. Sieberiana*, *A. polyacantha campylacantha*, *A. gerardii* and *A. brevispica*. *Combretum* sp are also found.⁸

Fischer (2011) prepared a biodiversity inventory for various important wetlands in Rwanda.⁹ He notes that within the Akagera wetland complex south of the Akagera National Park, there are a total of 77 vascular plants of which two are endangered orchid species (*Eulophia angolensis* and *Eulophia guineensis*). The wetland vegetation is dominated by Papyrus reed (*Cyperus papyrus*) and Phragmites (*Phragmites Mauritianus*), and reeds such as *Echinochloetum pyramidalis* and *Cyperetum latifolii*. Shrubs along the swamp edges are characterised by *Syzygium cordatum* and *Myrica kandiana*, while along the lake and river edges, *Sesbania sesban* and *Phoenix reclinata*, *Aeschynomene elaphroxylon* and *Mimosa pigra* are dominant. Aquatic plants occurring in the open water surfaces are *Nymphaea* sp, *Ceratophylletum Demersi*, *Azolla nilotica* and *Eichhornia crassipes* (Water Hyacinth).

One the major threats to the water bodies in the Project area is the invasion of lakes by Water Hyacinth including Lakes Ihema and Nasho, and other water bodies, especially in the Nyabarongo/Akagera river system and the Akagera wetland complex¹⁰.

⁸ REMA (2009). State of the Environment Report 2009.

⁹ Fischer, E (2011). Biodiversity Inventory of Key Wetlands in Rwanda. Final Report. REMA.

¹⁰ <https://www.cbd.int/countries/profile/default.shtml?country=rw>

4.3.2.1 Forests.

Rwanda is endowed with Nyungwe forest which holds national park status and is situated in the south-west and is contiguous with the Kibira Forest National Park in Burundi. Covering an area of slightly over 1,000 km² the forest was described in the UNEP Africa Atlas of 2008 as the largest block of forest in East Africa. The tropical Afromontane Forest lies between the altitudes of 1,500 and 2,300m and is home to hundreds of species of birds, butterflies, orchids as well as dozens of mammal species including primates.

Other significant tropical forests in the country are the Gishwati forest that has recently been promoted to national park protection status and the forests of the iBirunga (Virunga) volcanoes that mark the northern frontier with Uganda and the Democratic Republic of Congo (DRC). The chain of volcanoes within Rwanda's borders are Muhabura and Gahinga shared with Uganda and Sabyinyo, Bisoke and Karisimbi, (the highest peak 4,507 m.a.s.l) shared with the DRC. These volcanic mountain landscapes form the Volcanoes National Park, a part of the Greater Virunga Trans-boundary Collaboration (GVTC), established in 2015 between Rwanda, DRC and Uganda for effective collaboration in conservation. The savanna woodlands of the Akagera National Parks also provide habitat critical for the biodiversity preservation of the many endemic endangered species. Important tropical forests outside the protected areas of Rwanda include the remnant forest of Busaga (150ha) in Muhanga district, the relic forest of Buhanga (31ha) in Musanze district and the gallery forests in the eastern region.

4.3.2.2 Fauna

Rwanda shelters 151 different types of mammal species, eleven of which are currently threatened and none of which are endemic. Among them are the primates (14 to 16), with half of the remaining world population of mountain gorillas (*Gorilla gorilla berengei*). The gorillas are found in the Volcanoes National Park. Others includes the owl-faced monkey (*Cercopithecus hamlyni*), the mountain monkey (*Cercopithecus hoesti*) in Nyungwe, the Chimpanzee (*Pan troglodytes*) in Nyungwe and Gishwati, and the Golden monkey (*Cercopithecus mitis kandti*) found in Volcanoes National Park. There are also 15 species of antelope, and a wide diversity of species such as buffalo, zebra, warthog, baboon, elephant, hippopotamus, crocodile, tortoise and rare species such as the giant pangolin (Chemonics International Inc. 2003, MINITERE 2005).

Rwanda is one of the top birding countries with 670 different birds having been recorded. Four of species of birds in Rwanda are threatened with extinction: the shoebill (*Balaeniceps rex*) found in Akagera; Grauers rush warbler (*Bradypterus graueri*) found in Volcanoes National Park in Nyungwe and in the swamps of Rugezi; the Kungwe apalis (*Apalis argentea*) found in Nyungwe; and the African or Congo barn owl (*Phodilus prigoginei*) found along Lake Kivu (Chemonics International Inc. 2003).

Animal races bred in Rwanda are mixed with native and non-native races. These include cattle (Ankole, Sahiwal, Frison, Alps brown and the Australian Milk Zebu), goat (Alpine and Anglonubian), sheep (Karakul, Merinos and Dorper), pig (Large white and Landrace, Pittrain), poultry (Leghorn, Rhodes Island Red, Dero, Sykes and Anak), fish (Tilapia and Clarias) (MINITERE 2003 a).

Fish species found in aquatic ecosystems comprise Haplochromis, Synodontis, Barbus, Labeo, Tilapiines, and Clarias species. Raimas moorei and Limnothrissa miodon were introduced into Lake Kivu at the end of the 1950s (MINITERE 2003a).

4.3.2.3 Existing threats to biodiversity.

Rwanda's National Biodiversity Strategy and Action Plan (NBSAP) (2016) describes threats to biodiversity in protected areas and forest reserves that include poaching; boundary encroachment; alien invasive species; uncontrolled fires; tree cutting and vegetation clearing; illegal mining; human-wildlife conflict; wildlife poisoning; illegal fishing and illegal grazing. The NBSAP (2016) also describes threats to biodiversity outside protected areas that include legal mining and agricultural intensification as well as the cross-cutting climate and climate change related threats that include fluctuating levels of lakes, species migration to new habitats where survival of the species is not guaranteed. Agricultural intensification is highlighted as a threat to biodiversity in Rwanda's NBSAP (2016) and in the country study on environmental threats and opportunities (USAID, 2014) as well as by key informants, mainly because of the associated loss of habitat. Conversion of natural forests to settlements and subsistence agriculture for livelihoods as well as commercial agriculture such as pyrethrum and dairy production in the previously Afromontane forests of Gishwati and Volcanoes National led to habitat loss.

4.3.3 Hydrology and Water Resources

4.3.3.1 Hydrology

In Rwanda the abundance of water resources is reflected by the existence of a network of wetlands in various parts of the country. Wetlands and aquatic lands are generally represented by lakes, rivers and marshes associated with these lakes and rivers (MINITERE 2005). The water resources are mainly influenced by rainfall and evaporation and hence climate information and preparedness are essential in the management of water resources (NBI 2005)

Rwanda is divided into two major drainage basins: the Nile to the east covering 67 per cent and delivering 90 per cent of the national waters and the Congo to the west which covers 33 per cent and handles all national waters (Chemonics International Inc. 2003, MINITERE 2005, NBI 2005).

The country's hydrological network includes numerous lakes and rivers and its associated wetlands. A recent inventory of marshlands in Rwanda conducted in 2008 identified shows 860 marshlands, covering a total surface of 278 536 ha, which corresponds to 10.6 per cent of the country surface, 101 lakes covering 149487 ha, and 861 rivers totalling 6462 km in length (REMA 2008).

4.3.3.2 Major catchments

The major lakes include Kivu, Bulera, Ruhondo, Muhazi, Cyohoha, Sake, Kilimbi, Mirayi, Rumira, Kidogo, Mugesera, Nasho, Mpanga, Ihema, Mihindi, Rwampanga and Bisoke.

The major rivers include the Akagera, Akanyaru, Base, Kagitumba, Mukungwa, Muvumba, Nyabarongo, and Ruvubu in the Nile Basin and Koko, Rubyiro, Ruhwa, Rusizi, Sebeya in the Congo Basin (Chemonics International Inc. 2003, Kabalisa 2006, NBI 2005).

4.3.3.3 Ground water

Ground water Data on ground water and aquifers in Rwanda is incomplete. However, information available estimates that the discharge for the available resource is 66m³ /second and there are about 22,000 recognized sources which have a discharge of 9.0 m³ /second (NBI 2005, Kabalisa 2006). Figure 3 shows the ground water potential in the country.

4.3.3.4 Wetlands

The marshlands are the most physically and chemically heterogeneous of all aquatic ecosystems in Rwanda. They are in effect seasonal wetlands. The water table is near or above the lowest ground surface during the wet season and they do not have large flood plains (generally less than 200m wide) or great length (Chemonics International Inc. 2003). The most recent inventory of wetlands was conducted in 2008 by REMA through the Integrated Management of Critical Ecosystems (IMCE) project funded by GEF and World Bank.

This inventory showed that Rwanda has 860 marshlands and 101 lakes covering a total surface of 278,536 ha (10.6 per cent of the country surface area), and 149,487 ha, respectively (REMA 2008). This inventory also found 861 rivers totalling 6,462 km in length. 41 per cent of the inventoried marshlands are covered by natural vegetation, 53 per cent are under cropping, (which represents about 148 344 ha) and about 6 per cent are fallow fields. The biggest marshlands are associated with and clustered around the rivers. Rugezi and Kamiranzovu are high altitude wetlands, most of the others are low altitude.

4.3.4 Soils

The soils in the Project area are mainly oxisols particularly around the lakes and water bodies, vertisols where the wetlands are found, inceptisols in the lowland areas between the wetlands and the Akagera National Park, and small occurrences of entisols. Most of the Project sites lies in relatively flat or gently undulating terrain, and soil loss is considered to be low.

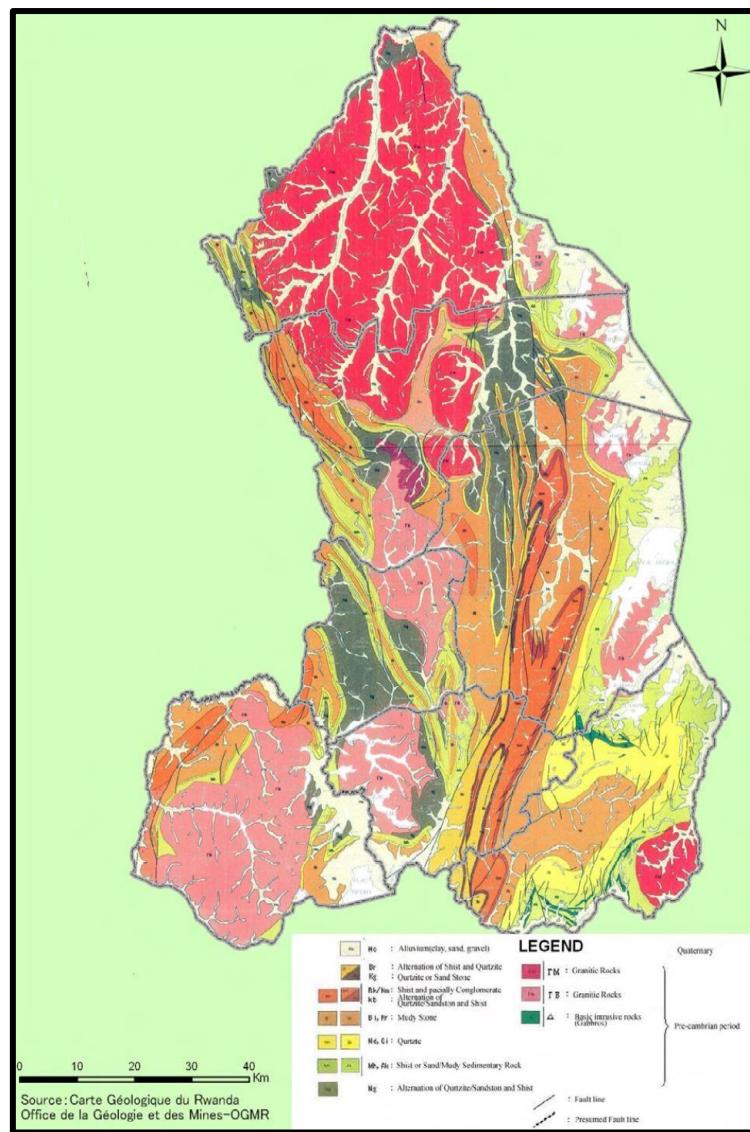


Figure 4-2 Geological Map of Eastern Province
MININFRA, 2010

4.3.5 Geology

The geology of Rwanda generally comprises metamorphic rocks and granitic rocks of the Precambrian Period. Metamorphic rocks are mostly schists produced by low to medium pressure metamorphic actions of sandy to muddy sediments, while the granitic rocks are intrusive rocks originating from metamorphic actions. Metamorphic rocks of quartzite and schist and sedimentary rocks of mudstone and sandstone run in a north-south direction through the middle of Kayonza District (see Map 4-2). The lakes and marshes have sedimented alluviums, and alluvial layers composed of clay, sand and gravel layers are distributed along rivers and valley floors.¹¹

¹¹ MININFRA (2010). The Study of Improvement of Rural Water Supply in Eastern Province. Prepared by Japan Techno Co Ltd And Nippon Koei Co Ltd with support from JICA.

4.3.6 Climatic Conditions

The climate of Rwanda is dominated by the Inter Tropical Convergence Zone (ITCZ) which passes over the country twice a year and is further modified by a widely varying altitude across the country and by the presence of large adjacent water bodies of the great lakes. Most parts of the country benefit from two agriculture rainy seasons (February - May; September – December). The duration of the two rainy seasons is increasingly variable, ranging from seven to nine months, with an annual rainfall amount of up to 1,500 mm.

Average temperature has increased by 0.29°C per decade from 1985 to 2015, with increased interannual variability over the last few decades (USAID, 2019). Analyses illustrate regional changes, such as in the Northern and Western provinces, where the rainy season is becoming shorter and more intense (Warner et al, 2015; Netherlands Ministry of Foreign Affairs, 2018). Overall, the total annual precipitation will be reduced in all provinces until Mid-century. Total rainfall during the months of September to December the first and long rainy season is predicted to be reduced by ~22 mm (from ~465 to 443 mm) while the shorter second rainy season March to May is predicted to be reduced by ~40 mm (from ~400 to 360 mm)). The average annual temperature, TMean will increase by at least 1.7°C by mid-century. The hottest months of August and September are predicted to increase by 2.1 °C, relative to a Historical average of ~21°C. The overall effect of these increases in TMean is likely to result in complex impacts on the agricultural sector, particularly when considered in combination with the predicted decreases in precipitation.

4.3.6.1 Climate change and Variability impacts

The productivity of smallholders in the tea, coffee and horticulture VCs is adversely affected by climate change and variability. Increasing temperatures, rainfall variability and events such as droughts reduce yields and have negative effects on volumes, costs and quality of produce. Specifically for the tea value chain, high temperatures may lead to decreased yields and quality, reduced water content in the tea, dry weather pests and aggressive weed growth. On the other hand, excessive rain can lead to spread of fungal diseases, wet weather pests, poor drainage in low-lying areas, heavy soil erosion that results in reduced water holding capacity, poor soil nutrients, and poor bud break and shoot development. Rainfall variability affects the flowering of the coffee plants, which at different stages of maturity poses a challenge in disease management, insect management and harvesting. Models indicate that the impact of climate change will be highly negative for arabica coffees, effectively reducing the areas suitable for production by 20–50% by 2050. Impacts are highest in low latitudes and at low altitudes¹². The changing climate also poses challenges to patterns of cherry ripening and drying of parchment because of unpredictable rainfall patterns as well as uncertainty regarding the timing of fertilizer application and drying. Climate change may also result in shifts in production areas due to the risk of increasing temperature and increasing pests and diseases¹³. The adverse on productivity are also expected for the horticulture value chains included under PSAC.

¹² Value Chain Analysis for the Coffee Sector in Rwanda, AgriLogic Report for the CBI (2018)

¹³ Adaptation of Small-Scale Tea and Coffee Farmers in Kenya to Climate Change African Handbook of Climate Change Adaptation (2021).

4.3.6.2 Projected Changes to Temperature in Rwanda by 2050

The predicted trends in Mean Monthly Temperature (TMean) for the period from ‘Historical’ to ‘Future 2050’ timepoints indicate that climate change will result in consistent increases in Mean Temperature across spatial and temporal dimensions in Rwanda. A common prediction across each of the country’s five provinces is that TMean will increase in all provinces during the period from ‘Historical’ to ‘Mid-Century’ timepoints by at least 1.7°C. The hottest months of August and September are predicted to increase by 2.1°C, relative to a Historical average of 21°C. Similar increases of 1.7–2.2°C are predicted for all other months of the year.

The overall effect of these increases in TMean and TMin is likely to result in complex impacts on the agricultural sector, particularly when considered in combination with the predicted decreases in precipitation. The large increases in temperature (1.7–2.1°C) in the months of October–December will increase crop water demand and evapotranspiration losses of water from agricultural soils, coinciding with the reduced rainfall predicted for the same months. This effect is likely to increase the risks of crop failure as a result of inadequate or erratic rainfall during the establishment of rainfed crops, particularly for climate sensitive or marginal crops such as horticultural/vegetable crops such as tomatoes and peppers. Furthermore, the increased average temperatures are likely to include increased frequency or severity of heat waves and unusually hot days, further contributing to evapotranspirative losses of water and crop stress.¹⁴ Table 4-1 shows the projected influence of climate change on mean monthly temperature (°C) in Rwanda at historical and mid-century periods, and monthly anomalies between the two time periods.

Table 4-1 Projected influence of climate change on mean monthly temperature (°C).

Tmean (°C)	MONTH											
	J	F	M	A	M	J	J	A	S	O	N	D
Historical	20.1	20.4	20.3	19.9	19.9	19.8	20.0	20.9	21.0	20.5	19.9	20.0
Future	21.9	22.3	22.1	21.7	21.8	21.9	22.2	23.1	23.1	22.5	21.6	21.8
Anomaly	1.8	1.9	1.8	1.8	1.9	2.1	2.2	2.1	2.1	2.0	1.7	1.8

The changing climate conditions are creating greater uncertainty for the Rwanda tea industry. The planning for new plantations must take care of climate uncertainty. Existing plantations need to be managed to be more resilient to rising temperatures, and the increased risk of flooding and landslides.

Lower-lying plantations are already “marginal” in terms of producing quality tea. The rising temperatures will further reduce the quality of tea and coffee as current growing areas will become too hot for growing the current varieties.

The climate-resilient innovation is to plan future plantations in locations that take account of the warmer climate such as higher, cooler regions.

¹⁴ Research Highlights – Climate Change and Future Crop Suitability in Rwanda Funded by ‘Adaptation for Smallholder Agriculture Programme’ (ASAP) Phase 2. International Fund for Agricultural Development (IFAD) Produced by the University of Cape Town

Tea producers need to take into consideration longer-term climate changes since it takes five years for new bushes to mature and more than ten years before producers see a return on investment. - Thus, new plantations mean that the producers are locked into their investment decisions for decades, up to 50 years or more.

New plantations need to be planned with this future climate in mind and be located on higher altitude areas where they will be more likely to produce good quality leaves for several decades. The tea industry must expand into areas that are suited to the kind of climate the region will experience in the coming decades. This means including a number of stakeholders from across the value chain:

- The large international companies which operate the factories that process and sell the tea.
- The small holder farmers which dominate tea production in Rwanda and are more vulnerable to climate change.

4.3.6.3 Projected Changes to Rainfall in Rwanda by 2050

The predicted changes in mean monthly precipitation from the historical baseline to the mid-century (2050) future indicate that climate change will result in complex changes in rainfall across provinces and months (see Table 2). A common prediction across each of the country's five provinces is that total annual precipitation will be reduced in all provinces during the period from baseline to Mid Century timepoints. The total rainfall received during the months of September to December at the onset of the first, long rainy season is predicted to be reduced from 465 to 443 mm (total reduction of rainfall of 22 mm). Similarly, total rainfall at the onset of the shorter second rainy season in the months of March, April and May is predicted to be reduced from 400 to 360mm (total reduction of rainfall of 40mm).

An additional effect of climate change predicted by these analyses is the increase in monthly rainfall during the months of December and January. These results may be indicative of a delay in the onset of the traditional rainy seasons, or alternatively may indicate that rainy seasons (particularly season A, September-December) may effectively be extended for one to two months. It should be noted that these effects are likely to vary on an interannual basis as well as spatially within each season, and the consequent impacts on agricultural activities cannot be predicted with certainty. In some cases, the average reduction in monthly rainfall, notably during the months of September-October may result in inadequate rainfall to support effective establishment of crops during the period which is traditionally associated with the start of each growing season. Alternatively, the positive anomalies (i.e., predicted increases) in monthly rainfall in the months of December – January may indicate an extension in the duration of the rainy season A, thereby providing farmers with the option to extend or stagger the timing of crop establishment.

These analyses indicate that climate change may delay the onset of rainfall relative to the traditional agricultural calendar, in turn resulting in changes to the timing of various agricultural activities such as field preparation and sowing of seed. Both of the rainfed agricultural growing seasons are characterised by monthly rainfall deficits which may result in fundamental changes to local crop choices and agricultural practices by the year 2050. Drought sensitive crops such as tomatoes are likely to be increasingly unreliable or poor in yield, which will be further exacerbated by predicted increases in temperature. Table 3. shows

the projected influence of climate change on mean monthly precipitation (mm/month) in Rwanda at historical and mid-century periods, and monthly anomalies between the two time periods.

Table 4-2 Projected influence of climate change on mean monthly precipitation.
(MM/MONTH).

MM/MONTH	MONTH												TOTAL
	J	F	M	A	M	J	J	A	S	O	N	D	
Historical	100.3	100.9	135.0	154.5	110.3	23.0	14.6	36.0	85.6	124.0	148.2	107.0	1139.4
Future	101.9	99.7	128.9	143.9	87.1	17.7	13.0	31.0	75.7	110.1	146.9	110.4	1066.3
Anomaly	+1.7	-1.1	-6.1	-10.5	-23.2	-5.3	-1.7	-5.0	-9.9	-14.0	-1.3	+3.4	-73.0

The changing climate conditions are creating greater uncertainty for the Rwanda tea industry. The planning for new plantations must take care of climate uncertainty. Existing plantations need to be managed more resilient to rising temperatures, and the increased risk of flooding and landslides. Lower-lying plantations are already “marginal” in terms of producing quality tea. The rising temperatures will further reduce the quality of tea and coffee as current growing areas will become too hot for growing the current varieties. The climate-resilient innovation is to plan future plantations in locations that take account of the warmer climate such as higher, cooler regions.

Tea producers need to take into consideration longer-term climate changes since it takes five years for new bushes to mature and more than ten years before producers see a return on investment. - Thus, new plantations mean that the producers are locked into their investment decisions for decades, up to 50 years or more.

New plantations need to be planned with this future climate in mind and be located on higher altitude areas where they will be more likely to produce good quality leaves for several decades. The tea industry must expand into areas that are suited to the kind of climate the region will experience in the coming decades. This means including a number of stakeholders from across the value chain:

- The large international companies which operate the factories that process and sell the tea.
- The small holder farmers which dominate tea production in Rwanda and are more vulnerable to climate change.

4.3.6.4 Occurrence of Floods and Droughts

In 2015, the Ministry of Disaster Management and Refugees Affairs (MIDIMAR) published the National Risk Atlas. This report encompasses a comprehensive assessment of existing risks at national and local levels. It highlights that over the last decade, the frequency and severity of natural disasters, such as floods and droughts, have significantly increased. The National Risk Atlas highlights the most known disasters as the droughts that occurred in 1989, 2000, 2005-2006 and 2014 and the devastating landslides that occurred in 1988, 2006, 2010, 2011 mainly in the Northern and Western provinces. The extreme weather events have recently destroyed crops, caused serious environmental degradation and led to food insecurity, malnutrition and famine in affected areas, with water shortages affecting livestock and pasture productions.

Below is a table summarizing main climate change projections and potential impacts on agriculture and livestock production.

**Table 4-3 Scenarios analysis of potential climate change impacts on agriculture sector.
(2018)**

No.	CLIMATE CHANGE SCENARIOS	POTENTIAL IMPACTS ON AGRICULTURE
1.	Increasing trend in mean temperature (projected annual mean temperature increases between 0.10°C and 0.30°C	<ul style="list-style-type: none"> Decrease in tea and coffee production. Leads to significant reduction of crop yields of Horticulture. Shift in pest ecologies, and thus resulting in pest and diseases outbreaks in new areas. Heat stress affects physiological processes, health and mortality of plants.
2.	Decreasing trend in mean rainfall and a number of rainy days coupled with more days with extreme rainfall intensities particularly in the eastern and parts of southern region	<ul style="list-style-type: none"> Late harvests, delay of sowing in the next season, seasonal crop failures and low yield. Famines and food insecurity. Increased use of swamps for agricultural purposes will soon or later also have implications for overall water balance in the country and its availability for agriculture
3.	Increase in rainfall intensities in north-west highlands and south-western regions	<ul style="list-style-type: none"> Increase soil loss and nutrient leaching from soil, thus challenging agricultural productivity growth. Increased runoff during heavy storms destroys existing soil conservation facilities, increase sedimentation of lakes and ponds thus altering fish habitats
4.	More frequent violent storms (strong winds, hailstorms, thunders, torrential rains)	<ul style="list-style-type: none"> Crop damage or total crop destruction and thus yield reduction. Increased flooding and landslides destroying crops cultivated on vulnerable/fragile areas such as valleys and steep slopes

4.4 SOCIO-ECONOMIC BASELINE

4.4.1 Political and Civil Administration

The Rwandan State is an independent, sovereign, democratic, social and secular Republic. The principle governing the Republic is "government of the people, by the people and for the people".

Rwanda recognises a multi-party system of government. Without prejudice to the independence of each political organization and their collaboration, political organizations officially recognized in Rwanda organize themselves in a consultative forum.

The President of the Republic and the Speaker of the Chamber of Deputies shall belong to different political organizations. Judges, prosecutors as well as members of the armed forces, police and National Security Service are not permitted to be members of political organizations.

The branches of government are: i) the legislature; ii) the executive; and iii) the judiciary. The three branches are separate and independent from one another but are all complementary. The country counts the highest women representation in parliament globally (61%), with the cabinet and local governance institutions also counting about 50 percent of women.

The territory of Rwanda is divided into Provinces, Districts, Cities, Municipalities, Towns, Sectors and Cells. Districts, Municipalities, Towns and the City of Kigali are decentralized entities with legal status and administrative and financial autonomy and are the foundation of community development. Currently, there are 4 provinces led by appointed Governors, and the city of Kigali, 30 districts led with elected mayors from the district advisory council, 416 sectors.

4.4.2 Population and Demographic Conditions

4.4.2.1 Demography.

Rwanda is home to approximately 1.3 million people, 76 percent of whom live in the rural. The current population of Rwanda is 13,674,901. Rwanda 2020 population is estimated at 12,952,218 people at mid-year according to UN data. Rwanda population is equivalent to 0.17% of the total world population. It ranks number 76 in the list of countries (and dependencies) by population. The population density in Rwanda is 525 per Km² (1,360 people per mi²). The total land area is 24,670 Km² (9,525 sq. miles). 17.6 % of the population is urban (2,281,330 people in 2020). The median age in Rwanda is 20.0 years. (Worldometer, 2022)

4.4.2.2 Human development.

Rwanda's HDI value for 2019 is 0.543— which put the country in the low human development category— positioning it at 160 out of 189 countries and territories. Between 1990 and 2019, Rwanda's HDI value increased from 0.248 to 0.543, an increase of 119.0 percent. Between 1990 and 2019, Rwanda's life expectancy at birth increased by 35.6 years, mean years of schooling increased by 2.7 years and expected years of schooling increased by 5.5 years. Rwanda's GNI per capita increased by about 130.9 percent between 1990 and 2019.¹⁵

4.4.3 Land Tenure and Land use.

4.4.3.1 Land Tenure

The 2004 National Land Policy provides general guidance on a rational and planned use of land while ensuring sound land management and efficient land administration. The policy was developed to address land-related challenges, including a land tenure that was dominated by customary law, resulting in land fragmentation, a practice that reduces further the size of family farms below the threshold of the average surface area that is economically viable.

Law no 43/2013 of 16/06/2013 governing land in Rwanda determines land allocation modalities, acquisition, transfer, use and management. The law clearly stipulates private or individual land ownership in Article 10, the certificate of land allocation in Article 18 and the transfer of land rights upon prior consent by all registered rights holders on the land title in Articles 21 and 22. The law maintains the supreme powers of the State to manage all national land in the interest of Rwandans, for sustainable economic development and to ensure social welfare. The law substantiates how land will remain a domain of the past, present and the future. Furthermore, the 2015 expropriation law determines the procedures for land expropriation in the public interest.

¹⁵ UNDP, Human Development Report 2020 - <https://hdr.undp.org/sites/default/files/Country-Profiles/RWA.pdf>

Law No 43/2013, currently governing land in Rwanda, provides equal access to land without discrimination based on sex or origin. It is mandatory to register land property to both spouses married in a community and spousal consent is now required for transfer of the property. The law provides further guidance on land access through emphyteutic leases. Owners of agricultural land in rural areas may be granted 99-year renewable leasehold and shorter leases of up to 49 years for foreigners.

4.4.3.2 Land Use

The 4th phase of Rwanda's Strategic Plan for the Transformation of Agriculture (PSTA 4) for 2018-2024¹⁶ indicates that 96% of rural households rely directly or indirectly on agriculture for their livelihoods. PSTA 4 observes that 30% of the households cultivate less than 0.2 ha (accounting for about five per cent of total arable land), while about 25% cultivate more than 0.7 ha (accounting for 65 per cent of the national farmland). It further states that the remaining 15% of rural household farm less than 0.1ha many of whom are female-headed households, cultivating only 1.32% of national cultivable land.

The Integrated Household Living Conditions Survey (EICV 3) of 2013¹⁷ reported that the proportion of households cultivating the smallest areas, with under 0.3 ha of land represent 46.4% in Kayonza District: slightly higher than the national level average (46%). Figure 4 displays a proposed land use map of Kayonza District featuring land use socio-economic, infrastructure and environment land use classes. Socio-economic classes of land use include urban areas, built up areas, *imidugudu* (villages), educational facilities, health facilities, markets and trading centres, milk collection stations, industrial plants, mineral deposits and mining concessions and areas of national interest for tourism. The infrastructure land use class features national roads with 22m road reserves, district roads with 16m road reserves, power lines with 200m buffer areas around them.

The National Land Use and Development Master Plan (NLUDMP) of 2013¹⁸ establishes environment land use buffer zones as follows:

- Hydrological lines - 10m
- Lakes - 50m
- Wetlands - 20m,
- Valuable agriculture land, forest, Akagera National Park, economic zones of Akagera National Park, slopes of more than 30 degrees proposed for reforestation and drought risk area - 1km.

However, the enforcement of the 1 km buffer zone remains a challenge, as people are already inhabiting and cultivating within the buffer zones, and moreover, the GoR has also given concessions for development within 1km of the parks, for example for the Bramin and Buffet schemes. REMA has recently commissioned a revision of the National Land Use

¹⁶ http://www.minagri.gov.rw/fileadmin/user_upload/documents/AJSR/PSTA_4_Approved_by_the_Cabinet.pdf

¹⁷ <http://www.statistics.gov.rw/survey-period/integrated-household-living-conditions-survey-3-eicv-3>

¹⁸ http://www.minirena.gov.rw/index.php?id=61&tx_ttnews%5Btt_news%5D=182&cHash=83e58f1a5f0daba584733e8d69be3182

and Development Master Plan specifically to review the 50m buffer zone and land use within the buffers by the lakes, as well as for steep slopes.

4.4.4 Socio-Economic Conditions

4.4.4.1 Poverty.

While in the past 20 years, poverty in Rwanda has declined, 38.2 percent of the population continue to live below the poverty line and around 57% of the population are either food insecure or close to being food insecure. Rwanda's increased food insecurity in spite of monetary poverty reduction, is linked to a set of inter-related underlying causes: small plot sizes, limited land availability, low productivity in subsistence agriculture and low farmers' purchasing power. These factors are accentuated by erratic weather patterns including intense rains in some locations and recurrent droughts in others¹⁹. Poverty is highest among households that depend on income from seasonal labour and own little or no land. Resource poor rural households who cultivate small plots are the most food insecure²⁰.

4.4.4.2 Gender

The latest Gender Inequality Index (GII), which reflects gender-based inequalities in health, empowerment and economic dimensions, ranks Rwanda 92nd out of 162 countries. According to the national Women's Empowerment in Agriculture Index Study from 2020, the largest contributor to women's disempowerment in Rwanda is workloads²¹. Access to credit, decisions on credit, and difficulty speaking publicly also are important contributors to disempowerment. Among the three PSAC target provinces (Southern, Western and Eastern), additional constraints to empowerment for women include also the purchase, sale and transfer of assets.

In terms of economic opportunities, both men and women in Rwanda face constraints in accessing markets and finance. However, men have more access and control over agriculture resources at household level compared with women²². The Revised National Gender Policy from 2021²³, notes that women remain present at the subsistence level of agricultural value chain-production due to inadequate access to agricultural inputs and extension services among others

While Rwanda is internationally recognized for its achievements in gender-equal parliamentary representation, health, and education²⁴, persisting discriminatory social norms which negatively affect women's decision-making power and opportunities for economic participation, remain in place. The 2020 UN gender social norms index²⁵, which looks at four dimensions (political, educational, economic and physical integrity) and captures how social beliefs can obstruct gender equality notes that in Rwanda almost 90% of people hold some kind of bias against women. These biases are especially related to physical integrity including

¹⁹ EICV4,2014

²⁰ Almost 60% of food insecure households are vulnerable and 30% are extremely vulnerable CFSVA (2018).

²¹ Women's Empowerment Agriculture Index Study (WEAI), 2020, Baseline report, DFID

²² NpM, 2020, Financial services for women. Case studies on women's participation in the maize and bean value chains in Rwanda.

²³ MIGEPROF, Revised National Gender Policy, Accelerating the Effectiveness of Gender Mainstreaming and Accountability for National Transformation 2021

²⁴ WEF. 2019. Global gender gap report 2020. Cologny/Geneva: World Economic Forum

²⁵ UNDP (2020) Tackling Social Norms - A Game Changer for Gender Inequalities: 2020 Human Development Perspectives https://hdr.undp.org/sites/default/files/hd_perspectives_gsni.pdf

intimate partner violence and reproductive rights. This is particularly significant given that in Rwanda, among women aged 15-49, 37% have experienced physical violence since age 15 and 23% have ever experienced sexual violence. The corresponding proportions among men are 30% and 6%²⁶.

4.4.4.3 Youth

Rwanda is a young country, where working age youth (16 to 30 years old) represent 77 percent of the rural population. Yet, the involvement of youth in agriculture is low, only a quarter of farmers (26.6%) are between 16 and 30 years old²⁷. Young people are also amongst the most vulnerable sectors of the population: in Rwanda, almost 30 per cent of young people live in households that are below the poverty line. Gender disparities also exist, with more young women extremely poor (12 per cent) compared to men (10.4 per cent) in 2016/2017²⁸.

Young rural people in rural areas are mostly literate (83 per cent, with no significant difference between males and females); however, the level of education is low and the percentage of young people attending tertiary education and technical or vocational is extremely limited (only 2.8 per cent of the rural youth population)²⁹ which challenges their involvement in the formal labour market. Indeed, precarious forms of employment with low level of earning is the main employment problem for the youth.

Root causes of rural youth unemployment in agriculture are mostly related to lack of access to productive assets and natural resources, goods and services; lack of knowledge and technical and business skills; a negative perception of agriculture among youth and a non-conducive environment for youth employment³⁰. These constraints limit rural youth's ability to develop successful agri-businesses schools.

4.4.4.4 Nutrition

Nationally, 38 % of children under 5 years are stunted. Stunting increases with the age of the child up until 23 months, rising from 18 % among children 6–8 months to a peak of 49% among children 18–23 months.³¹ Forty-one percent of rural children are stunted, as compared with 24 % of urban children. Both a mother's level of education and wealth quintile have a clear inverse relationship with prevalence of stunting. Underweight (low weight for age) affects 9% of children under 5 while wasting, (acute malnutrition or low weight for height) which is associated with a high death rate, affects 2.2% of children under 5 (wasting rates <5% are considered within an acceptable range). In addition to chronic and acute malnutrition, anaemia levels in children under 5 are high and the pace of reduction is slow while steadily increasing in prevalence among women. Currently, anaemia affects 37% of Rwandan children under 5 and 19% of women of reproductive age (15-49 years) (RDHS 2015).

²⁶ Rwanda Demographic and Health Survey 2019-20

²⁷ Agricultural households survey, 2020

²⁸ EICV5, 2016/2017, Thematic Report, Youth.

²⁹ In the Eastern Province of Rwanda, 83% of the rural youth population is literate and more than 90% have attained schools, even from the poorest quintiles; however, only 1.7% attained tertiary education and 2.8 % has attained technical and vocational schools. Source: NISR, EICV5, 2016/2017. Education Thematic Report

³⁰ Source: IFAD, 2019, Creating Employment Opportunities for Rural Youth in Africa: Support to integrated agribusiness hubs, Grant Design Report.

³¹ National Institute of Statistics of Rwanda (NISR) [Rwanda], Ministry of Health (MOH) [Rwanda], and ICF International. 2015. Rwanda Demographic and Health Survey 2014-15. Rockville, Maryland, USA: NISR, MOH, and ICF International.

4.4.4.5 Marginalised groups

Apart from the Twa, socially vulnerable groups include households with older people aged above 65 years and persons with disabilities (PWD). Households with older people aged above 65 years, have a poverty rate 5.7 percent higher than the national average with 79.1 percent regarded as poor or vulnerable to falling into poverty. There are 511,738 older persons (60 and above) living in Rwanda out of a total population of 10,515,973 inhabitants. The older Persons are composed of 207,239 older men and 304,499 older women. Thus, older Persons represent 4.9% of the total resident population. 7.4% of the older persons receive formal pension from the Social Security Fund for Rwanda (SSFR), since in the context of high levels of poverty and the lack of formal employment, only a fraction of older people will have contributed to a pension³². The households with older people are particularly vulnerable in the absence of assistance from Government

4.4.4.6 Impacts of the covid-19 pandemic.

COVID-19 pandemic had a major impact on unemployment in the first half of 2020 with 53.4 percent of the rural population reported out of work, 22.6 percent were self-employed, 9.6 percent casual employment, and 14.2 percent were engaged in formal employment. Lubombo, the poorest region in the country, recorded the highest rates of unemployment, which were almost 20 points higher than the national average.

The development of more profitable agricultural livelihoods for smallholders requires investments to address production, productivity, post-harvest losses, value addition and market access. Investments at different levels of the agricultural value chain have the potential to generate rural employment.

4.4.5 Livelihood Conditions

Eighty percent of all households are food secure, which corresponds to about 1,963,975 households. However, 979,045 (40%) of these households are considered marginally food secure, meaning they are at high risk of becoming food insecure. Of the 473,847 (17%) households considered food insecure, 63,696 (3%) are severely food insecure. The level of food insecurity is particularly high in the western and northern parts of the country, especially in the livelihood zones of Western Congo Nile Crest Tea Zone (49%), Lake Kivu Coffee Zone (37%), and the Northern Highland Beans and Wheat Zone (32%). At the provincial level, the Western Province is most concerning, with over 35% of its households considered food insecure. Although the Western Province holds 22% of the country's households, 42% of all severely food insecure households in Rwanda are found there. At the district level, Rutsiro (57%), Nyamagabe (42%), Nyabihu (39%), Nyaruguru (37%), Rusizi (36%), Karongi (35%), and Nyamasheke (35%) have the highest percentages of households classified as food insecure³³. Figure 2 depicts the food security situation in Rwanda.

The poorest and most food insecure households are more likely to have women with low level of education, children suffering from undernutrition and stunting and persons with disabilities. To tackle the multiple barriers that traditionally prevent very poor and vulnerable households from improving livelihoods (access to land and assets, lack of capacities, poor culture of saving, lower position and decision-making power in representing organization,

³² Republic of Rwanda, NISR, Fourth Population and Housing Census 2012, Thematic Report, Socio-Economic Status of Older people, January 2014

³³ WFP, MINAGRI and NISR (2015). Comprehensive Food Security and Vulnerability Analysis Report (CFSVA). Kigali, Rwanda.

etc.) and enable them to gradually improve their livelihoods, a social inclusion strategy will be required, directly targeting the poorest households with services and activities

4.4.6 Agriculture

The Rwandan economy is, and will remain for the foreseeable future, heavily dependent on the agricultural sector, with over 80 percent of its population depend directly or indirectly on the agriculture sector. The agriculture sector represents 30.9 percent, and the industry sector represents 15.8 percent of GDP (WB, 2017). The sector employs around 90 percent of the population, provides 91 percent of the food consumed in the country, and accounts for 70 percent of revenue from exports. Agriculture is also important for national food self-sufficiency, accounting for well over 90 percent of all food consumed in the country. Interestingly, 66% of the total food crops are meant for domestic consumption while only 34% find their way to the market.

Although marketable surpluses have begun to increase, the relatively poor performance of the agricultural sector has been a major impediment to economic development, and it now faces further challenges due to climate change as a consequence of global warming. Further, harvest and post-harvest losses are still relatively high, at 20 percent for key commodities, thus the full production potential is not being realised. Improving post-harvest management and provision of infrastructures in this regard is important.

4.4.7 Labour and Migration

4.4.7.1 Labour

Total labour force comprises people ages 15 and older who meet the International Labour Organization definition of the economically active population: all people who supply labour for the production of goods and services during a specified period. It includes both the employed and the unemployed. While national practices vary in the treatment of such groups as the armed forces and seasonal or part-time workers, in general the labour force includes the armed forces, the unemployed, and first-time jobseekers, but excludes homemakers and other unpaid caregivers and workers in the informal sector. The agriculture sector establishments in Rwanda had a total of 30,044 labour units employed as managers, professionals (engineers), liberal professionals, technicians and artisans. In terms of gender, men constitute 56.6% and women 43.4% of the total labour units. 85.2% of the employees were agricultural artisans, 10.8% technicians and 2.4% managers. Scientists, professionals, and liberal professionals constituted 0.7% and 0.9% respectively.

4.4.7.2 Migration.

Analysis for Rwanda shows that urbanisation has accounted for 37% of national structural change (GDP growth through labour reallocation across employment sectors). Urban areas have accounted for 48% of national labour productivity growth over the past 15 years³⁴. Age is not a significant predictor of underemployment (i.e., working less than 35 hours per week), but gender and migration status are. Research from Kigali shows a strong link between where

³⁴ (Diao et al., 2017; World Bank, 2018b)

people live and the sector of activity in which they work³⁵. Over 70% of household heads live within 2km from their workplace (straight-line distance), with an estimated 44% of employed heads-of-household working in the administrative sector in which they live. This data suggests that different parts of the city specialise in different types of economic activities. This is particularly true for traders, who are more likely to live and work close to the city centre.

4.4.7.3 Child labour.

In 2021, Rwanda made moderate advancement in efforts to eliminate the worst forms of child labour. Rwanda finalized a new national action plan to combat human trafficking and launched a new hotline for the public to report child abuse, including child labour. They are subjected to the worst forms of child labour, including in forced domestic work. Children also perform dangerous tasks in mining, including carrying heavy loads. Reports indicate that government officials have detained children subjected to commercial sexual exploitation and forced street begging in transit centres intended for individuals demonstrating so-called deviant behaviours, in which children often experience physical abuse.

National data show that approximately 3.6 percent of all children in Rwanda are engaged in child labour, primarily in the agriculture and services sectors. In a survey of working children between ages 5 and 17 from 11 districts in the country, Rwanda's National Commission for Human Rights reported in 2020 that more than half of the respondents indicated that they performed some type of hazardous labour, including carrying heavy loads, working in construction and brick kilns, and mining. Officials have indicated that children in mining often drop out of school and work in abandoned artisanal mines with their parents. During the reporting period, police in the Musanze district of Northern Province indicated that hundreds of children had dropped out of school, and many had begun working in the sugarcane and brick-making industries. Poverty was identified as the key factor contributing to child labour, which in turn led to an increased incidence of children dropping out of school³⁶.

³⁵ Hitayezu et al., 2018.

³⁶ Bureau of international affairs 2021 available <https://www.dol.gov/agencies/ilab/resources/reports/child-labor/rwanda>

5. CONSULTATION AND PUBLIC DISCLOSURE

5.1 CONSULTATIONS

Consultation is an essential part of the project cycle. Understanding the views from various stakeholders is critical for confirming relevance of proposed interventions, for effectiveness and efficiency of proposed approaches and for impact and sustainability of the intended positive changes.

PSAC has been designed in close consultation with a wide group of stakeholders, the details of which can be found in the PDR. The PSAC design furthermore includes strong participatory design principles and processes, which go beyond consultation.

5.2 PUBLIC CONSULTATION PLAN

The implementing agency of the PSAC project has the responsibility to effectively engage stakeholders in achieving the project objectives for the benefit of all. This public consultation plan (PCP) forms part of the ESCMF and is the same for all categories of sub-projects. It is for use during public consultation in the screening processes for every PSAC funded project and sub-projects.

5.3 OBJECTIVES OF THE PLAN

The PCP provides a framework for achieving effective stakeholder involvement and promoting greater awareness and understanding of issues so that the project is carried out effectively within budget and on-time to the satisfaction of all concerned. To ensure the effective implementation of this plan, Rwanda- PSAC shall be committed to the following principles:

- Promoting openness and communication,
- Ensuring effective stakeholder involvement,
- Evaluating the effectiveness of the engagement plan in accordance with the expected outcomes.

The key elements of a Public Consultation Plan are:

- Stakeholder identification and analysis
- Information disclosure
- Stakeholder consultation
- Grievance management
- Stakeholder involvement in project monitoring
- Reporting to stakeholders
- Management functions.

5.4 KEY STAKEHOLDERS

Stakeholders of this project shall be defined as all those people and institutions that have an interest in the successful planning and execution of the project. This includes those likely to be positively and negatively affected by the project.:

The key stakeholders to be continuously engaged could include:

1. Rwanda Government Departments:

- MINALOC, Ministry of Local Government
- RAB, Rwanda Agriculture Board
- MINAFFET, Ministry of Foreign Affairs and International Cooperation
- MIGEPROF,
- BDF, Business Development Fund
- Rwanda Standards Board (RSB),
- Rwanda Cooperative Agency (RCA), and
- HCoE.

2. Other Stakeholders

- Rural Entrepreneurs Tea and coffee
- Farmers associations
- Service Providers
- BRD, Rwanda Development Bank
- Farmers/farmers groups or associations,
- Women and Youth Councils /Associations

The list above is not exhaustive. As the Programme gets underway, the NAEB will develop a detailed PCP identifying all possible stakeholders, their specific information needs and the appropriate modes of consultation as well as feedback mechanisms.

5.5 CURRENT CONSULTATIONS

5.5.1 Stakeholder Engagement

A variety of engagement techniques were used to build relationships with stakeholders, gather information from stakeholders, consult with stakeholders, and disseminate project information to stakeholders. This engagement process will provide a framework for achieving effective stakeholder involvement and promoting greater awareness and understanding of issues so that the project is carried out effectively.

For the proposed PSAC, the public consultations with the local communities, and all other interested/affected parties were conducted as part of the PDR development process. These consultations were aimed at briefing the communities and other stakeholders about the project activities, how the activities will be carried out and what sectors of the environment are likely to be impacted. The public consultations were done in a participatory manner to encourage the communities to contribute to the screening process.

Throughout the project life, the engagement techniques that will be used will take into consideration the cultural appropriateness and the purpose for engaging with the stakeholders. Thus prior to any engagement event the following actions will occur:

- Selection of individual stakeholders with whom engagement will occur,

- Selection of methods for disclosure of information (including such topics as format, language, and timing),
- Selection of location and timing for engagement event(s) (avoiding busy work times, which may be seasonal, and days/times when special events may be occurring),
- Agreeing on mechanisms for ensuring stakeholder attendance at engagement event(s) (if required),
- Identification and implementation of feedback mechanisms to be employed.

The stakeholder engagement process for the preparation of this ESCMF was complicated by the subsiding COVID-19 pandemic which limited the study team's movements and consultations; thus, full scale site visits could not be conducted. For this reason, the approach that was used is presented below.

5.5.2 The Engagement Process

The engagement process for this project involves the following:

- Visits to potential project sites,
- Face to face interviews with Keys stakeholders,
- Focus group meetings,
- Virtual Meetings (Zoom, Microsoft Teams, Skype, etc),
- Electronic administration of Questionnaires.
- Physical administration of Questionnaires,
- Direct observation and discussion in the field,
- General data Collection from all stakeholders.

The general consultation techniques that will be used for the continuous engagement of the stakeholders throughout the project implementation phases are as listed below:

Table 5-1 Stakeholder engagement techniques

No.	ENGAGEMENT TECHNIQUE	APPROPRIATE APPLICATION OF THE TECHNIQUE
1.	Correspondences (Phone, Emails)	<ul style="list-style-type: none"> • Distribute information to Government officials, NGOs, Local Government, and organisations/agencies in the project area. • Invite stakeholders to meetings and follow-up
2.	One-on-one meetings	<ul style="list-style-type: none"> • Seeking views and opinions • Enable stakeholder to speak freely about sensitive issues • Build personal relationships • Record meetings
3.	Formal meetings	<ul style="list-style-type: none"> • Present the Project information to a group of stakeholders • Allow group to comment – opinions and views • Build impersonal relation with high level stakeholders • Disseminate technical information • Record discussions
4.	Public meetings	<ul style="list-style-type: none"> • Present Project information to a large group of stakeholders, especially communities • Allow the group to provide their views and opinions • Build relationship with the communities, especially those impacted • Distribute non-technical information • Facilitate meetings with presentations, PowerPoint, posters etc. • Record discussions, comments, questions.
5.	Focus group meetings	<ul style="list-style-type: none"> • Present Project information to a group of stakeholders (8-15 people groups) • Allow stakeholders to provide their views on targeted baseline information

No.	ENGAGEMENT TECHNIQUE	APPROPRIATE APPLICATION OF THE TECHNIQUE
		<ul style="list-style-type: none"> • Build relationships with communities • Record responses
6.	Project website	<ul style="list-style-type: none"> • Present project information and progress updates • Present GRM and another relevant project documentation
7.	Project leaflet	<ul style="list-style-type: none"> • Brief project information to provide regular update • Site specific project information.
8.	Surveys	<ul style="list-style-type: none"> • Gathering opinions and views from individual stakeholders • Gather baseline data • Record data • Develop a baseline database for monitoring impacts
9.	Workshops	<ul style="list-style-type: none"> • Present project information to a group of stakeholders • Allow a group of stakeholders to provide their views and opinions • Use participatory exercises to facilitate group discussions, brainstorm issues, analyse information, and develop recommendations and strategies • Record responses

The engagement process will be a continuous issue throughout the life of the project and will be used as a means of checks and balances for the proper implementation of the project. The process will employ a technically and culturally appropriate approach, which involves identifying the concerned/affected stakeholders, soliciting their views, and continuously checking if their views are being taken care of as the project implementation progresses.

5.5.3 Public Consultations



Figure 5-1 Stakeholder Consultation Meeting at Abahuzamugambi Co-op.
(Abahuzamugambi Cooperative – Huye District.)

In the process of developing the current ESCMF the local stakeholders were consulted to solicit their views and concerns as regards the proposed intensification of agricultural activities resulting from the roll out of the tea, coffee and horticulture value chains. The list of the consulted stakeholders is included in appendix 4.

5.5.3.1 Objectives of Consultations

The Consultations involved gathering feedback on the information that had been given to the stakeholders about the project, as well as getting more information about local contexts that may not have been obvious, to raise issues and concerns, and to help shape the objectives and outcomes of the project. The objectives of consulting all these stakeholders were:

- To inform them of the proposed project and its likely impacts on their activities and general surroundings.
- To establish the Environmental, Economic, Social and Cultural aspects implications of the project on the different stakeholders.
- To gather the views of the stakeholders on the proposed project.
- To accommodate the stakeholders' suggestions and perceptions during the project implementation.

5.5.3.2 Consultations with the major organizations.

The consultations with the designated implementing or major organizations involved mainly meetings and one on one interviews.

In general, the aims of the consultations included (i) introducing the project to the Stakeholders; (ii) identifying together the potential environmental and social challenges the project may face; (iii) identifying any other possible challenges and how they should be addressed or mitigated; and (iv) bringing on board the major stakeholders to garner project ownership from inception.

5.5.3.3 Consultations with the public.

The public consultations were done to raise awareness of the project by informing the public in the concerned areas through their local leaders and some public gatherings about the upcoming programme in their areas. The public was also interviewed to gather their opinions regarding the programme and the environmental and social consequences that may result from its implementation. The stakeholders who were consulted are listed in appendix 4.

5.5.3.4 Stakeholders Consulted

The stakeholders consulted during this survey were:

- Government ministries,
- District and village administration offices/ local leadership,
- Direct beneficiaries of the project (Members of Associations),
- potential beneficiary communities,

5.6 INFORMATION DISCLOSURE

5.6.1 Information Disclosure to Consulted Stakeholders

The type of information to be disclosed to the various stakeholders depends on their interests and how they will be affected by the Programme – or how PSAC activities may be affected by them. Thereafter various communication tools can be utilized for the engagement process, such as:

- Project notices published in local newspapers.
- Radio advertisements.
- Direct mailings to communities.
- Presentations with or without focus group sessions).
- Targeted e-mails.
- One-on-one meetings, presentations, seminars, workshops, e-mails, and phone conversations with stakeholders.
- Site tours; and
- The use of social media.

Table 5-5 below gives a general overview of the types of information needs for various stakeholder groups.

Table 5-2 Summary Overview of a Public Consultation Plan for PSAC

No.	Stakeholders	Information to be disclosed	Consultation means
1.0	PSAC community, neighbouring communities, general public	Current and new activities and how these relate to them in terms of opportunities and threats	Local leaders i.e., Chief's or Local community offices, Churches, national media, social media, Agriculture website etc.
		Forum to express community / health fears and get feedback e.g., accidental release/escape, contamination. emergencies (fire)	Public consultations, focal group discussions, social media. Training specific members of the communities, awareness, education
2.0	Staff / workers at target Districts	How project work will affect their work environments including Occupational Health & Safety rules	Staff newsletters, bulletin boards, email, website, meetings with management, staff sensitization & inhouse training programs.
3.0	Farmers Groups/Clusters Agricultural NGOs Farmer Union Agrochemical companies	Consultation on agricultural needs / food security issues. Strengthen management capacity of farm enterprises, Support farmer clusters and group development. Ensuring farmers groups/associations participate in the formulation of agricultural policies and legislation Promoting dissemination of information (climate, prices, pests and diseases, and markets) access to farmer groups	Agricultural Extension services, Baseline surveys/subsequent surveys to monitor impacts, emails, bulletins
4.0		Setting sustainable development agenda for participating communities	Intergovernmental meetings and consultations

No.	Stakeholders	Information to be disclosed	Consultation means
	Intergovernmental Institutions; IFAD, FAO, WFP, etc	Capacity building for participating communities.	Build partnerships through meetings, seminars, workshops
5.0	University Graduates	Internship opportunities	Website, public media, bulletin boards
6.0	Youths	Opportunities for employment during project implementation, other opportunities in agro-processing which involves value-addition initiatives in agro-processing, packaging, and promotion of value chains	Agricultural Offices, public consultations

5.6.2 Disclosure of ESCMF Documents

IFAD policies require that the Government of Rwanda, and IFAD disclose the ESCMF report as a separate and stand-alone document. The disclosure should be done by Rwanda, and IFAD where it can be accessed by the public, including affected groups and NGOs, and at their respective websites.

The NAEB will make copies of the ESCMF available in selected public places possibly at National relevant government offices for information and comments. The Proposed project activities will be announced through different forms of media. The announcement will include a brief description of the program, references to where and when the ESCMF can be viewed, duration of the display period, and contact information for comments.

For meaningful consultations between the project client and possible project affected groups, beneficiaries and local NGOs on all “Moderate” Risk Category projects, the project client in this particular project case shall provide relevant material in a timely manner prior to consultation and in a form and language that are understandable and accessible to the groups being consulted.

5.6.3 Public Disclosure Plan

Following the public consultation, all comments and briefs will be analysed. The report will be published and made available to the concerned community groups and to interested bodies upon request.

In line with this, the ESCMF will be available at the relevant institutions at all levels and be publicly disclosed both in country and at the IFAD’s websites. The project client will make copies of the ESCMF available in selected public places in English and working language of the country in compliance with the IFAD’s *Public Consultation and Disclosure Policy*. It is proposed that the locations of copies are announced through public relation sections of relevant sector line Ministries, radio announcement in addition to press releases, as applicable.

Any ESCMPs and other safeguards instruments that will be prepared for the proposed project activities under the program will also needed to be disclosed to the public. Copies of the ESCMPs should be made available to communities and interested parties in accessible locations through local government authorities. Copies of the ESCMPs should also be provided to the implementing agencies. This will ensure record keeping of all activities implemented under the ESCMF and ensure that third party audits, if required, have adequate information when undertaking annual environmental and social audits.

5.6.4 Disclosure of documentation related to the SECAP process

The IFAD policy on the disclosure of documents, approved in 2010, adopted the principle of “presumption of full disclosure” The sharing of draft and final ESCMFS and other relevant documents with program and project stakeholders and interested parties will be subject to the above-mentioned principle. As such, the documents will be disclosed, when available, in a timely manner prior to project appraisal at the quality assurance stage on IFAD’s Website and in an accessible place in the program or project-affected area, in a form and language understandable to project-affected parties and other stakeholders, for the purposes of keeping them informed and obtaining their meaningful feedback. Comments on SECAP-related disclosed documents can be submitted through the SECAP Help Desk email using: ecd_secap@ifad.org.

5.7 GRIEVANCE REDRESS MECHANISM

A grievance redress mechanism is a process for receiving, evaluating and addressing project-related concerns of, and complaints by, project affected communities or persons. IFAD’s Grievance Redress Mechanism allows affected complainants to have their concerns resolved in a fair and timely manner through an independent process.

IFAD’s Grievance Redress Mechanism requires: (i) working proactively with the affected parties to resolve complaints; (ii) ensuring that the complaints procedure is responsive and operates effectively; and (iii) maintaining records of all complaints and their resolutions. The Grievance Redress Mechanism is detailed in Appendix 8. The purpose of the grievance redress mechanism will be:

- To be responsive to the needs of beneficiaries and to address and resolve their grievances.
- To serve as a conduit for soliciting inquiries, inviting suggestions, and increasing community participation.
- To collect information that can be used to improve operational performance.
- To enhance the project’s legitimacy among stakeholders.
- To promote transparency and accountability.
- To deter fraud and corruption and mitigate project risks.

The principles of a good grievance redress mechanism are:

- A mechanism scaled to risk and adverse impact on affected communities,
- Designed to take into account culturally appropriate ways of handling community concerns,
- A clear and understandable mechanism that is accessible to all segments of the affected communities at no cost,
- Transparency and accountability to all stakeholders,

- A mechanism that prevents retribution and does not impede access to other remedies,

The key steps for grievance management are

- Publicizing grievance management procedures so that the mechanism is accessible to everyone,
- Receiving (i.e., collecting, recording and registering) and keeping track of grievances,
- Reviewing and investigating grievances to assess the nature of the grievance, its severity and legitimacy,
- Developing resolution options commensurate with the nature of grievances and preparing and communicating a clear response, and closing out cases when agreement with the complainants is reached,
- Monitoring grievances through tracking to ascertain effectiveness, adapting the mechanism to correct inefficiencies, using the results of monitoring for feedback and lessons learned.

The NAEB will establish a grievance redress mechanism in line with the above requirements, at project start. Beyond the project-level grievance mechanism, project stakeholders may use IFAD's Complaint Procedures that can be found at <https://www.ifad.org/en/accountability-and-complaints-procedures>

5.8 FEEDBACK AND MONITORING

As part of the Public Consultation Plan (PCP) a mechanism for providing feedback to the stakeholders on their particular information needs will be set up. In addition, the PCP will include means for monitoring the effectiveness of the public consultation processes and outcomes from consultations, and for determining where further action may be necessary in regard to engagement.

The environmental and social safeguards specialists in NAEB will be responsible to ensure that the PCP is implemented throughout the life of the Program. They will also be responsible for communicating and reporting on all stakeholder matters to NAEB Manager.

6. SCREENING, APPROVAL AND IMPLEMENTATION OF SUBPROJECTS

6.1 INTRODUCTION

This chapter covers the process of determining the sub-projects' significant environmental and social consequences, deciding on the level of EA work to be done and then implementing the developed mitigation measures. The PSAC project has been rated environmental and social assessment "Substantial" Risk Category and thus most of the subprojects will fall within this category. There will not be a "High" Risk Category subproject funded by PSAC. However, it is recommended that PSAC should avoid sensitive areas and take steps to ensure that subprojects stay within "Substantial" Risk Category.

Thus, every subproject that will be funded under PSAC will require environmental and social screening. The screening will be done using the Environmental and Social Screening Form (see Appendix 1) together with information on typical subproject impacts and mitigation measures in the environmental and social management plans (ESMPs) (Tables 7-1, to 7-5).

In some cases, special planning reports (e.g., IPMP, etc.) may have to be developed and implemented. These will require extra resources to prepare, and this may require amendments to the subproject design.

The sections below (6.3 – 6.7) detail the stages of the environmental and social screening process (the screening process) leading towards the review and environmental and social approval of any subproject that will be undertaken in the PSAC. Each sub-project that will be funded through PSAC will have to undergo the Environmental and Social Screening Process, as outlined in Figure 6-2 below.

6.2 SECAP SCREENING REQUIREMENTS

SECAP requires that each project that is funded by IFAD be screened first, in order to determine its significant environmental and social consequences. The screening process enables the project to be placed under one of four categories, i.e., High, Substantial, Moderate, and low. Figure 6-1 below shows SECAP's processes for screening. (See legal section for Categories)

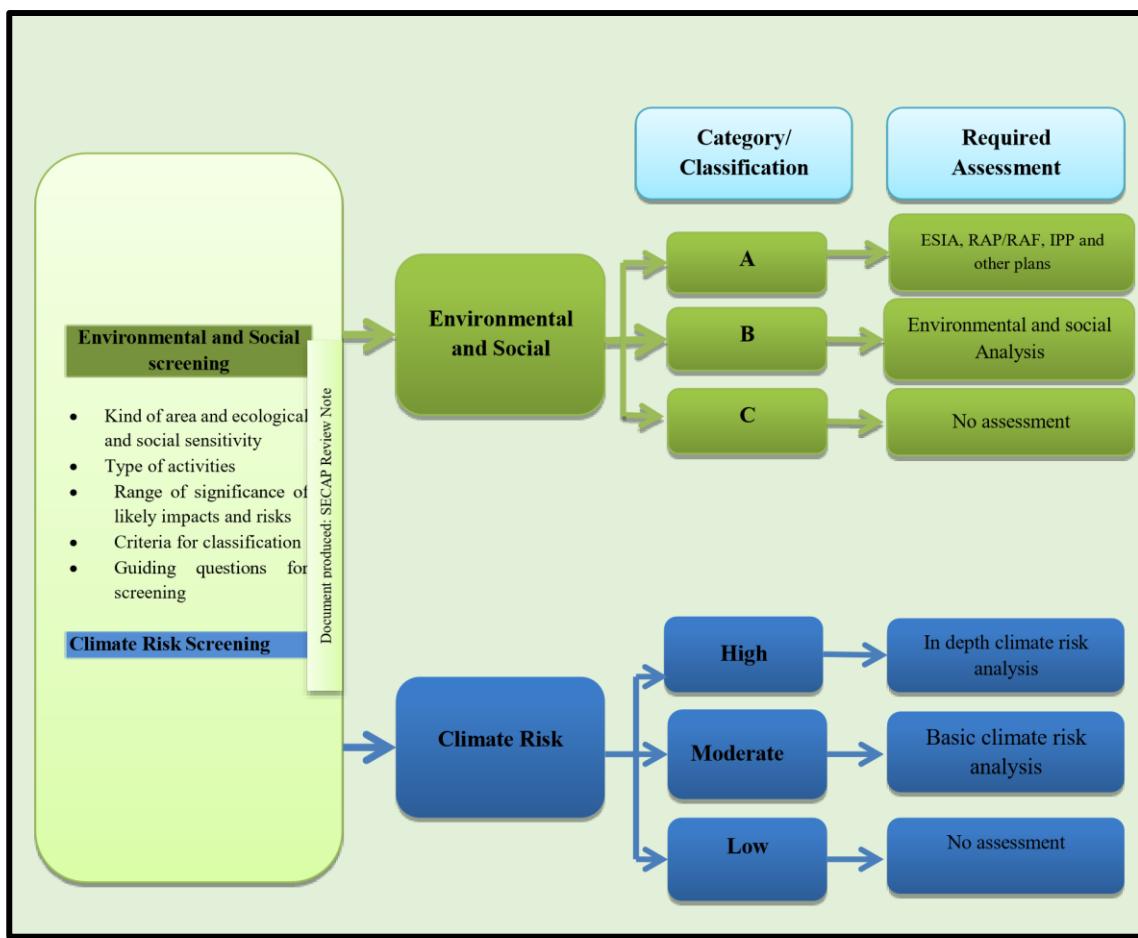


Figure 6-1 IFAD's Screening Procedure for Projects

Source: SECAP, 2017

6.3 EXCLUSION LIST

Table 6-1 below provides criteria based on which subprojects and activities which will not be eligible for financing under PSAC:

Table 6-1 Subproject and Activity Exclusion List

No.	Negative sub project list
	The proposed PSAC project will automatically exclude subprojects that:
1	Require acquisition of land and physical or economic displacement of people.
2	Block the access to or use of land, water points and other livelihood resources used by others
3	Impact on physical cultural resources of national or international importance and conservation value

In addition to the above, any subprojects that would be categorised as High-Risk Category subprojects will not be eligible for financing under PSAC.

6.4 STAGES OF ENVIRONMENTAL AND SOCIAL SCREENING.

6.4.1 Desk Appraisal of the planned activities

Each selected sub-project site will be subjected to a rigorous environmental and social screening process. The initial stage is a desk appraisal of the planned activities, including designs. The desk appraisal will be carried out at the District Offices level by a technical team comprising experts from the MINAGRI, Rwanda Environment Management Authority (REMA), and Ministry of Local Government, to ensure that all pertinent environmental and social issues are identified.

This initial screening will be carried out through the use of the Environmental and Social Screening Form (Appendix 1). This form will be completed by NAEB Environment Officers with assistance from the District Technical team.

Completion of this screening form will facilitate the identification of potential environmental and social impacts, determination of their significance, assignment of the appropriate environmental and social category, proposal of appropriate environmental and social mitigation measures, and conduct any further environmental and social work, if necessary.

6.4.2 Assigning the Environmental and Social Categories

The assignment of the appropriate environmental and social category to a particular sub-project will be based on the information provided in The Environmental and Social Screening Form (Appendix 1). The same technical team of experts, will be responsible for categorizing the sub-project activity either as High, Substantial, Moderate or Low.

The assignment of the appropriate environmental and social category will be based on the SECAP provisions on Environmental Assessment. Most of the subprojects and activities of the current project are likely to be categorized as Moderate, meaning that their potential adverse environmental and social impacts on human populations or environmentally important areas will be site-specific, few if any of the impacts are irreversible, and they can be mitigated readily.

Some activities might be categorized as “Low” if the environmental and social screening results indicate that such activities will have no significant environmental and social impacts and therefore will not require additional environmental and social work. Thus, if the screening form has only “No” entries, the proposed activity will not require further environmental and social work, and the technical team of experts will recommend approval of this proposal and implementation can proceed immediately in line with category 1 of the Government of Rwanda EIA guidelines.

The environmental and social High-Risk category (significant, irreversible impacts) will not apply to the PSAC subprojects and activities. High Risk Category subprojects and activities will be eliminated at the first stage of screening, where the eligibility of the subprojects is determined.

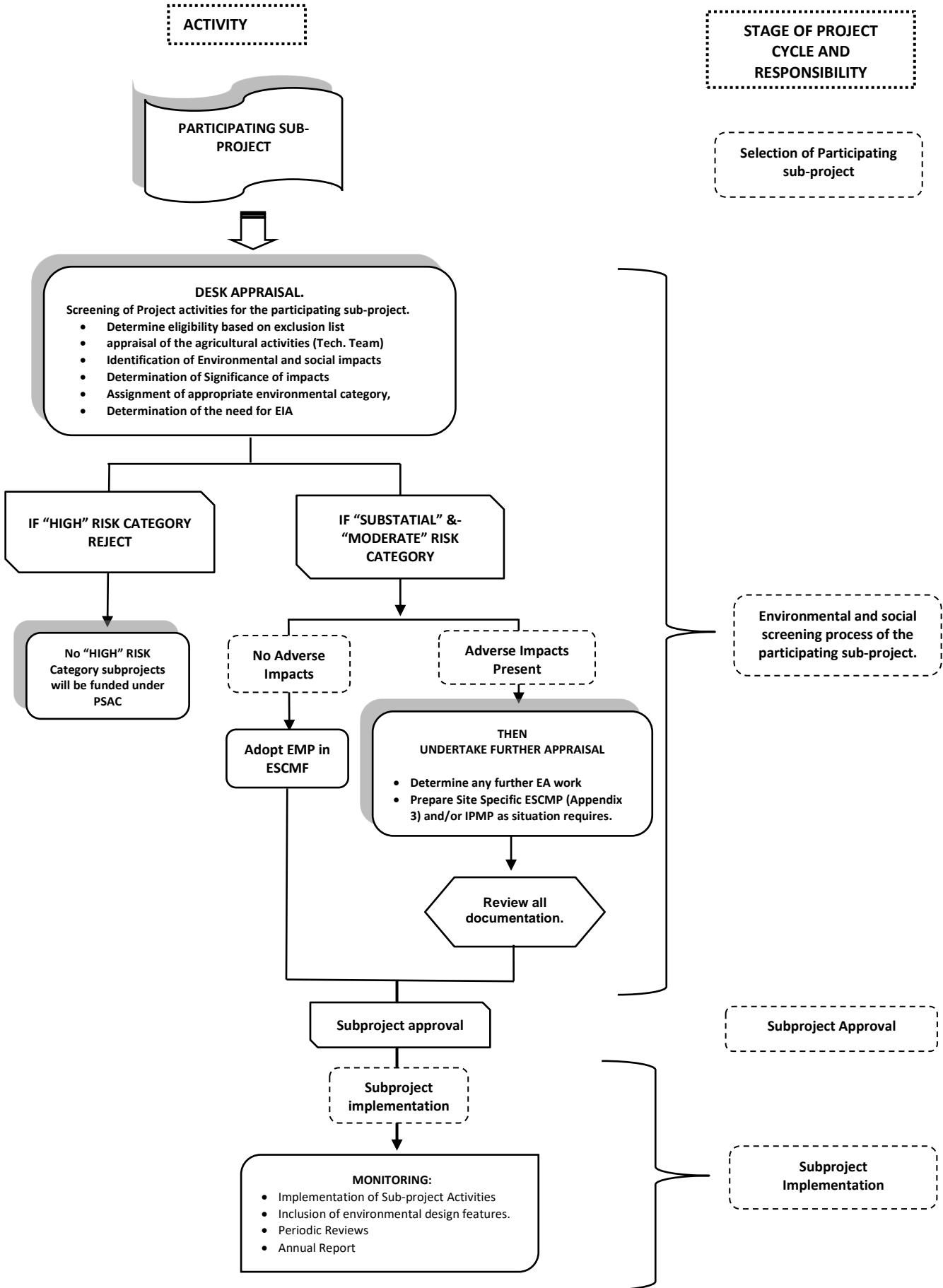


Figure 6-2 Subproject Screening Process

6.4.3 Review of Recommendations

The completed screening form along with any additional planning reports, will be forwarded to the Review Committee, under the MINAGRI represented by the NAEB Head Office. The Review Committee will review the recommendations in the screening form, review the proposed mitigation measures, and conduct public consultations. It will further determine whether (a) the application of simple mitigation measures outlined in the Environmental and Social Screening Form (Appendix 1) will suffice; or whether further Environmental and social work needs to be done.

The Sub-projects which did not require the preparation of additional EA work will automatically be approved on the basis of the screening form and will be required to go ahead and use the screening form together with the requirements of the ESCMF as its Safeguards instruments.

If the desk appraisal indicates that the proposed subproject may have environmental or social concerns that are not adequately addressed in the current documentation, the Review Committee may require the preparation of additional mitigation plans as the situation may require. The additional EA work may include site specific ESCMPs, IPMPs, site specific ESIAS etc. Once all documentation is in place these will then be submitted to the Environment Department for Synchronization with the main ESCMF and/or approval. Generally, most of the sub-projects that will be financed by PSAC will not need any further EA work beyond just the site specific ESCMPs to guide the implementation of the ESCMF.

6.4.4 Public Consultation and Disclosure for Sub-projects.

Public consultations are critical in preparing an effective proposal for the agricultural activities. The first step is to hold public consultations with the communities surrounding the proposed sub-project sites and all other interested/affected parties during the screening process and in the course of any further environmental and social work. These consultations should identify key issues and determine how the concerns of all parties will be addressed.

The public consultation methods include press conferences, information notices, brochures/fliers, interviews, questionnaires and polls, open houses, community meetings, advisory committees, and public hearings. The guidelines for public consultation include, among others, a requirement that major elements of the consultation program should be timed to coincide with significant planning and decision-making activities in the project cycle. In terms of Rwanda's EA process, public consultation should be undertaken during (i) the preparation of the EA terms of reference; (ii) the carrying out of an EA; (iii) government review of an EA report; and (iv) the preparation of environmental and social terms and conditions of approval.

6.4.5 Annual Monitoring and Reviews

Environmental and social monitoring needs to be carried out during the implementation of the subprojects. Monitoring of the compliance of subproject implementation with the mitigation measures set out in the ESCMF and IPMP will be carried out jointly by the beneficiary farmers, extension teams and PSAC staff. PSAC field officers should supervise the

monitoring activities and are required to report annually on subproject activities during the preceding year. An annual monitoring report must be submitted to IFAD by the PSAC.

Compliance monitoring comprises on-site inspection of activities to verify that measures identified in the ESCMF and IPMP are being implemented. This type of monitoring is similar to the normal tasks of a supervising engineer whose task is to ensure that the Contractor is achieving the required standards and quality of work. The NAEB Environment Officers will have the responsibility of conducting the environmental and social inspections. An annual inspection report must be submitted (together with the monitoring report) to IFAD.

Annual reviews may be carried out by an independent local consultant, NGO or other service provider that are not otherwise involved with PSAC. Annual reviews should evaluate the annual monitoring report from PSAC field officers and the annual inspection report from PSAC. The purpose of the reviews is three-fold:

1. To assess compliance with ESCMF procedures, learn lessons, and improve future ESCMFs,
2. To assess performance in terms of environmental and social risk management,
3. To assess the occurrence of, and potential for, cumulative impacts due to PSAC - funded and other development activities.

The annual reviews will be a principal source of information to the PSAC for improving performance, and to IFAD supervision missions. Thus, they should be undertaken after the annual report on monitoring has been prepared and before IFAD supervision of the project.

7. ENVIRONMENTAL AND CLIMATE IMPACTS ANALYSIS

7.1 INTRODUCTION

The following chapter outlines the description of the potential Environmental impacts that will be caused by the implementation of the project, including their significance. The requisite mitigation measures for the identified impacts are then outlined in Chapter 7 and 8.

The Rwanda PSAC is envisaged to result in more positive than negative environmental and social impacts. With appropriate design, adequate management and monitoring, negative impacts can be kept to a minimum.

On the other hand, if that is not done, the project may have negative impacts some of which can have ripple effects making it difficult to apply remedial actions. Early identification of potential risks is of extreme importance taking cognisance of the three stages within the project cycle: a) the project's overall design and planning, b) construction/setting up and c) operational stage. Construction operations will be short/medium term, while operation will be long term. Weak or inadequate capacity for designing, planning, execution and monitoring the project and its components can lead to low environmental and social performance, exacerbating adverse impacts and limited enhancement of the positive impacts.

Potential environmental and social impacts were identified through a comprehensive site investigation and stakeholder consultation process, including a review of relevant literature and other preliminary studies for similar investments. Appendix 4 lists the consulted stakeholders. The impacts indicated in this section will be reduced and mitigated as described in the ESCMP in Chapter 8 of this ESCMF.

7.2 ACTIVITIES AND SOURCES OF ENVIRONMENTAL AND SOCIAL IMPACTS.

The critical components for environmental related negative impacts are derived from the PSAC activities that will require development, construction, and operation of infrastructure such as:

- a) rehabilitation and or establishment of tea, coffee and horticulture plantations,
- b) irrigation schemes infrastructure installations,
- c) agro-processing and storage facilities construction and operations,
- d) operations of washing stations,
- e) rural roads' rehabilitation, and
- f) use of agrochemicals; fertilisers, herbicides, pesticides, etc

The potential environmental, social and climatic risks emanating from these activities will include deforestation; land degradation; inappropriate use of agrochemicals leading to pollution; conflicts; gender-based violence; child labour and social unrests.

These activities may cause pollution of environmental media such as water, soil, etc, and pose occupational health hazard, water use conflicts, conversion and/or loss of physical cultural resources during construction of infrastructures etc. Most of the impacts will be localized to the project site, short term and most importantly can be avoided/reduced or mitigated by properly applying mitigation measures.

7.3 SIGNIFICANCE RATING METHOD

The significance of adverse impacts from project activities will be rated on the basis of their magnitude, duration and probability as shown below in **Table APP 2-1 in Appendix 2**. The scales of rating are 1 to 5 with 1 being low and 5 being high. Where an aspect is affected by more than one impact, the highest rating is taken as the applicable significance of the impact.

7.4 ENVIRONMENTAL IMPACT ANALYSIS

The potential environmental impacts that will be generated by the implementation of the PSAC activities have been grouped as follows:

7.4.1 Environmental Impact Analysis - Planning Phase

7.4.1.1 Potential Negative Impacts During Planning Phase.

a) Vegetation Clearing for cutlines.

Vegetation will be cleared during the topographical surveys of project site and pegging of pipeline routes for cut lines and visibility. This impact will be a direct impact to the environment.

Assessment of the impact

The impact will be minimal and temporary as only vegetation disturbing visibility in the cutlines will be affected.

Required Mitigation Measures

- Cutline clearance is to be minimized as far as possible to reduce the potential for any environmental impacts.

Table 7-1 Vegetation Clearing for Cutlines.

Impact of Vegetation Clearing for Cutlines.	
Project Phase	Planning Phase
	Pre-Mitigation Impact
Type of Impact	Negative, direct
Duration	Short-medium term
Extent	Site Specific
Intensity	Low
Consequence	low
Probability	Definite
Significance	Low

Residual Impact

Post-mitigation, it is expected that the impact of vegetation clearing for cutlines (i.e. potential dust generation, soil erosion) on local environment will be reduced to one of **No significance** for whole project area.

7.4.1.2 Potential Positive Impacts During Planning Phase.

a) None Identified

7.4.2 Environmental Impact Analysis – Construction/Establishment Phase

7.4.2.1 Potential Negative Impacts During Construction Phase.

a) Vegetation Clearing.

There will be limited clearing of Vegetation that will occur at all construction sites to include, excavations for pipelines and foundations and construction of irrigation systems, Construction of agro-processing and storage facilities, preparations of plantations/farmlands. All will involve localized land clearing, removal of trees and shrubs. This will result in habitat fragmentation and small wildlife disturbance (migration included) especially for plantations and irrigation facilities. Loss of plant cover leads to compaction of soil, exposure of topsoil and possibility for erosion, weakening and degradation of soils, disturbance of the natural landscape and disfiguring of the natural morphology.

The vegetation clearing will lead to dust, noise and ultimately soil erosion and will have a regional effect as it will not only be a problem to the footprint area, but also to some households that are nearest to the proposed Project sites.

Assessment of the impact

The impacts of vegetation clearing will be **short to medium term** in nature and will occur for the duration of construction. These impacts have a **regional** effect as they will not only be a problem to the footprint area, but it will also reach all the nearby residences. It is expected that the intensity of these impact will be medium-high.

The disturbances from the construction Vegetation clearance will be **negative and direct** in nature. The consequence of the impact is anticipated to be moderate detrimental because of the short to medium duration that the impact will be experienced. For the people residing nearest to the project site it is considered to be of **Low** significance. The moderate detrimental and definite probability result of this impact being of **Low significance**.

Required Mitigation Measures

The mitigation measures include the following:

- Dust suppression
 - Dust suppression measures are to be implemented, which shall include covering soil mounds, spraying water, etc.
 - Site clearance is to be minimized as far as possible to reduce the potential for dust and other impacts
 - Water sprinklers to be used, especially on the road leading to the project side
- Sensitive habitats should be avoided. (Wetlands and stream banks)
- Removal of old tea trees should be done in phases to make sure the bare ground is limited at any one time.
- Clearing should be limited to working areas only, and these include areas for foundations for agricultural infrastructure etc.
- Revegetation and reforestation must be prioritized. (e.g., Planting grass, and trees as appropriate)
- Over abstraction of construction materials like sand and gravel should be avoided.
- Habitat restoration must be done where effects have been caused i.e., refilling burrows pits and re-grassing bare areas.

- Farmers must practice intercropping of tea trees with other plants like bananas and fruit trees for shade.

Table 7-2 Vegetation Clearing.

Impact of Disturbance from Nuisance Factors	
Project Phase	Pre-Construction, Construction
	Pre-Mitigation Impact
Type of Impact	Negative, direct
Duration	Short-medium term
Extent	Regional
Intensity	Medium-high
Consequence	Moderate detrimental
Probability	Definite
Significance	Low

Residual Impact

Post-mitigation, it is expected that the impact of Vegetation clearance (i.e., dust, noise, and traffic) on local communities could be reduced to one of **No** significance for all people.

b) **Temporary Visual Intrusion (Marred landscape).**

Establishment of plantations (trenching etc) Construction of micro dams and irrigation scheme systems, agricultural infrastructure, and other possible facilities will change the aesthetics of the project areas and has potential to leave marred landscapes impacting on the appearance of the surrounding areas.

It is expected that there will be some extraction of building materials, and bricks will be moulded and burnt for warehouses and sheds construction. Pits will be dug, and trees will be cut for firewood. Efforts must be made to minimise the damage, cover/rehabilitate the pits, and intensify reforestation.

Assessment of the impact

This will result in potential changes in the landscape, leaving a defaced and scarred landscape from borrow pits and other excavations, negatively impacting small game and natural habitats, sediment loads, etc.

Required Mitigation Measures

The borrow pits and scarred landscapes should be rehabilitated by backfilling and revegetation.

Table 7-3 Temporary Visual Intrusion (Marred landscape).

Impact of Marred Landscapes	
Project Phase	Construction
	Pre-Mitigation Impact
Type of Impact	Negative, direct
Duration	Short-medium term
Extent	Regional
Intensity	Medium-high
Consequence	Moderate detrimental
Probability	Definite

Significance	Low
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Residual Impact

Post-mitigation, it is expected that the impact of **Temporary Visual Intrusion (Marred landscape)** on local landscapes could be reduced to one of **No** significance.

c) *Soil Erosion*

Although construction work will be limited to local areas, the establishment of plantations, including the rehabilitation of existing ones will expose the soils to erosion and also compact it and break down the soil structure which will potentially decrease the drainage of the areas. This will generally result in soil erosion, defacing of the countryside and generation of dust.

Assessment of the impact

During the construction phase, all soil forms will be susceptible to erosion to some extent because the vegetation cover will be cleared before construction or replanting of plantations takes place.

The main direct potential consequences of soil erosion are the reduction in soil quality, the gully formation and the reduced water-holding capacity of many eroded soils. The indirect consequences of soil erosion include disruption of riparian ecosystems and sedimentation leading to reduced water quality.

Required Mitigation Measures

The mitigation measures for soil erosion include the following:

- Revegetation, re-grassing of all bare surfaces
- Establishment of soil erosion control structures like swells, gabions, check dams, contour ridges, etc
- Minimisation of vegetation clearing to working areas only
- Use existing roads to access the fields and farm sites and employ drainage control measures and culverts to control natural runoff and overland flow.

Table 7-4 Soil Erosion

Impact of <i>Soil Erosion</i>	
Project Phase	Construction
	Pre-Mitigation Impact
Type of Impact	Negative, direct
Duration	Short-medium term
Extent	Regional
Intensity	Medium-high
Consequence	Moderate detrimental
Probability	Definite
Significance	Low

Residual Impact

Post-mitigation, it is expected that the impact of soil erosion on the local landscapes could be reduced to one of **little** significance.

(e) Solid waste nuisance

Huge quantities of solid wastes are normally generated from construction activities. Such wastes include stones, wood, broken glasses, containers, rods of metal, pieces of iron sheets etc. The sub-project proponents will be expected to design and institute appropriate measures for the collection and disposal of the various wastes produced by their operations. Animals may suffocate from using the solid waste materials. Solid waste can also be dangerous to aquatic animals if washed into water courses.

Assessment of the impact

The disturbances from Solid Waste will be **medium – long term** in nature and will occur for the duration of construction. These impacts have a **regional** effect as they will not only be a problem to the footprint area but can be transported downstream and pollute water courses. It is expected that the intensity of this impact will be medium-high.

The disturbances from the solid waste will be **negative and direct** in nature. This impact will definitely occur during the construction phase and will be medium – long term in nature. The consequence of the impact is anticipated to be moderate detrimental because of the medium duration that the impact will be experienced. For the people surrounding environment nearest to the project site it is considered to be of **Low** significance. The moderate detrimental and definite probability result in this impact being of **Low significance**.

Required Mitigation Measures

The mitigation measures include:

- Seek guidance of local environmental officers to identify acceptable disposal sites.
- Collection of all construction debris for proper disposal at designated landfills.
- Waste from agricultural activities can be further processed into other uses, e.g., organic manure.
- Reuse and recycling must be preferred over disposal of the waste.

Table 7-5 Solid waste nuisance

Impact of Solid waste nuisance	
Project Phase	Construction
	Pre-Mitigation Impact
Type of Impact	Negative, direct
Duration	medium to long term
Extent	Regional
Intensity	Medium-high
Consequence	Moderate detrimental
Probability	Definite
Significance	Low

Residual Impact

Post-mitigation, it is expected that the impact of solid waste management could be reduced to one of **No** significance as the system gets underway.

(f) Loss of natural and cultural heritage.

The construction works at the project site may affect some natural features, antics, and relics in the project area. The excavations for the works will potentially cause destruction of the natural features, antics, and relics. This is anticipated during trenching for the erosion control structures on mountain sides, erection irrigation pipeline and digging of foundations for buildings.

Assessment of the impact

Any encountered antics or relics are in danger of being destroyed in the process of trenching and construction works.

Required Mitigation Measures

- Development of a chance finds procedure.
- If any natural features, antics, and relics are encountered the trenching should stop immediately and the chance finds procedure be followed.

Table 7-6 Loss of natural and cultural heritage

Impact of Loss of natural and cultural heritage	
Project Phase	Construction
	Pre-Mitigation Impact
Type of Impact	Negative, direct
Duration	Short-medium term
Extent	Regional
Intensity	Medium-high
Consequence	Moderate detrimental
Probability	Definite
Significance	Low

Residual Impact

Post-mitigation, it is expected that the impact of **Loss of natural and cultural heritage** could be reduced to one of **No** significance for all people.

(g) Habitat loss and Biodiversity disturbances.

Noise and vibrations from the development activities may disturb the normal roaming patterns of the small game in the area, especially birds as most of them forage during the day and cause them to migrate away from the area and/or be in conflict with human beings.

Assessment of the impact

The Bio-diversity disturbances will be **short to medium term** in nature and will occur for the duration of construction. These impacts have a **regional** effect as they will not only be a problem to the footprint area but will cause the migration of small game to neighbouring areas. It is expected that the intensity of these impact will be medium-high, and excavations of the erosion control structures and pipelines may involve the use of heavy-duty machinery.

There will also be increased road traffic during the pre-construction and construction phases, and this will be **negative and indirect**, introducing noise and vibrations in the

area. The impact will be experienced at the **site level**. The consequences of this impact can be described as slight detrimental as it will only be effective during the cycle of the project, and it can be mitigated.

Some indirect impacts could be experienced because of the presence of jobseekers in the area resulting in increased presence of human being and a resultant migration effect on small game and birds. This impact will definitely occur during the pre-construction and construction phases and will be short to medium term in nature. The consequence of the impact is anticipated to be moderate detrimental because of the short to medium duration that the impact will be experienced. The moderate detrimental and definite probability result in this impact being of **Low significance**.

Required Mitigation Measures

The mitigation measures include:

- Noisy operations should be conducted at certain times of the day.
- Always use well serviced equipment that will be less noisy.
- Employ labour intensive methods to avoid using machinery that may be noisy.
- Noise management measures are to be implemented and shall include maintenance of vehicles and equipment to run quietly, and avoidance of leaving engines running unnecessarily.
- Traffic management measures are to be implemented and travel speed of contractors and suppliers' vehicles will be restricted

Table 7-7 Bio-diversity disturbances

Impact of Bio-diversity disturbances	
Project Phase	Pre-Construction, Construction
	Pre-Mitigation Impact
Type of Impact	Negative, direct
Duration	Short-medium term
Extent	Regional
Intensity	Medium-high
Consequence	Moderate detrimental
Probability	Definite
Significance	Low

Residual Impact

Post-mitigation, it is expected that the impact of Bio-diversity disturbances be reduced to one of **No** significance for the whole project area and the small game and birds will be able to migrate back as the area will now be revegetated and rehabilitated.

(h) Ambient air pollution

Air quality will be impacted by dust emissions mainly from the construction of infrastructure which includes the Erosion control structures, irrigation pipelines, sheds and processing plants, micro dams etc. Increased dust emissions may affect habitats for various species if not controlled. These dust emissions will require dust control

measures to bring air quality within the national environmental standards and World Health Organization (WHO) recommended guideline levels.

The dust generation result in the pollution of air, increases in bronchial disorders, impaired visibility on the roads, and disturb normal developments of vegetation.

Assessment of the impact

The air pollution disturbances will be **short to medium term** in nature and will occur for the duration of construction. These impacts have a **regional** effect as they will not only be a problem to the footprint area, but it will also reach all the nearby residences. It is expected that the intensity of this impact for most people will be medium-high.

There will also be increased road traffic during the pre-construction and construction phases which may exacerbate the raising of dust, and this will be **negative and indirect** in nature. The disturbances will be **negative and direct** in nature. The impact will be experienced at the **regional level**. This impact will definitely occur during the construction phases and will be short to medium term in nature. The consequence of the impact is anticipated to be moderate detrimental because of the short to medium duration that the impact will be experienced. For the people residing nearest to the project sites it is considered to be of **Low** significance. The moderate detrimental and definite probability result in this impact being of **Low significance**.

Required Mitigation Measures

The mitigation measures will include:

- Dust suppression measures must be instituted at all sites which shall include covering soil mounds and spraying bare areas with water.
- Site clearance is to be minimized as far as possible to reduce the potential for dust and other impacts.
- Replacement of old trees has to be done in phases to avoid clearing large areas at any one time.
- Water sprinklers to be used, especially on the road leading to the project side

Table 7-8 Ambient air pollution

Impact of Ambient air pollution	
Project Phase	Construction
	Pre-Mitigation Impact
Type of Impact	Negative, direct
Duration	Short-medium term
Extent	Regional
Intensity	Medium-high
Consequence	Moderate detrimental
Probability	Definite
Significance	Low

Residual Impact

Post-mitigation, it is expected that the impact of construction nuisances (i.e., dust, noise, and traffic) on local communities could be reduced to one of **No** significance for all people.

(i) Ambient Water pollution

Quality of water especially rivers and groundwater may be affected negatively by discharges of debris from civil works, oil spills, and other pollutants generated from construction works. Groundwater contamination occurs from percolation of oil and lubricants spills into the soil. Surface water pollution may result from uncontrolled discharges into freshwaters. There are still many people relying on river water as a source for drinking water.

Assessment of the impact

The Ambient Water pollution disturbances will be **short to medium term** in nature and will occur for the duration of construction. These impacts have a **regional effect** as they will be carried downstream and will not only be a problem to the footprint area, but it will also reach all the downstream residences where some people use the river water for drinking and for their animals. It is expected that the intensity of these impact for most people will be medium-high.

The disturbances from the Ambient Water pollution will be **negative and direct** in nature. The impact will be experienced at the **regional level**. This impact will definitely occur during the construction phases and will be short to medium term in nature. The consequence of the impact is anticipated to be moderate detrimental because of the short to medium duration that the impact will be experienced. The moderate detrimental and definite probability result in this impact being of **Low significance**.

Required Mitigation Measures

The mitigation measures include the following:

- Contractors to erect proper sanitary facilities. - Toilets at convenient locations throughout the project area.
- Pollution from lubricants and other wastes to be avoided. Contain all oil leaks at workshops and surfaces by collecting in oil separators.
- Controlled disposal of wastes and effluent by use of appropriate disposal facilities, use of appropriate drainage structures, use of cleaner technologies, proper storage of materials, awareness campaigns.
- Waste must be recycled and reused to avoid dumping in waterways.
- Polluted water shall be treated prior to disposal to watercourse
- Maintain all vehicles and equipment to avoid oil and grease leaks
- Install oil and grease separators to collect rain runoff around workshops and parking areas.

Table 7-9 Ambient Water pollution

Impact of Ambient Water pollution	
Project Phase	Pre-Construction, Construction
	Pre-Mitigation Impact

Type of Impact	Negative, direct
Duration	Short-medium term
Extent	Regional
Intensity	Medium-high
Consequence	Moderate detrimental
Probability	Definite
Significance	Low

Residual Impact

Post-mitigation, it is expected that the impact of Ambient Water pollution could be reduced to one of **No** significance for all people once oil and grease separators have been installed.

7.4.2.2 Potential Positive Impacts During Construction Phase.

a) Revegetation

In the process of establishing new plantations, rehabilitating old ones and installing irrigation equipment the vegetation will need to be restored and enhanced. There will be a deliberate exercise to revegetate the project area. This will protect and conserve the environment in the process.

Assessment of Impact

The revegetation of the project area will be of a long-term nature occurring throughout the operation phase. The impact will be site specific as it will affect the footprint of the rehabilitated project area only.

The benefits will be experienced as a positive impact, at the local level, will be long-term to permanent, of medium intensity and most likely to happen. The impacts will most likely be high beneficial – the community regard this as a major long-term positive change as it will improve their livelihoods. The impacts are therefore of **medium** significance.

Table 7-10 revegetation

Impact on revegetation	
Project Phase	Operation
Type of Impact	Positive, direct
Duration	Long-term to permanent
Extent	Local
Intensity	Medium
Consequence	High beneficial
Probability	Most likely
Significance	Medium

b) Rehabilitation of fragile ecosystems

The steep mountain slopes in some localities are badly degraded resulting in deeply incised gullies. These areas will need some rehabilitation and conservation works. The badly degraded lands will then be rehabilitated by erecting gabions were necessary and revegetation.

Assessment of Impact

The **Rehabilitation of fragile ecosystems** of the project area will be of a long-term nature occurring throughout the operation phase. The impact will be site specific as it will affect the footprint of the rehabilitated project areas only.

The benefits will be experienced as a positive impact, at the local level, will be long-term to permanent, of medium intensity and most likely to happen. The impacts will most likely be high beneficial – the community regard this as a major long-term positive change as it will improve their livelihoods. The impacts are therefore of **medium** significance.

Table 7-11 Rehabilitation of fragile ecosystems

Impact on Rehabilitation of fragile ecosystems	
Project Phase	Operation
Type of Impact	Positive, direct
Duration	Long-term to permanent
Extent	Local
Intensity	Medium
Consequence	High beneficial
Probability	Most likely
Significance	Medium

7.4.3 Environmental Impact Analysis – Operation Phase

7.4.3.1 Potential Negative Impacts During Operation Phase.

a) Soil Erosion

During the operation phase, the potential for soil erosion will be much less. However loose soil at the sides of the erosion control structures, levelled irrigation pipelines as well as roads on steep slopes will still be susceptible to erosion.

The main potential consequences of soil erosion are the reduction in soil quality and the reduced water-holding capacity of many eroded soils. The indirect consequences of soil erosion include disruption of riparian ecosystems and sedimentation leading to reduced water quality.

Assessment of the impact

During the operation phase, all soil forms will be susceptible to erosion to some extent because the vegetation cover will be cleared before construction takes place at plantation sites, irrigation schemes and infrastructure areas.

The main direct potential consequences of soil erosion are the reduction in soil quality and the reduced water-holding capacity of many eroded soils. The indirect consequences of soil erosion include disruption of riparian ecosystems and sedimentation leading to reduced water quality.

Required Mitigation Measures

The mitigation measures for soil erosion include the following:

- Revegetation, re-grassing of all bare surfaces
- Minimisation of vegetation clearing to working areas only

- Installing soil erosion control structures like, gabions, contour ridges, swells and check dams.
- Establishment of grassed drainage systems to prevent erosion.

Table 7-12 Soil Erosion

Impact of Soil Erosion	
Project Phase	Construction
	Pre-Mitigation Impact
Type of Impact	Negative, direct
Duration	Short-medium term
Extent	Regional
Intensity	Medium-high
Consequence	Moderate detrimental
Probability	Definite
Significance	Low

Residual Impact

Post-mitigation, it is expected that the impact of soil erosion on the local landscapes could be reduced to one of **little** significance.

b) Solid waste

Less quantities of solid wastes are normally generated during the operation phase. Such wastes include domestic wastes, plastics, etc. The sub-project proponents will be expected to design and institute appropriate measures for the collection and disposal of the various wastes produced by their operations. Animals may suffocate from ingesting the solid waste materials. Solid waste can also be dangerous to aquatic animals if washed into water courses.

Assessment of the impact.

This impact is **medium to long term** in nature and will occur for the duration of the operation phase. These impacts have a **regional** effect as they will not only be a problem to the footprint area but can affect the wider surrounding community if not managed. It is expected that the intensity of this impact for most people will be low to medium.

The solid waste disposal impact will be **negative and direct** in nature. The impact will be experienced at the **regional level**. Some indirect impacts could be experienced because of the presence of higher volumes of people, including jobseekers in the area resulting in pressure on social services and infrastructure.

The consequence of the impact is anticipated to be moderate detrimental. For the people residing nearest to the project site it is considered to be of **Low** significance. The moderate detrimental and definite probability result in this impact being of **Low significance**.

Required Mitigation Measures

The mitigation measures will include:

- Collection of all solid waste in a systematic manner for disposal at designated landfills.
- Solid waste should never be burnt on site.

- Develop a solid waste management plan and implement it

Table 7-13 solid wastes

Impact of solid wastes	
Project Phase	Operation Phase
	Pre-Mitigation Impact
Type of Impact	Negative, direct
Duration	medium – long term
Extent	Regional
Intensity	Medium-high
Consequence	Moderate detrimental
Probability	Definite
Significance	Low

Residual Impact

Post-mitigation, it is expected that the impact of solid waste pollution on local communities could be reduced to one of **No** significance for all people if solid waste management protocols are followed.

c) Effluent Discharges

Most agricultural, agro-processing, packaging, and marketing operations produce liquid effluent besides the solid waste. Places like the Coffee washing stations, Tea processing plants, generate substantial amounts of liquid effluent. The effluent has potential to pollute soil and water resources.

Assessment of the impact

Effluent Discharges during the operation phase will be **long term** in nature and will occur for the duration of the operations. These impacts have a **regional** effect as they will not only be a problem to the footprint area, but it will flow downstream and pollute the water resources in the process. It is expected that the intensity of these impact for the environment will be medium-high, necessitating the installation of some form of treatment before effluent discharges.

The disturbances from the effluent discharges will be **negative and direct** in nature. The impact will be experienced at the **regional level**. The consequence of the impact is anticipated to be moderate detrimental. For the people residing nearest to the project site it is considered to be of **Low** significance. The moderate detrimental and definite probability result in this impact being of **Low significance**.

Required Mitigation Measures

The mitigation measures include:

- Installation of appropriate effluent treatment facilities next to any processes that generate effluent.
- Monitoring the quality of the effluent that is ultimately discharged to the environment so that it meets the national effluent discharge standards.

Table 7-14 effluent discharge

Impact of effluent discharge	
Project Phase	Operations Phase
	Pre-Mitigation Impact
Type of Impact	Negative, direct
Duration	long term

Extent	Regional
Intensity	Medium-high
Consequence	Moderate detrimental
Probability	Definite
Significance	Low

Residual Impact

Post-mitigation, it is expected that the impact of effluent discharge on local communities could be reduced to one of **No** significance for all people once proper effluent treatment plants are installed and are running properly.

d) Agro-Chemical Pollution

Up-scaling of agricultural activities may result in the use of more agro-chemicals to realise better yields and control pests and diseases. The farmers must be made aware of the poisonous nature of the chemicals, should employ recommended disposal methods, and apply the agro chemicals correctly. Poor handling of the agro chemicals, exacerbated by potential accidental spillages, can expose the farmers to these toxic chemicals resulting in the poisoning of farmers, aquatic animals, and soils.

During the operation phase, agricultural soils can be contaminated from inputs such as application of pesticides and fertilizers. Polluted soils can become secondary emission source of contaminants to surrounding surface water, groundwater and subsequently to rivers. Pesticides reach the soil by deposition after being sprayed on foliage when the pesticide is washed off treated foliage by rainfall or overhead irrigation, by release from the surface of treated seeds or by direct application of granules or spray to soil. The inappropriate disposal of unwanted or out of date pesticides, pesticide packaging and the cleaning of application equipment can also cause pollution. Pesticides and some of their degradation products may accumulate in soils, leach to groundwater and can be transported by runoff to surface water bodies.

The overuse of fertilizers can result in saturation of nutrients in soils and the loss of fertilizer via leaching to groundwater and via runoff to surface water leading to pollution of nearby springs and eutrophication of river water.

Pesticides may have acute and/or chronic effects on non-target organisms including humans. They can have deleterious consequences for ecosystems by virtually eradicating some of the primary food chain, which in turn could have major consequences for predator or consumer species. Overuse of fertilizers (e.g., nitrogen fertilizers), poses a risk to human health and environment especially if leached into the groundwater. Overuse of fertilizers also contributes to soil acidification which is an environmental condition that can reduce the availability of many plant nutrients for plant growth and causes direct toxic effects from soil elements such as aluminium.

Assessment of the impact

Agro-Chemical Pollution can be **medium to long term** in nature and will occur for the duration of the operation phase. These impacts have a **regional** effect as they will not only be a problem to the footprint area but can be washed into the streams and affect water resources.

This disturbance will be ***negative and indirect*** in nature. The impact will be experienced at the **regional level**. For the people residing nearest to the project site the impact is considered to be of **medium** significance. The moderate detrimental and definite probability result in this impact being of **medium significance**.

Required Mitigation Measures

The mitigation measures include:

- Encourage organic farming and limit the use of Agro chemicals like inorganic fertilizers.
- Use integrated Pest Management approaches to minimize pesticide use.
- Conduct awareness training & workshops on safe handling of chemicals.
- Erect separate storerooms for all agro chemicals so that they are always under lock and key away from food staffs.
- Split application of fertiliser to avoid excess being washed away.
- No application before major storms
- Don't store fertilisers and agrochemicals and food in the same store room
- All workers to use appropriate PPE every time
- Use the least potent variants of pesticides to minimise poisoning.

Table 7-15 Agro-chemical pollution

Impact of Agro-chemical pollution	
Project Phase	Operation phase
	Pre-Mitigation Impact
Type of Impact	Negative, direct
Duration	Long term
Extent	Regional
Intensity	Medium-high
Consequence	Moderate detrimental
Probability	Definite
Significance	medium

Residual Impact

Post-mitigation, it is expected that the impact of Agro-chemical pollution on local communities could be reduced to one of **No** significance for all people.

e) ***Ambient Water pollution***

Oil and grease leaks and spills are noted to be prevalent in most work areas like the farm sheds. If not well contained these leaks can be washed into water ways and end up polluting the water resources. Such products contain detrimental elements to the environment since they contain traces of heavy metals, and they pollute water resources. Chemicals in oils are detrimental to the biodiversity if not managed.

Groundwater contamination occurs from percolation of oil and lubricants spills into the soil

Assessment of the impact

The Ambient Water pollution disturbances will be ***short to medium term*** in nature and will occur for the duration of the operations phase. These impacts have a **regional** effect as they will be carried downstream and will not only be a problem to the footprint area,

but it will also reach all the downstream residences. It is expected that the intensity of these impact for most people will be medium-high.

The disturbances from the Ambient Water pollution will be ***negative and direct*** in nature. The impact will be experienced at the **regional level**. This impact will definitely occur during the operations phase and will be short to medium term in nature. The consequence of the impact is anticipated to be moderate detrimental because of the short to medium duration that the impact will be experienced. The moderate detrimental and definite probability result in this impact being of **medium significance**.

Required Mitigation Measures

The mitigation measures include the following:

- Contain all oil leaks at workshops and surfaces.
- Maintain all vehicles and equipment to avoid oil and grease leaks.
- Install oil and grease separators to collect rain runoff around workshops and parking areas.

Table 7-16 Ambient Water pollution

Impact of Ambient Water pollution	
Project Phase	Pre-Construction, Construction
	Pre-Mitigation Impact
Type of Impact	Negative, direct
Duration	Short-medium term
Extent	Regional
Intensity	Medium-high
Consequence	Moderate detrimental
Probability	Definite
Significance	medium

Residual Impact

Post-mitigation, it is expected that the impact of Ambient Water pollution could be reduced to one of **No** significance for all people once oil and grease separators have been installed.

7.4.3.2 Potential Positive Impacts During Operation Phase.

a) *Revegetation*

During the operations phase, this will be the order of the day. This will greatly enhance the revegetation process and will protect and conserve the environment in the process.

Assessment of Impact

The revegetation of the project sites will be of a long-term nature occurring throughout the operation phase. The impact will be site specific as it will affect the footprint of the rehabilitated project areas only.

The benefits will be experienced as a positive impact, at the local level, will be long-term to permanent, of medium intensity and most likely to happen. The impacts will most

likely be high beneficial – the community regard this as a major long-term positive change as it will improve their livelihoods. The impacts are therefore of **medium** significance.

Table 7-17 revegetation

Impact on revegetation	
Project Phase	Operation
Type of Impact	Positive, direct
Duration	Long-term to permanent
Extent	Local
Intensity	Medium
Consequence	High beneficial
Probability	Most likely
Significance	Medium

7.4.4 Summary of the Magnitude of Potential Environmental Impacts

Tables 6-18 below presents an analysis of the probability of the identified impacts occurring, and thus giving an indication of the magnitude of the risk. The magnitudes are determined using the Impact Magnitude Scoring Table in Appendix 2.

Table 7-18 Magnitude of Potential Environmental Impacts

REF:	PARAMETER UNDER CONSIDERATION			CRITERIA FOR ASSESSMENT OF POTENTIAL RISK						
	CATEGORY	CAUSE	IMPACT	QUALITY	PROBABILITY	SEVERITY / SIGNIFICANCE	EXTENT	DURATION	MAGNITUDE OF IMPACT	RESIDUAL SIGNIFICANCE AFTER MITIGATION
5.4.1	PLANNING PHASE									
5.3.1.1	<i>Potential Negative Impacts During Planning Phase.</i>									
(i)	Vegetation clearing for Site Surveying and Pegging	<ul style="list-style-type: none"> • Clearing vegetation for visibility • Opening Cut-lines for survey purposes 	<ul style="list-style-type: none"> • Removal of vegetation cover. • Exposure of topsoil and possibility for erosion. • Loss of biodiversity and habitat changes. • Disturbances of small wildlife • Compaction of soil. 	Negative	2	2	2	2	8 Low	6 Negligible
5.3.1.2	<i>Potential Positive Impacts During Planning Phase.</i>									
(a)	None Identified									
6.4.2	CONSTRUCTION PHASE									
6.4.2.1	<i>Potential Negative Impacts During Construction Phase.</i>									
(a)	Limited clearing of vegetation for infrastructure development	<ul style="list-style-type: none"> • Preparation of land for Agriculture • excavations for pipelines and foundations, • Construction of Erosion Control Structures. 	<ul style="list-style-type: none"> • Removal of vegetation cover. • Exposure of topsoil and possibility for erosion. • Loss of biodiversity and habitat changes. • Disturbances of small wildlife 	Negative	3	2	1	5	11 Moderate	9 Low

REF:	PARAMETER UNDER CONSIDERATION			CRITERIA FOR ASSESSMENT OF POTENTIAL RISK						
	CATEGORY	CAUSE	IMPACT	QUALITY	PROBABILITY	SEVERITY / SIGNIFICANCE	EXTENT	DURATION	MAGNITUDE OF IMPACT	RESIDUAL SIGNIFICANCE AFTER MITIGATION
		<ul style="list-style-type: none"> construction of irrigation systems, Construction of agro-processing and storage facilities, Construction of access roads. 	<ul style="list-style-type: none"> Compaction of soil. Pollution of soil and water from oil leakage. Dust and noise generation. 							
(b)	Temporary Visual Intrusions (Marred landscape)	Extraction of building materials like sand, gravel and brick moulding resulting in borrow pits and scurred landscapes.	Construction of agricultural facilities like irrigation systems, Warehouses, and other possible facilities will change the characteristics of the area and leave a marred landscape.	Negative	4	4	1	4	13 Moderate	8 Low
(c)	Soil Erosion.	<ul style="list-style-type: none"> All Construction Activities, Erection of soil erosion structures...trenching Intensive farming techniques, inappropriate Irrigation and drainage management, Inappropriate use of farm machinery, Accidental discharge of hazardous substances, Sand and quarry stone for construction, Gravel for road construction, Extraction of building materials and brick Moulding. 	<ul style="list-style-type: none"> Soil and water pollution. Soil erosion Soil salinization Loss in soil fertility Loss of crop productivity Scarring of the landscape due to sand mining and borrow pits. 	Negative	4	4	1	4	13 Moderate	8 Low
(d)	Solid waste nuisance.	<ul style="list-style-type: none"> Agricultural processes generating waste, e.g., from tea processing plant. 	<ul style="list-style-type: none"> Pollution of soil and water resources Littering and indiscriminate dumping. 	Negative	4	3	1	2	10 Moderate	9 Low

REF:	PARAMETER UNDER CONSIDERATION			CRITERIA FOR ASSESSMENT OF POTENTIAL RISK						
	CATEGORY	CAUSE	IMPACT	QUALITY	PROBABILITY	SEVERITY / SIGNIFICANCE	EXTENT	DURATION	MAGNITUDE OF IMPACT	RESIDUAL SIGNIFICANCE AFTER MITIGATION
		<ul style="list-style-type: none"> ▪ Spoils from access road and infrastructure construction ▪ wastes generated from construction activities, such as stones, wood, broken glasses, containers, rods of metal, pieces of iron sheets etc.. 	<ul style="list-style-type: none"> ▪ Deterioration of the aesthetics of the areas. 							
(e)	Loss of natural and cultural heritage	<ul style="list-style-type: none"> • Digging of trenches for pipelines, and erosion control structures • Digging of foundations for agricultural infrastructures, sheds and pens. 	<ul style="list-style-type: none"> • Natural features, antics and relics destroyed in the project area e.g., during excavations. 	Negative	5	4	4	3	16 High	10 Moderate
(f)	Habitat loss and biodiversity disturbances	<ul style="list-style-type: none"> • Digging of trenches will be by heavy duty machinery • Excavations will temporarily disrupt the natural habitats • 	<ul style="list-style-type: none"> • Noise and vibrations cause wild animals to migrate • contamination of the rivers may cause fish kills and destruction of other aquatic life • riverine ecosystems modifications due to over-abstraction for irrigation purposes 	Negative	5	4	4	3	16 High	10 Moderate
(g)	Ambient Air Quality	<ul style="list-style-type: none"> • Dust generated from construction activities. ▪ Pesticides used in pests and diseases control 	<ul style="list-style-type: none"> • Pollution of air • Increases in bronchial disorders • Impaired Visibility on the roads • Disturbs normal developments of vegetation ▪ Causes acid rain 		2	2	3	3	10 Moderate	8 Low

REF:	PARAMETER UNDER CONSIDERATION			CRITERIA FOR ASSESSMENT OF POTENTIAL RISK						
	CATEGORY	CAUSE	IMPACT	QUALITY	PROBABILITY	SEVERITY / SIGNIFICANCE	EXTENT	DURATION	MAGNITUDE OF IMPACT	RESIDUAL SIGNIFICANCE AFTER MITIGATION
(h)	Ambient Water Quality (surface and ground water)	<ul style="list-style-type: none"> ▪ Waste generated from agricultural activities. ▪ Effluents from Washing stations and tea processing plants. ▪ Effluents (drainage water) from agriculture land ▪ Agro-chemicals run-off from the fields if not properly applied. ▪ Accidental discharge of hazardous substances, ▪ Erosion processes introduce pollutants and particulates into the water. 	<ul style="list-style-type: none"> ▪ Effluent pollutes soil and water resources ▪ Littering and indiscriminate dumping of solid waste pollutes land and water resources ▪ Poisoning of aquatic and inland ecosystems. ▪ Ecosystem's imbalance and destruction of flora and fauna 		3 (groundwater) 4 (Surface water)	5	2 (ground water) 4 (surface water)	4 (groundwater) 3 (surface water)	14	high Moderate
6.4.2.2 Potential Positive Impacts During Construction Phase.										
(a)	Revegetation	<ul style="list-style-type: none"> • Proper Catchment management will encourage restoration and enhancement of the vegetation. • Rehabilitation of degraded lands • afforestation. • Fencing off the project sites will induce environmental protection of the area. 	<ul style="list-style-type: none"> • environment protected and conserved • revegetation by planting required species • In the process of establishing proper Catchment management the vegetation will be restored and enhanced 	Positive	4	3	4	4	15	Very High
(b)	Rehabilitation of Fragile Ecosystems	<ul style="list-style-type: none"> • rehabilitation and conservation work. • Levelling and closing up of gullies and dongas. • Limited protection using Gabions. 	<ul style="list-style-type: none"> • Degradation of wetlands. • Arrest the Erosion of mountain sides and steep slopes. • Prevent the Loss of natural ecosystems 	Positive	4	4	4	4	16	Moderate

REF:	PARAMETER UNDER CONSIDERATION			CRITERIA FOR ASSESSMENT OF POTENTIAL RISK						
	CATEGORY	CAUSE	IMPACT	QUALITY	PROBABILITY	SEVERITY / SIGNIFICANCE	EXTENT	DURATION	MAGNITUDE OF IMPACT	RESIDUAL SIGNIFICANCE AFTER MITIGATION
			<ul style="list-style-type: none"> • Rehabilitate and protect the Catchments. 							
6.4.3	OPERATION PHASE									
6.4.3.1	<i>Potential Negative Impacts During Operation Phase.</i>									
(a)	Soil Erosion	<ul style="list-style-type: none"> • Bare ground around the pipelines and erosion control structures. • Bare ground along the access roads. • Any vegetation clearing during operations 	<ul style="list-style-type: none"> • Much less potential for soil erosion • loose soil at the sides of levelled irrigation pipelines as well as roads on steep slopes will still be susceptible to erosion 	Negative	5	4	4	3	16	10 High Moderate
(b)	Solid waste pollution.	<ul style="list-style-type: none"> • Less quantities of solid wastes generated include domestic wastes, and plastics. 	<ul style="list-style-type: none"> • Pollution of the water ways. • Littering the neighbourhood 	Negative	3	4	3	3	13	9 Moderate low
(c)	Effluent Discharges	<ul style="list-style-type: none"> • Most agricultural, agro-processing, packaging, and marketing operations produce liquid effluent. 	<ul style="list-style-type: none"> • Pollution of water resources • Destruction of habitats 	Negative	5	4	4	3	16	9 High low
(d)	Agro-chemicals Pollution	<ul style="list-style-type: none"> ▪ Limited knowledge of the poisonous nature of the chemicals. ▪ Accidental spillages. ▪ Poor disposal methods being employed. ▪ Washing of equipment in rivers. ▪ Poor application methods being used. ▪ Poor handling of the chemicals. ▪ Accidental discharge of hazardous substances. 	<ul style="list-style-type: none"> ▪ Poisoning of farmers by chemicals. ▪ Poisoning of aquatic and inland ecosystems by the chemicals. ▪ Poisoning of the soil by the chemicals. ▪ Poisoning of farm products consumers by chemicals. 	Negative	5	4	4	3	16	10 High Moderate

REF:	PARAMETER UNDER CONSIDERATION			CRITERIA FOR ASSESSMENT OF POTENTIAL RISK						
	CATEGORY	CAUSE	IMPACT	QUALITY	PROBABILITY	SEVERITY / SIGNIFICANCE	EXTENT	DURATION	MAGNITUDE OF IMPACT	RESIDUAL SIGNIFICANCE AFTER MITIGATION
(e)	Ambient Water pollution	<ul style="list-style-type: none"> • Oil and grease leak and spills prevalent in most work areas like the farm sheds. • Leaks can be washed into water ways and end up polluting the water resources. • Accidental discharge of hazardous substances. 	<ul style="list-style-type: none"> • Pollution of water resources • Destruction of habitats 	Negative	5	4	4	3	16 High	10 Moderate
6.4.3.2 Potential Positive Impacts During Operation Phase.										
(a)	Revegetation	<ul style="list-style-type: none"> • planting of grass and continuous rehabilitation of the catchments. 	<ul style="list-style-type: none"> • Habitat restoration. • Erosion stopped • 	Positive	4	4	4	4	16 High	18 Moderate

8. SOCIAL AND HEALTH IMPACT ANALYSIS

8.1 INTRODUCTION

The following is a social and health impacts analysis of the project. The list of the consulted stakeholders is in Appendix 4. The chapter assesses the construction and operation phase impacts identified for the proposed PSAC Project, including both the positive and negative impacts. It should be noted that while the number of negative impacts exceed the number of positive impacts, this is not a reflection of the project having a greater overall negative impact. It is expected that the Project could bring a range of positive impacts for those people who can embrace the opportunities that arise.

8.2 SOCIAL AND HEALTH IMPACT ANALYSIS

The potential social impacts that will be generated by the implementation of the PSAC activities have been grouped as follows:

8.2.1 Social and Health Impact Analysis - Planning Phase

8.2.1.1 Potential Negative Impacts During Planning Phase.

a) Limited Stakeholder Participation

The level of participation of all relevant stakeholders during project planning and designing is of paramount importance as a buy in process. Unclear roles and responsibilities and inadequate information may lead to limited participation of critical Stakeholders.

The beneficiary Communities are not in favour of top-down approaches being imposed on them. Such poor stakeholder participation will result in the lack of ownership of the project by the locals, poor participation in project implementation and low chances of sustainability of the project.

Assessment of Impact

The Limited Stakeholder Participation may occur at project inception. The intensity of this impact on project stakeholders is rated as moderate, as the households will be affected by not being consulted properly.

Mitigation Measures

The relevant project beneficiaries will be identified and continuously conferred with.

The NAEB will ensure the following:

- Consultation and information disclosure becomes a continuous process in the project.
- Stakeholders are continuously appraised of the project progress.
- If any people are affected, assistance will be provided to the project affected persons (PAP) to improve, or at least restore incomes and living standards to at least the equivalent level prior to project implementation, if not better.

- Affected persons should be consulted on decisions that affect their livelihoods and well-being and shall be fully informed of their options and the compensation rates.
- Grievance redress mechanisms are developed and accessible.

Table 8-1 Impact of Limited Stakeholder Participation

Impact of Limited Stakeholder Participation	
Project Phase	Pre-Construction
	Pre-Mitigation Impact
Type of Impact	Negative, direct
Duration	Short term
Extent	Surrounding villages
Intensity	High
Consequence	Detrimental
Probability	Definite
Significance	Medium to High

Residual Impact

Implementation of the above mitigation measures is expected to reduce the impact of Limited Stakeholder Participation to one of **low** significance post-mitigation, due to the over-riding positive expectations.

b) Poor Project Inception, Anxiety and Anticipation

The planning stage brings a lot of anxiety and anticipation. Lack of proper plans of action with timelines and full disclosure create anxiety among stakeholders. They then hold the whole process with suspicion and do not want the planning phase to drag for too long.

Assessment of Impact

Poor Project inception mostly results in the locals not fully cooperating with the project preparation team and not disclosing all the relevant information during consultations. The intensity of the Poor Project inception impact on households is rated as moderate.

Mitigation Measures

The project beneficiaries and persons directly or indirectly affected by the proposed project will be assessed in terms of extent of loss of livelihood opportunities and compensation if any is required.

The NAEB will ensure the following:

- There should be transparency and full disclosure of key elements of the project
- Production of proper plan of action with timelines.
- Presenting full disclosure of project decisions and actions to all concerned stakeholders.
- The planning phase should not drag for far too long as people tend to despair.
- Efforts must be made to stick to agreed timelines

Table 8-2 Impact of Poor Project inception

Impact of Poor Project inception	
Project Phase	Pre-Construction

	Pre-Mitigation Impact
Type of Impact	Negative, direct
Duration	Long term
Extent	Footprint
Intensity	High
Consequence	Detrimental
Probability	Definite
Significance	Medium to High

Residual Impact

Implementation of the above mitigation measures is expected to reduce the impact of Poor Project inception to one of **low** significance post-mitigation, due to the over-riding positive expectations.

8.2.1.2 Potential Positive Impacts During Planning Phase.

a) Community-Based Approaches.

The stakeholders fully support this community-based project as they are used to working together as associations. Their major concern is the possibility of the project not delivering its promises and transparency when it comes to benefits that the project will bring to the community.

Assessment of Impact

The project is bringing people to work together as communities for the benefit of everyone. The impact is rated as **High**, as the households are highly in favour of it.

Mitigation Measures

The enhancement measures will include:

- Continuous Consultation and information dissemination for the stakeholders to keep abreast with the project.
- Availing the grievance redress mechanisms for everyone to have a channel to air their views and grievances.

Table 8-3 Impact of Project as uniting centre

Impact of Project as uniting centre	
Project Phase	Pre-Construction
	Pre-Mitigation Impact
Type of Impact	Positive, direct
Duration	Long term
Extent	Footprint and surrounding villages
Intensity	High
Consequence	Detrimental
Probability	Definite
Significance	Medium to High

Residual Impact

Implementation of the above enhancement measures is expected to enhance the impact of Project as uniting centre to one of **High** significance post-mitigation, due to the over-riding positive expectations.

8.2.2 Social and Health Impact Analysis – Construction/Operations Phase.

8.2.2.1 Potential Negative Impacts During Constructions/Operations Phase.

a) Conflicts between local people and external work force

Expectation for employment against hiring of expert external workers may result in a conflict that is likely to disturb smooth project progress. Local skills audit and integrating both local and outside workers but giving first preference to locals whenever is possible could reduce sources of conflict. Transparency in hiring is also important. As part of giving back to the community, the project can target skills development for locals especially willing youths.

Required Mitigation Measures

The mitigation measures include:

- First preference for employment should be given to locals, including for technical work.
- Migrant workers encouraged to bring their spouses along.

b) Occupational Health and Safety Issues:

Weak technical capacity and/or negligence on operation of vehicles and machinery resulting in temporary and permanent physical injuries, Bronchial diseases from dust, and diseases, and/or loss of life.

The safety of the local population trying to access construction sites (Plantations etc) may be at risk during the construction period. The operation of various equipment and machinery and the actual construction activities will expose workers to work-related accidents and injuries.

Pollutants such as dust and noise could also have negative implications for the health of workers and near-by communities such as bronchial diseases from dust and hearing impairments due to prolonged working under noisy conditions. Personal Protective Clothing is required at all times during construction and operation of machinery, pesticides and other agro chemicals in accordance with relevant national guidelines.

Required Mitigation Measures

The mitigation measures include:

- A Health/Safety/Environment officer should be present during construction.
- All safety precautions must be enforced.
- Provide PPE to all workers.
- Institute dust and noise suppression measures.

c) Poor Public Health

The construction and development phase of the project is likely going to bring outside workers to stay for considerable lengths of time. Communicable diseases such as HIV/AIDS infection rate is likely to increase as the workers, drivers interact with the local population. Poverty is likely going to be the main driver as young women from poor households try to exploit the situation to earn a living. Negotiation power for safe sex may be limited. Contractors might be idolised as being wealthy by local people which gives them an upper hand in negotiating for sex and participation in illicit affairs. Awareness raising within local communities and workers through Information,

Education and Communication (IEC) and distribution of free condoms and counselling and treatment will help alleviate the impacts.

Required Mitigation Measures

The mitigation measures include:

- Education on Public health issues.
- Awareness raising within local communities and workers through Information, Education and Communication (IEC) and distribution of free condoms and counselling and treatment will help alleviate the impacts.
- Provision of toilets that are constructed in such a way that they cannot leak into water resources
- Provision of potable water supply that will include the use of groundwater resources that can be used as a reference to the performance of the project surface water supply

d) Gender Based Violence (GBV)

There are high chances of sexual exploitation (in its various forms) of poor women and young girls by construction workers and project implementation personnel. If not well controlled, there could be rampant exploitation of women and youths in the project area. Assessment of exposure and appropriate preventive actions must be carried out to avoid gender-based violence at all costs.

Assessment of the impact

The risk of Gender Based Violence (GBV) will be **medium to long term** in nature and will occur for the duration of **Constructions/Operations phases**.

The risk of Gender Based Violence (GBV) will be **negative and direct** in nature. The impact will be experienced at the sub-project sites and at the households of project beneficiaries. Some indirect impacts could be experienced because of the presence of jobseekers in the area resulting in increased population of job seekers exposing the vulnerable ones. The consequence of the impact is anticipated to be moderate detrimental. The moderate detrimental and definite probability result in this impact being of **Medium significance**.

Required Mitigation Measures

The mitigation measures include:

- Zero tolerance to gender-based violence
- Ensure sexual harassment Policy at all levels involved in the project.
- .

Table 8-4 Disturbance from Gender Based Violence (GBV)

Impact of Disturbance from Gender Based Violence (GBV)	
Project Phase	<i>Constructions/Operations phases.</i>
	Pre-Mitigation Impact
Type of Impact	Negative, direct
Duration	medium to long term

Extent	Regional
Intensity	Medium-high
Consequence	Moderate detrimental
Probability	Definite
Significance	Low

Residual Impact

Post-mitigation, it is expected that the impact of Gender Based Violence (GBV) on local communities could be reduced to one of **No** significance for all people.

e) Displacements or shifts of livelihood activities

Nature of Impact

The PSAC is not expected to disrupt the current agricultural activities of the beneficiaries, displace or disadvantage any persons. The communities in the proposed project Areas depend on agricultural production for their livelihood and are highly dependent on crop production for household sustenance and survival. Crops are grown primarily for household consumption but in some instances are sold and bartered. Households without agricultural fields often undertake sharecropping or work as labourers for other households.

Thus, resettlement of permanent homes is not anticipated according to the project design, but resettlement of livelihood activities (cattle grazing and hunting grounds) and assets may occur to pave way for project infrastructure and the fencing off of plantations. This may result in permanent loss of access to surrounding villagers who were also grazing their animals in the project sites.

The establishment of the sub-projects and in particular the fencing off of plantation areas will have a disruptive effect on the day-to-day life of the locals, like cutting off their usual footpaths or routes to social and economic service centres and forcing them to use longer routes. This will be unavoidable, and the communities have to come up with the best alternatives.

Assessment of Impact

Communities will be affected by the construction activities of plantations, sheds, warehouses and other agricultural infrastructure, fencing off of plantations to effect better management, causing a shift in livelihoods for many who were depending on these lands for hunting, gathering and collection of medicinal plants. Therefore, the sensitivity of the receptors is rated as **low**.

Required Mitigation Measures

The mitigation measures include:

- Engage in good catchment management approaches.
- Relocate the footpaths and construct foot bridges where possible.

- Create alternative sources of livelihood e.g., by involving the affected parties in the scheme.

Table 8-5 Loss of agricultural fields

Impact of loss of agricultural fields	
Project Phase	Pre-Construction, Construction (extending into Operation)
	Pre-Mitigation Impact
Type of Impact	Direct
Duration	Long term
Extent	Footprint
Intensity	Low
Consequence	Not detrimental
Probability	Definite
Significance	Low

Residual Impact

Post-mitigation, it is expected that the impact of the shift in livelihoods of the local communities could be reduced to one of **No** significance for all people as they will be benefiting from the, jobs at the project sites and at other downstream opportunities like processing and packaging plants.

8.2.2.2 Potential Positive Impacts During Constructions/Operations Phase.

a) Economic Opportunities Employment (job creation)

Currently there are limited economic opportunities beyond subsistence-based agriculture in the proposed project areas. Communities have expressed high expectations for employment and business opportunities associated with this Project, and they anticipate that these opportunities will bring about improvements to their standard of living.

During the operational phase, there will be several employment opportunities associated with the Project. The work will require both skilled and unskilled labour. It is expected that all the labour will initially be sourced locally in the sub-project areas and only unavailable skilled labour will be sourced from elsewhere in Rwanda.

Most of the consulted stakeholders stated that one of the positive impacts of the proposed project is that there will be jobs created for them during the construction and implementation phases of the PSAC. They indicated that they would like to see the contractors as well as the NAEB hire the people from the villages in the project Areas. They pointed out that they would like the contractor to look for skilled labour in the project area before they hire outside people. The same should happen during the operational phase of the project.

Assessment of Impact

The communities in the sub-project areas can be considered to have **Low** sensitivity in that the economic opportunities that will most likely be available are small scale initiatives since the majority of the population is unlikely to have the skills or capital to

set-up big businesses. A few will be able to set-up small initiatives that will increase their ability to earn some income.

The benefits will be experienced as a positive impact, at the local level, will be long-term to permanent, of medium intensity and most likely to happen. The impacts will most likely be high beneficial – the communities regard this as a major long-term positive change as it will improve their livelihoods. The impacts are therefore of **medium** significance.

Required Enhancement Measures

The enhancement measures include:

- Set up favourable working relationships between NAEB and the communities.
- Meet all promises.
- Endeavour for a win-win situation.
- Scout for skilled workers in the project area before hiring outsiders.

Table 8-6 Economic Opportunities and Improved Livelihoods

Impact on Economic Opportunities and Improved Livelihoods	
Project Phase	Operation
Type of Impact	Positive, direct
Duration	Long-term to permanent
Extent	Local
Intensity	Medium
Consequence	High beneficial
Probability	Most likely
Significance	Medium

8.2.3 Summary of the Magnitude of Potential Social Impacts

Tables 7-7 below presents an analysis of the probability of the identified impacts occurring, and thus giving an indication of the magnitude of the risk. The magnitudes are determined using the Impact Magnitude Scoring Table in Appendix 2.

Table 8-7 Magnitude of Potential Social Impacts

REF:	PARAMETER UNDER CONSIDERATION			CRITERIA FOR ASSESSMENT OF POTENTIAL RISK								
	CATEGORY	CAUSE	IMPACT	QUALITY	PROBABILIT Y	SEVERITY OR SIGNIFICANCE	EXTENT	DURATI ON	MAGNITUDE OF IMPACT	RESIDUAL SIGNIFICANCE AFTER MITIGATION		
7.2.1	PLANNING PHASE											
7.2.1.1	<i>Potential Negative Impacts During Planning Phase.</i>											
(b)	Limited and inadequate Stakeholder Involvement	<ul style="list-style-type: none"> • Predominance of the top-down approach and just handing a project to stakeholders • Inadequate dissemination/sharing of information • Unclear roles and responsibilities • Negative perception 	<ul style="list-style-type: none"> • Low chances of success and sustainability • Failure to take up ownership of the project by the partners 	Negative	4	3	3	2	12	8	Low	
(c)	Poor project Inception/Introduction	<ul style="list-style-type: none"> • Lack of transparency from the implementing Partners. • Lack of proper timelines for the different phases of the project. • Dragging the planning phase too long. 	<ul style="list-style-type: none"> • Anxiety and anticipation. • Limited cooperation • Suspicion and hence concealing of important information 	Negative	4	3	2	1	10	7	Low	
7.2.1.2	<i>Potential Positive Impacts During Planning Phase.</i>											
	Community-Based Approaches (Project acceptance)	<ul style="list-style-type: none"> • The Stakeholders are familiar with working as a community for the benefit of everyone and will easily form clusters for the project, • stakeholders fully support this community-based project 	<ul style="list-style-type: none"> • Community prepared to work together • Readily accepting the project concept • Youths are expecting to participate and be engaged. • High chances of success and sustainability. • Ready to take up ownership of the project by the partners. • Available for employment and partnerships. 	Positive	4	4	3	5	16	17	High	

REF:	PARAMETER UNDER CONSIDERATION			CRITERIA FOR ASSESSMENT OF POTENTIAL RISK						
	CATEGORY	CAUSE	IMPACT	QUALITY	PROBABILIT Y	SEVERITY OR SIGNIFICANCE	EXTENT	DURATI ON	MAGNITUDE OF IMPACT	RESIDUAL SIGNIFICANCE AFTER MITIGATION
7.2.3	CONSTRUCTION/OPERATIONS PHASE.									
7.2.3.1	<i>Potential Negative Impacts During Constructions/Operations Phase.</i>									
(a)	Conflicts between local people and external work force	<ul style="list-style-type: none"> • Migration of outsiders to the potential project sites for employment. • Breakdown of social fabric due to illicit relationships. • increased burden on the local resources. 	<ul style="list-style-type: none"> • Conflict over employment opportunities. • Conflict over relationships. • Conflict over available resources. 	Negative	4	3	2	2	11	9 Moderate Low
(b)	Occupational Health and Safety Issues	<ul style="list-style-type: none"> • Weak technical capacity and/or negligence on operation of vehicles and machinery • Lack or inadequate use of safety gear may also contribute to accidents that may result in trauma and other casualties. • Weak security measures in the project area. 	<ul style="list-style-type: none"> • Temporary and permanent physical injuries. • Bronchial diseases from dust. • Loss of life 	Negative	4	5	4	3	16 (High)	9 Low
(c)	Poor Public Health	<ul style="list-style-type: none"> • Presence of contract workers from outside the area and interaction with locals. • Influx of people to the areas in search of employment opportunities. • Development of agriculture systems 	<ul style="list-style-type: none"> • Spread of communicable diseases such as HIV/AIDS. • Increase in the prevalence of water-borne diseases (intestinal and urinary bilharzia and malaria) 	Negative	3	3	3	5	14 High	10 Moderate
(d)	Gender Based Violence	<ul style="list-style-type: none"> • Poverty which leads to women being exploited by men during construction phase. 	<ul style="list-style-type: none"> • Physical body harm • Lack of productivity • Communicable disease incidences 	Negative	5	5	5	3	18 High	13 Moderate
(e)	Displacements or shifts of livelihood	<ul style="list-style-type: none"> • Fencing off the plantations for improved Catchment management. 	<ul style="list-style-type: none"> • Removal/alteration of usual source of livelihood. 	Negative	4	4	1	4	13 Moderate	7 Low

REF:	PARAMETER UNDER CONSIDERATION			CRITERIA FOR ASSESSMENT OF POTENTIAL RISK						
	CATEGORY	CAUSE	IMPACT	QUALITY	PROBABILITY	SEVERITY OR SIGNIFICANCE	EXTENT	DURATION	MAGNITUDE OF IMPACT	RESIDUAL SIGNIFICANCE AFTER MITIGATION
	activities (cattle grazing and hunting grounds)	<ul style="list-style-type: none"> Expansion of irrigation farmlands and construction of micro dams. Construction of various agricultural value chain facilities. Cutting off the usual resources areas and areas normally used by local people (grazing lands, hunting grounds, etc blocked) 	<ul style="list-style-type: none"> long-term hardship, impoverishment, and social unrest among the affected community. Migration to alternative livelihoods. 							
7.2.2.2	<i>Potential Positive Impacts During Constructions/Operations Phase.</i>									
(a)	Economic Opportunities Employment (job creation)	<ul style="list-style-type: none"> Improved Horticulture approaches. Improved Agricultural practices. Availability of many small-scale initiatives. setting-up of businesses in the agriculture value chains. 	<ul style="list-style-type: none"> improvement on their income generation. Improvement of livelihoods. maintained land output gain. capacitation on entrepreneurial skills. 	Positive	4	4	3	4	15	16 High

9. ECSMF matrix

This chapter outlines the Environmental, Social and Climate Management Plan (ESCMP) for the PSAC.

9.1 THE ESCMP

The ESCMP for the proposed PSAC, provides guidelines for the management of potential environmental and social aspects at the project sites. The ESCMP also identifies parties responsible for monitoring actions, and any training or capacity building needs.

Mitigation measures have been identified to reduce present and potential impacts associated with both the existing and new agricultural activities on the proposed project. In addition, mitigation measures are identified as either social or physical measures. Social mitigation includes the measures used to mitigate effects such as noise, land use, and other effects to the human environment. Physical mitigation includes measures that address impacts to the physical environment, such as biological communities, vegetation, air quality, and others.

Table 9-1 Environmental and Social Management Plan (ESCMP).

TEXT REF.	IMPACT	MITIGATION/ENHANCEMENT	RESPONSIBILITY	CAPACITY BUILDING
6.4	ENVIRONMENTAL IMPACTS			
5.3.1	PLANNING PHASE			
6.4.1.1	Potential Negative Impacts During Planning Phase.			
(a)	Vegetation Clearing for cutlines <ul style="list-style-type: none"> • Dust generation and soil erosion 	<ul style="list-style-type: none"> • Cutline clearance is to be minimized as far as possible to reduce the potential for dust generation and other impacts. • Dust suppression measures are to be implemented, which shall include Water sprinklers and covering moulds with nets. 	NAEB. Local Leadership. Beneficiaries. Contractors.	
6.4.1.2	Potential Positive Impacts During Planning Phase.			
(a)	None Identified			
6.4.2	CONSTRUCTION PHASE			
6.4.2.1	Potential Negative Impacts During Construction Phase.			
(a)	Vegetation Clearing			
	<ul style="list-style-type: none"> • Limited Vegetation clearing may occur during the establishment of the PSAC project as new infrastructure will be erected. <ul style="list-style-type: none"> ◦ Preparation of land for Agriculture ◦ Construction of Sheds, Warehouses, ◦ Construction of Erosion Control Structures. ◦ Establishment of new and rehabilitation of old Plantations. ◦ etc 	<ul style="list-style-type: none"> • Sensitive habitats should be avoided. (Wetlands and stream banks) • Clearing should be limited to working areas only, and these include areas for plantations, and foundations for agriculture infrastructures. • Revegetation and reforestation must be prioritized. (e.g., Planting grass, and trees as appropriate) • Over abstraction of construction materials like sand and gravel should be avoided. • Habitat restoration must be done where effects have been caused i.e., refilling burrows pits and regressing bare areas. • Sustainable Catchment management must be practiced. • Dust suppression: <ul style="list-style-type: none"> ◦ Dust suppression measures are to be implemented, which shall include covering soil mounds, spraying water, etc. ◦ Site clearance is to be minimized as far as possible to reduce the potential for dust and other impacts. ◦ Water sprinklers to be used, especially on the roads leading to the project sites. 	NAEB. Local Leadership. Beneficiaries. Contractors.	Environmental awareness training
(b)	Temporary Visual Intrusions (Marred landscape)			

TEXT REF.	IMPACT	MITIGATION/ENHANCEMENT	RESPONSIBILITY	CAPACITY BUILDING
	<ul style="list-style-type: none"> Establishment of plantations, erosion control infrastructure, Construction of micro dams and irrigation infrastructure, agricultural infrastructure, and other possible facilities will change the characteristics of the area and leave a marred landscape. 	<ul style="list-style-type: none"> Contractors should ensure minimum footprint of construction activities and provide decent accommodation for workers. All altered landscapes (Sand pits, borrow pits, brick moulding sites etc) should be rehabilitated by the contractor, i.e., filled and re-grassed. 	NAEB. Local Leadership. Beneficiaries. Contractors. District Agriculture Office.	none
(c)	Soil Erosion			
	<ul style="list-style-type: none"> Point source contamination from diesel, lubricants etc around working areas. Increased soil erosion due to vegetation clearing, soil trampling and compaction. Increased rapid runoff due to vegetation clearing and soil compaction diminishing infiltration capacity during construction phase. Deterioration of soil characteristics due to increased erosion. 	<ul style="list-style-type: none"> Appropriate containment measures for all operational areas and proper disposal of used lubricants. Soil erosion control measures (e.g., re-vegetation, reseeding of grasses, land preparation, terracing, use of gabions, stabilization of banks etc) Restoration of borrow pits, sand and quarry stone abstraction sites and brick moulding sites. Revegetation, re-grassing of all bare surfaces Minimisation of vegetation clearing to working areas only Installing soil erosion control structures like, gabions, contour ridges, swells and catch dams. Use existing roads to access the fields and farm sites and employ drainage control measures and culverts to control natural runoff and overland flow. 	NAEB. Local Leadership. Beneficiaries. Contractors. District Agriculture Office.	Environmental awareness training
(d)	Solid waste nuisance			
	<ul style="list-style-type: none"> Pollution of soil and water resources Littering and indiscriminate dumping. Deterioration of the aesthetics of the areas. 	<ul style="list-style-type: none"> Seek guidance of local environmental officers to identify acceptable disposal sites. Collection of all construction debris for proper disposal at designated landfills. Waste from agricultural activities can be further processed into other uses, e.g., organic manure. Reuse and recycling must be preferred over disposal of the waste. Establish proper treatment facilities for effluents from tea processing plants and coffee washing stations. May generate biogas from the waste by erecting Bio-gas digesters. 	NAEB. Local Leadership. Beneficiaries. Contractors. District Agriculture Office. Local Environment Officers	
(e)	Loss of natural and cultural heritage			
	<ul style="list-style-type: none"> Natural features, antics and relics destroyed in the project area e.g., during excavations. 	<ul style="list-style-type: none"> Conduct feasibility studies, fencing, introduce proper antiquity education programmes. Come up with a Physical cultural resources' management plan. Establish procedure for chance finds. 	NAEB. Local Leadership. Beneficiaries. Contractors. Local Environment Officers Museums Department.	Requirement of the National Monuments Act.

TEXT REF.	IMPACT	MITIGATION/ENHANCEMENT	RESPONSIBILITY	CAPACITY BUILDING
		<ul style="list-style-type: none"> If any natural features, antics, and relics are encountered the trenching should stop immediately and the chance finds procedure be followed. 		
(f)	Habitat loss and biodiversity disturbances.			
	<ul style="list-style-type: none"> Noise and vibrations cause small wild animals to migrate, contamination of the rivers may cause fish kills and destruction of other aquatic life. 	<ul style="list-style-type: none"> Enforcement of parks and wildlife law, Avoid contamination of soil and water Environmental flows must be reserved at all times. Noisy operations should be conducted at certain times of the day. Always use well serviced equipment that will be less noisy. Noise management measures are to be implemented and shall include maintenance of vehicles and equipment to run quietly, and avoidance of leaving engines running unnecessarily. Traffic management measures are to be implemented and travel speed of contractors and suppliers' vehicles will be restricted. 	NAEB. Local Leadership. Beneficiaries. Contractors. Local Environment Officers Museums Department. District Agric. Officer,	Requirement of the Parks and Wildlife Act.
(g)	Ambient air pollution			
	<ul style="list-style-type: none"> Pollution of air. Increases in bronchial disorders. Impaired Visibility on the roads. Disturbs normal developments of vegetation. Causes acid rain. 	<ul style="list-style-type: none"> Dust suppression measures must be instituted at all sites which shall include covering soil mounds and spraying bare areas with water. Site clearance is to be minimized as far as possible to reduce the potential for dust and other impacts 	NAEB. Local Leadership. Beneficiaries. Local Environment Officers District Agriculture Office.	None
(h)	Ambient Water pollution			
	<ul style="list-style-type: none"> Water quality will be impacted by wastewater discharges from Coffee washing stations, tea processing plants and construction activities including onsite sewage and rainwater run-off. Soil and water pollution resulting from the accumulation of solid and liquid waste. Soil and water pollution from chemicals & fertilizers meant for production. Water quality may be impacted by waste streams from processing plants. Littering and indiscriminate dumping of solid waste pollutes land and water resources. Poisoning of aquatic and inland ecosystems. Ecosystem's imbalance and destruction of flora and fauna 	<ul style="list-style-type: none"> Contractors to erect proper sanitary facilities. - Toilets at convenient locations throughout the project area. Pollution from lubricants and other wastes to be avoided. Contain all oil leaks at workshops and surfaces by collecting in oil separators. Controlled disposal of wastes and effluent by use of appropriate disposal facilities, use of appropriate drainage structures, use of cleaner technologies, proper storage of materials, awareness campaigns. Waste must be recycled and reused to avoid dumping in waterways. Polluted water shall be treated prior disposal to watercourse Maintain all vehicles and equipment to avoid oil and grease leaks Install oil and grease separators to collect rain runoff around workshops and parking areas. 	NAEB. Local Leadership. Beneficiaries. Local Environment Officers District Agriculture Office.	None
6.4.2.2	Potential Positive Impacts During Construction Phase.			

TEXT REF.	IMPACT	MITIGATION/ENHANCEMENT	RESPONSIBILITY	CAPACITY BUILDING
(a)	Revegetation			
	<ul style="list-style-type: none"> In the process of establishing well managed plantations, and catchments the vegetation will be restored and enhanced. 	<ul style="list-style-type: none"> Study and identify the correct indigenous plants that can thrive in the area. Conduct deliberate exercise to revegetate the project area using fruit trees and other grasses. Practice intercropping with fruit trees and agro-forestry with shade trees. 	NAEB. Local Leadership. Beneficiaries. Local Environment Officers District Agriculture Office.	
(b)	Rehabilitation of Fragile and Degraded Ecosystems			
	<ul style="list-style-type: none"> environment protected and conserved revegetation by planting required species Arrest the Erosion of mountain sides and steep slopes. Prevent the Loss of natural ecosystems Rehabilitate and protect the upper reaches of the project site 	<ul style="list-style-type: none"> Carry out Environmental Conservation Measures in degraded sites of the project areas, revegetate by planting grass, install gabions as necessary. Re-route and channelise drainage of water from the steep gradients to reduce gully formations, Revegetate and re-grass bare ground, quickly to avoid further degradation, Establish Soil erosion control measures (e.g., terracing, use of gabions, stabilization of banks etc) Construction of the gabions along the riverbanks where the project will abstract water to prevent loss of property as well as siltation of the river, Use of stone pitching along the slopes to prevent soil erosion 	NAEB. Local Leadership. Beneficiaries. Local Environment Officers District Agriculture Office.	
6.4.3	OPERATION PHASE			
6.4.3.1	Potential Negative Impacts During Operation Phase.			
(a)	Soil Erosion			
	<ul style="list-style-type: none"> Much less potential for soil erosion loose soil at the sides of construction sites, levelled irrigation pipelines as well as roads on steep slopes will still be susceptible to erosion 	<ul style="list-style-type: none"> Revegetation, re-grassing of all bare surfaces, Minimisation of vegetation clearing to working areas only – fields under preparation. Installing soil erosion control structures like, gabions, contour ridges, swells and catch dams. Establishment of grassed drainage systems to prevent erosion. 	NAEB. Local Leadership. Beneficiaries. Local Environment Officers District Agriculture Office.	
(b)	Solid waste			
	<ul style="list-style-type: none"> Less quantities of solid wastes generated include domestic wastes, plastics, etc. 	<ul style="list-style-type: none"> Collection of all solid waste in a systematic manner for disposal at designated landfills. Placing of waste collection bins at strategic positions throughout the project area. Solid waste should never be burnt on site. Develop a solid waste management plan and implement it. 	NAEB. Local Leadership. Beneficiaries. Local Environment Officers District Agriculture Office. Contractors.	
(c)	Effluent Discharges			

TEXT REF.	IMPACT	MITIGATION/ENHANCEMENT	RESPONSIBILITY	CAPACITY BUILDING
	<ul style="list-style-type: none"> Most agricultural, agro-processing, packaging, and marketing operations produce liquid effluent 	<ul style="list-style-type: none"> Installation of appropriate effluent treatment facilities next to any processes that generate effluent. i.e., Septic tanks, oxidation ponds, etc Collecting and channelling all effluent to a properly constructed effluent treatment plant, which could be oxidation ponds, septic tanks or bio-gas digesters Monitoring the quality of the effluent that is ultimately discharged to the environment so that it meets the national effluent discharge standards. 	NAEB. Local Leadership. Beneficiaries. Local Environment Officers District Agriculture Office.	
(d)	Agro chemicals			
	<ul style="list-style-type: none"> Poisoning of farmers by chemicals. Poisoning of aquatic and inland ecosystems by the chemicals. Poisoning of the soil by the chemicals. Poisoning of farm products consumers by chemicals. 	<ul style="list-style-type: none"> Encourage organic farming and limit the use of Agro chemicals like inorganic fertilizers. Use integrated Pest Management approaches to minimize pesticide use. Conduct awareness training & workshops on safe handling of chemicals. Erect separate storerooms for all agro chemicals so that they are always under lock and key away from food staffs. Use split application of fertiliser to avoid excess being washed away. No application before major storms Don't store fertilisers and agrochemicals and food in the same store room All workers to use appropriate PPE every time Use the least potent variants of pesticides to minimise poisoning. 	NAEB. Local Leadership. Beneficiaries. Local Environment Officers District Agriculture Office.	
(e)	Ambient Water pollution			
	<ul style="list-style-type: none"> Oil and grease leak and spills prevalent in most work areas like the farm sheds. Leaks can be washed into water ways and end up polluting the water resources. 	<ul style="list-style-type: none"> Contain all oil leaks at workshops and surfaces. Maintain all vehicles and equipment to avoid oil and grease leaks. Install oil and grease separators to collect rain runoff around workshops and parking areas. 	NAEB. Local Environment Officers District Agriculture Office.	
5.3.3.2	Potential Positive Impacts During Operation Phase.			
(a)	Revegetation			
	<ul style="list-style-type: none"> planting of grass and continuous rehabilitation of the pastures. 	<ul style="list-style-type: none"> identify the correct indigenous plants that can thrive in the area. Conduct deliberate exercise to revegetate the project area using trees and other grasses. 	NAEB. Local Environment Officers District Agriculture Office.	
7.2	SOCIAL AND HEALTH IMPACTS			
7.2.1	PLANNING PHASE			

TEXT REF.	IMPACT	MITIGATION/ENHANCEMENT	RESPONSIBILITY	CAPACITY BUILDING
7.2.1.1	<i>Potential Negative Impacts During Planning Phase.</i>			
(a)	Limited Stakeholder Involvement			
	<ul style="list-style-type: none"> • Low chances of success and sustainability • Failure to take up ownership of the project 	<ul style="list-style-type: none"> • Conduct a comprehensive participatory stakeholder mapping exercise including roles and responsibilities. • Timorous dissemination of information. • Always target buy in at decision making level. • Stakeholders are continuously appraised of the project progress. • Assistance is provided to affected people to improve, or at least restore incomes and living standards to at least the equivalent level prior to project implementation, if not better. • Affected persons should be consulted on decisions that affect their livelihoods and well-being and shall be fully informed of their options and the compensation rates. • Grievance redress mechanisms are developed and accessible. 	NAEB. Local Leadership. Beneficiaries. Local Environment Officers District Agriculture Office.	Team building
(b)	Poor project Inception/Introduction			
	<ul style="list-style-type: none"> • Anxiety and anticipation Limited cooperation • Suspicion and hence concealing important of information • 	<ul style="list-style-type: none"> • Efforts must be made to stick to agreed timelines. • Transparency and full disclosure of key elements of the project. • Production of proper plan of action with timelines. • Presenting full disclosure of project decisions and actions to all concerned stakeholders. • The planning phase should not drag for far too long as people tend to lose despair. 	NAEB. Local Leadership. Local Environment Officers	None
7.2.1.2	<i>Potential Positive Impacts During Planning Phase.</i>			
(a)	Community-Based Approaches (Project acceptance)			
	<ul style="list-style-type: none"> • Community prepared to work together • Readily accepting the project concept • Youths are expecting to get employment. • High chances of success and sustainability. • Ready to take up ownership of the project by the partners. • Available for employment and partnerships. 	<ul style="list-style-type: none"> • Enhance Community Participation in the project. • Prefer participating stakeholders for employment in the project. • Use bottom-up approaches for project planning so as to involve the potential partners effectively. • Provide potential skills development for the local youths in the farming sector. • Continuous Consultation and information dissemination for the stakeholders to keep abreast with the project. 	NAEB. Local Leadership. Local Environment Officers	

TEXT REF.	IMPACT	MITIGATION/ENHANCEMENT	RESPONSIBILITY	CAPACITY BUILDING
		<ul style="list-style-type: none"> Availing the Grievance redress mechanisms for everyone to have a channel to air their views and grievances. 		
7.2.2	CONSTRUCTION/OPERATIONS PHASE			
7.2.2.1	<i>Potential Negative Impacts During Constructions/Operations Phase</i>			
(a)	<i>Conflicts between local people and external work force</i>			
	<ul style="list-style-type: none"> Conflict over employment opportunities Conflict over relationships. Conflict over available resources 	<ul style="list-style-type: none"> First preference for employment should be given to locals, including for technical work. Migrant workers encouraged to bring their spouses along. 	NAEB. Local Leadership. Local Environment Officers	
(b)	Occupational Health and Safety Issues			
	<ul style="list-style-type: none"> Temporary and permanent physical injuries. Bronchial diseases from dust. Diseases and illness from agricultural activities etc). Loss of life 	<ul style="list-style-type: none"> A Health/Safety/Environment officer should be present during construction. All safety precautions must be enforced. Provide PPE to all workers. Institute dust and noise suppression measures. 	Health Dept, NAEB. Local Leadership. Local Environment Officers	Application of various types of PPE and their proper use.
(c)	Poor Public Health			
	<ul style="list-style-type: none"> Spread of communicable diseases such as HIV/AIDS. Increase in the prevalence of water-borne diseases (intestinal and urinary bilharzia and malaria) 	<ul style="list-style-type: none"> Education on Public health issues. Awareness raising within local communities and workers through Information, Education and Communication (IEC) and distribution of free condoms and counselling and treatment will help alleviate the impacts. Provision of toilets that are constructed in such a way that they cannot leak into water resources Provision of potable water supply that will include the use of groundwater resources that can be used as a reference to the performance of the project surface water supply. 	Health Dept, NAEB. Local Leadership. Local Environment Officers	HIV/AIDS and related communicable diseases
(d)	Gender Based Violence			
	<ul style="list-style-type: none"> Physical bodily harm. Lack of productivity. Communicable disease incidences. 	<ul style="list-style-type: none"> Zero tolerance to gender-based violence. Ensure sexual harassment Policy at all levels involved in the project. 	NAEB. Local Leadership. Local Environment Officers	Gender Based Violence and Sexual Harassment
(e)	Displacements or shifts of livelihood activities			

TEXT REF.	IMPACT	MITIGATION/ENHANCEMENT	RESPONSIBILITY	CAPACITY BUILDING
	<ul style="list-style-type: none"> • Usual routes closed. • Long routes in use - women, the elderly and school children affected. • Removal/alteration of usual source of livelihood. (Cattle grazing and hunting grounds) • long-term hardship, impoverishment, and social unrest among the affected community. • Migration to alternative livelihoods. 	<ul style="list-style-type: none"> • Engage in good plantation designs. • Relocate the footpaths and construct foot bridges where possible. • Create alternative sources of livelihood e.g., by involving the affected parties in the plantations. 	NAEB. Local Leadership. Local Environment Officers	
7.2.2.2	<i>Potential Positive Impacts During Constructions/Operations Phase.</i>			
(a)	Economic Opportunities Employment (job creation)			
	<ul style="list-style-type: none"> • improvement on their income generation. • Improvement of livelihoods • maintained land output gain • capacitation on entrepreneurial skills 	<ul style="list-style-type: none"> • Set up favourable partnership agreements. • Meet all promises • Endeavour for a win-win situation • 	NAEB. Local Leadership. Local Environment Officers	<ul style="list-style-type: none"> • Entrepreneurial approaches. • Good animal Husbandry • Commercial farming approaches.

10. CAPACITY NEEDS ASSESSMENT AND TRAINING PLAN

10.1 INTRODUCTION

MINAGRI will be the Lead Implementing Agent for the PSAC project with the assistance of NAEB. It is important that these institutions be capable of carrying out the ESCMF recommendations.

The following is an outline of the capacity building and training needs that were identified for the implementing partners of the PSAC to enhance their environmental and social management.

10.2 CAPACITY BUILDING NEEDS

The successful implementation and monitoring of the Environmental, Social and Climate Management Framework (ESCMF) together with its environmental and social management plans (ESMPs) (Appendix 3) will require that target groups and stakeholders who play a role in its implementation be provided with appropriate training and awareness.

Currently there is little capacity within MINAGRI to implement environmental and social requirements necessary to manage the potential environmental and social risks and impacts resulting from the proposed agricultural activities of PSAC.

i. National Level

NAEB will be responsible for completing the Environmental and Social Screening Form (Appendix 1) to be able to identify and mitigate the potential environmental and social impacts of rolling out the various agricultural value chains. In the event that a project activity under PSAC falls under the listed projects in the Environmental Law, MINAGRI/NAEB will review the recommendations from the districts and undertake the process of seeking the approval of the EIA through the EIA Department of Rwanda Environment Management Authority (REMA). In addition, strategic decisions on the direction of rolling out the project chains will be undertaken at this level, and therefore those decision makers must be aware of potential risks and impacts. The groups that will need training will include:

- NAEB Staff
- SPIU Staff
- PSAC coordinator and management
- MINAGRI staff
- Rwanda Environment Management Authority (REMA)
- Ministry of Local Government
- Ministry of Tourism and Environmental Affairs (MTEA)
- PSAC Steering Committee
- Other collaborating institutions.

ii. District (Local) Level

At District and local level, the groups that will receive environmental and social training include the following:

- the Association members,

- individual farmers
- Extension workers in project impact areas
- District environmental officers
- District agricultural officers

10.3 TRAINING REQUIREMENTS

The proposed PSAC activities will be numerous and challenging. Successful implementation of the programme activities will require dynamic and multi-disciplinary professionals. Therefore, regular short and tailor-made training courses and seminars will be required to reinforce the capacity and skills of the stakeholders and farmers during the entire project period. Training activities and target groups are presented in Table 10-1 below.

10.3.1 Capacity building needs for PSAC Partners.

The key experts from the PSAC implementation partners are highly skilled in the relevant fields for which they are responsible. However, there are some areas in Environmental, social and climate aspects for which they will need some training and sensitisation in order to improve effectiveness in the implementation of the project. They will need to be sensitised on the specific requirements of the project, including IFAD's SECAP, 2021, Climate, Land and Disclosure Policies for IFAD as well as on the findings and recommendations of the ESCMF. This will be geared at bringing them to the same level of understanding as NAEB so that they can offer their services from an informed position.

10.3.2 Capacity Building needs for NAEB

The NAEB will be responsible for the day-to-day environmental, social and climate interactions on the ground and how existing management actions are being implemented. It is therefore important that the capacity within NAEB management office be strengthened in order to ensure that adequate staff is available for the sustainable implementation of the various project activities from an environmental and social perspective, also taking into consideration any climate related issues that may arise from time to time in the different locations for sub-projects.

10.3.3 Capacity Building needs for beneficiary communities

The training needs for the beneficiary communities have been identified and they will need to be trained to prepare and capacitate them for sustainable implementation of the subprojects that they will be engaged with. The training will target the District Development Committees as well as the management structures for each benefiting association, depending on the stage at which the sub-project activities are at.

10.3.4 Necessary training to support business farming:

NAEB, in collaboration with the MINAGRI and other strategic partners, will continue to sensitise beneficiary communities (Tea and coffee associations, horticulture associations and farmers) in using technological advancements to improve productivity and quality of produce.

10.3.5 Training on business management.

NAEB will provide capacity building for tea, coffee and horticulture farmers on important aspects of farming such as the construction of appropriate facilities for processing the products, as well as handling of waste generated from processing the products.

10.3.6 Training on the use and interpretation of early warning systems.

NAEB, in collaboration with the Meteorological Services Department, will also encourage the communication and dissemination of meteorological bulletins tailored to climate risks and vulnerabilities specific to selected crops grown in those areas.

10.3.7 Training of all farmers on watershed management issues

Every tea, coffee and horticulture farmer is key in ensuring compliance with the ESMPs that has been developed by this ESCMF process, it will be important for them to have a good understanding of how the activities they will carry out under PSAC will affect and/or be affected by environmental, social and climate change aspects, occurring in the rest of the watershed. They will need to be trained on what measures are required to address these watershed management issues.

10.3.8 Capacity building for gender equity

Gender balance should be promoted in order to increase awareness of gender roles in the households and communities by improving the capacity of vulnerable groups such as household heads who are female and single parents of either gender, to negotiate their needs and interests. These Households will be capacitated on how to effectively participate in livelihoods planning and value chain development through gender-equitable solutions.

10.3.9 Social and psychosocial support for PSAC communities

NAEB should acknowledge that the implementation of the project is likely to trigger some culture shocks within the participating communities and therefore make the necessary plans to provide support.

- Put in place support structures for the social and psycho-social needs of affected communities.
- Sensitise communities to prepare them for the likely changes in their way of life.
- Prepare communities for the culture shocks through sensitisation sessions and training.
- Establish structures for the control and resolution of conflicts related to the impacts of PSAC on family fabric.

10.3.10 Training on health, safety and environmental quality issues

- Farm workers should be trained on how to handle and store agrochemicals.
- Farm workers should be sensitised and educated on how to avoid accidental contact with pesticides and agrochemicals.
- Sensitisation on the usefulness of Safety data sheets and how to keep and use them.
- Training of farm workers on occupational health and safety issues, relevant Personal Protective Equipment necessary for each sub-project, including guidelines that need to be followed to prevent the transmission of communicable diseases such as COVID-19.

10.4 SUMMARY OF TRAINING REQUIREMENTS.

Table 11-1 provides a summary of the training needs for the PSAC including the target groups and trainers for each training activity and its cost estimates:

Table 10-1 Environmental and Social Training

No.	TRAINING ACTIVITY	TARGET GROUP / TRAINER	MEANS OF VERIFICATION	COST ESTIMATES
1.	High Level Environmental, Social and Climate Risks and Impacts of PSAC <ul style="list-style-type: none"> • PSAC and linkage to Safeguards policies • Typical issues • Mitigation requirements • Management plans • Monitoring requirements • Management review • Budgeting for E&S risk management • early warning systems • health, safety and environmental quality. • 	TARGET GROUP: <ul style="list-style-type: none"> • 5 Ministries, • EIA Department, • PSAC coordinator and management • Sub-project management • Other collaborating institutions. TRAINER: <ul style="list-style-type: none"> • Rwanda Environmental Management Authority (REMA) • Private Consultant 	<ul style="list-style-type: none"> • 30 high level decision makers, managers, coordinators trained 	\$ 12,000.00 one session during the entire project period) Length: 1 day Total cost: \$ 12,000.00
2.	Environmental and Social Impact Assessment of the Projects: <ul style="list-style-type: none"> • Screening process. • Use of checklists • Preparation of terms of reference. • Identification of Impacts • ESIA report preparation and processing • Policies and laws in Rwanda • IFAD safeguard policies • early warning systems • health, safety and environmental quality 	TARGET GROUP: <ul style="list-style-type: none"> • District Agriculture Office Team • District Environment Units • Extension workers in project impact areas. TRAINER: <ul style="list-style-type: none"> • Rwanda Environmental Management Authority (REMA) • Private Consultant TARGET GROUP: <ul style="list-style-type: none"> • Cascading training to lower levels: <ul style="list-style-type: none"> ○ Associations/cooperatives/farmers. ○ The rest of the District Forestry staff ○ District Councils and Extension workers TRAINER: <ul style="list-style-type: none"> • Rwanda Environmental Management Authority (REMA) 	<ul style="list-style-type: none"> • 10 members of District Agriculture Office Team are trained. • 10 District Environment Units members are trained. • 10 Extension workers in project impact areas trained. 	(Three sessions during the entire project period) Length: 5 days per session Total cost: \$ 20,000.00

No.	TRAINING ACTIVITY	TARGET GROUP / TRAINER	MEANS OF VERIFICATION	COST ESTIMATES
		•		
3	Watershed Management <ul style="list-style-type: none"> • Rehabilitation of mountain sides and gullies. • Reforestation/revegetation. • Control of Alien Invasive Species. • General Catchment management. • 	TARGET GROUP: <ul style="list-style-type: none"> • District Agriculture Office Team • District Environment Units • Extension workers in project impact areas. TRAINER: <ul style="list-style-type: none"> • Rwanda Environmental Management Authority (REMA) • Private Consultant TARGET GROUP: <ul style="list-style-type: none"> • Cascading training to lower levels: <ul style="list-style-type: none"> ◦ Associations/cooperatives/farmers ◦ The rest of the District Agriculture staff ◦ District Councils and Extension workers TRAINER: <ul style="list-style-type: none"> • Rwanda Environmental Management Authority (REMA) 	<ul style="list-style-type: none"> • 10 members of District Agriculture Office Team are trained. • 10 District Environment Units members are trained. • 10 Extension workers in project impact areas trained. 	(Three sessions during the entire project period) Length: 5 days per session Total cost: \$ 20,000.00
4.	Facilitate Gender, HIV/AIDS awareness <ul style="list-style-type: none"> • Impacts of HIV/AIDS on social wellbeing, livelihood and projects • Mitigation measures • Sensitisation on GBV/SEA • Care of victims • Social and psychosocial support 	TARGET GROUP: <ul style="list-style-type: none"> • Extension workers in project impact areas • Associations/cooperatives/farmers. TRAINER: <ul style="list-style-type: none"> • NAC, 	<ul style="list-style-type: none"> • 10 Extension workers in project impact areas trained. • 30 Cluster members/Farmers trained 	TO USE NAC RESOURCES (Two sessions during entire project period) Venue: Length: 5 days Total cost: \$10, 000.00
5.	Water Management <ul style="list-style-type: none"> • When to irrigate • How much water to apply • For how long • Water rights Crop Management	TARGET GROUP: <ul style="list-style-type: none"> • Extension workers and Farmers TRAINER: <ul style="list-style-type: none"> • Private Consultant 	<ul style="list-style-type: none"> • 10 Extension Workers • 30 Farmers from various trial farms trained 	(Four sessions during the entire project period) Venue: Farms Length: 5 days per session

No.	TRAINING ACTIVITY	TARGET GROUP / TRAINER	MEANS OF VERIFICATION	COST ESTIMATES	
	<ul style="list-style-type: none"> • Tea tree management • Coffee management • Cropping calendar • How to apply fertilizer • Use of organic manure / compost • Weeding • Crop harvesting & storage 			Total cost: \$ 20,000.00	
6.	<p>For Agricultural activities - Pesticide Management</p> <ul style="list-style-type: none"> - Pesticides Types and Use - Packaging, labelling and Handling - Storage, Stacking and Release - Pesticides Record Maintenance <p>Pesticides Application and Disposal</p> <ul style="list-style-type: none"> • Types and Handling of Equipment • Pesticides Toxicity • Safety of Applicators (OSHA) <ul style="list-style-type: none"> ◦ First Aid ◦ Care, Cleaning and Disposal of Pesticides and Equipment <p>Agro-facility Management</p> <ul style="list-style-type: none"> • disposal of wastes, • biosafety, • security, • emergency response. 	<p>TARGET GROUP:</p> <ul style="list-style-type: none"> • Store Keepers • Pesticide Transporters • Pesticide Users • Agro-dealers • All Farmers • Trial Farm Management Committee • Agro facilities, e.g., warehouses, etc. <p>TRAINER:</p> <ul style="list-style-type: none"> • MINAGRI 	<ul style="list-style-type: none"> • 10 members of Scheme Procurement Committee Trained • 10 Extension Workers • 30 Cluster members/Farmers trained <p>(Three sessions for the entire project period)</p> <p>Venue: Farms</p> <p>Length: 5 days per session</p> <p>Total cost: \$15,000.00</p>		
	TOTAL ESTIMATED BUDGET				137,000.00

10.5 PROPOSED APPROACH IN EXECUTING TRAINING ACTIVITIES

PSAC will adopt a strategy of running workshops and refresher courses to disseminate the SECAP related studies and reports. It will also use the training of trainers and community exchange visits approach.

It will be important that key decision makers, the PSAC coordinator and management staff and other high-level persons are sensitized in the potential environmental and social risks and impacts due to the proposed PSAC activities. This training may be conducted by a private consultant or by the EIA Department of Rwanda Environmental Management Authority (REMA).

10.6 FUNDING REQUIREMENTS FOR ENVIRONMENTAL AND SOCIAL TRAINING

The proposed environmental training activities for the programme will be funded directly by the programme resources in accordance with the proposed plan laid out in Table 10-1 above.

11. FUNDING FOR THE ENVIRONMENTAL MANAGEMENT ACTIVITIES

11.1 COSTS OF IMPLEMENTING THE ESCMF

The costs of implementing this ESCMF primarily comprise staff time, as well as costs of training of farmers. These costs have been readily integrated into the PSAC cost tables and will subsequently be integrated into the Annual Work Plan and Budgets (AWPB). Additionally, service providers and farmers will have costs in terms of implementing some of the interventions needed to reduce risks or impact. Most of these costs will be subsidized through the project and are budgeted for in the general project budget lines.

The following is a breakdown of the cost estimates for the activities in the environmental social and Climate management plan. This detailed budget is meant for implementing and monitoring the recommended mitigation measures throughout the project life. **The budget is integrated into the overall programme costs to ensure that the proposed mitigation measures are actually implemented.**

11.2 SITE-SPECIFIC ESIA AND ESMPs

This component will comprise Mitigation issues to do with Site-specific ESIA (Appendix 3), ESMPs and the Environmental License fees for registering these EA studies with the Rwanda Environmental Management Authority (REMA) (Table 11-1).

Table 11-1 Site-specific ESIA and ESMPs Budget

No.	ACTIVITY	ESTIMATED COST (US \$)
1.0	3 x Site-specific ESIA @ 15,000.00 each site	40,000.00
2.0	Site-specific simplified ESIA lump sum.	90,000.00
3.0	500 x Site-specific ESMPs (Trained Field Officers to train beneficiaries) lump sum.	100,000.00
	Sub-Total	230,000.00

11.3 MITIGATION MEASURES

This provision is for implementing mitigation measures in each district. These resources will provide for:

- prevention of soil erosion, vegetation clearance and land degradation,
- Protection of critical natural habitats (mountain sides, wetlands, marginal lands, natural forests, nesting sites etc.),
- prevention of water-borne diseases,
- Climate change resilient activities,
- Gender and Youth mainstreaming.

Mitigation and enhancement measures were discussed in detail in table 10-1 and the following is a summary of some of the measures with cost implications (Table 11-2).

Table 11-2 Mitigation and enhancement measures Budget

No.	MITIGATION/ENHANCEMENT	ESTIMATED COST (US \$)
1.0	Stakeholder Participation <ul style="list-style-type: none"> Conduct a comprehensive participatory stakeholder mapping exercise including roles and responsibilities at national, provincial, district and local area level Conduct adequate situational assessment to determine different vulnerability dimensions. 	25,000.00
2.0	Revegetation and reforestation <ul style="list-style-type: none"> Revegetation and reforestation must be prioritized. Institute catchment conservation. Habitat restoration must be done where effects have been caused All altered landscapes (Sand pits, borrow pits, brick moulding sites etc.) should be rehabilitated. 	40,000.00
3.0	Soil erosion control measures <ul style="list-style-type: none"> Institute measures to reduce and control soil erosion like contouring and terracing, stabilising slopes and banks, re-vegetation, reseeding of grasses, land preparation, use of gabions, etc.) 	50,000.00
Sub-total		115,000.00

11.4 MONITORING AND EVALUATION

This provision is for training both the PSAC staff and the beneficiaries in participatory environmental monitoring. This entails monitoring the implementation of mitigation measures at the sub-project level (e.g., each plantation, washing station, irrigation scheme, horticulture project, etc.). (Table 11-3). The component will comprise:

- the monitoring and evaluation issues of the whole programme
- Monitoring and Evaluation of the progress of the implementation of the ESCMF. Assessing whether it is being effective or not.

Table 11-3 Monitoring and Evaluation Budget

No.	ACTIVITY	Estimated Cost (US \$)
1.0	Monitoring and evaluation exercises	80,000.00
Sub-Total		80,000.00

11.5 ENVIRONMENTAL AND SOCIAL TRAINING

Environmental and Social Training were discussed in detail in table 11-1 and the following is a summary of the budgetary requirements for the proposed training activities (Table 11-4).

Table 11-4 Environmental and Social Training Budget

No.	TRAINING ACTIVITIES	Estimated Cost (US \$)
1	High level training in Environmental and Social Risks of PSAC	12,000.00
2	Training in Environmental and Social Impact Assessment	20,000.00
3	Cascading training on Environmental, Social and Climate Management Framework and its ESMP	25,000.00
	Watershed Management Training	20,000.00
	Cascading training on Watershed Management	15,000.00
4	Facilitate Gender, HIV/AIDS awareness	10,000.00
5	Water and Crop Management	20,000.00
6	Agricultural Chemicals Management	15,000.00
TOTAL		137,000.00

11.6 ANNUAL AUDITS

The project will be subjected to annual audits and an end of project audit. The following is the cost estimate for the Audits (Table 11-5).

Table 11-5 Monitoring and Evaluation Budget

No.	ACTIVITY	ESTIMATED COST (US \$)
1.0	Bi- Annual Audit	17,000.00
2.0	Annual Reviews	12,000.00
3.0	End of Project Audit	25,000.00
	Sub-Total	54,000.00

11.7 ESCMF IMPLEMENTATION BUDGET SUMMARY

The following (Table 11-6) is the ESCMF Implementation budget summary taking into consideration all the issues covered in sections 11.1 to 11.6:

Table 11-6 Estimated Budget for ESCMF Implementation (US\$)

No.	YEAR ACTIVITY	REFERENCE TABLE	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
1.	Site-specific ESIA, ESMPs and Environmental License fees	Table 11-1	105,000.00	85,000.00	40,000.00			230,000.00
2.	Mitigation Measures	Table 7-1 and 11-2	35,000.00	30,000.00	25,000.00	150,000.00	10,000.00	115,000.00
3.	Monitoring and evaluation purposes (R&D, M&E, Field Visits)	Table 9-1 and table 11-3	25,000.00	20,000.00	15,000.00	10,000.00	10,000.00	80,000.00
4.	Environmental and Social Training	Table 10-1 and 11-4	45,000.00	32,000.00	30,000.00	20,000.00	10,000.00	137,000.00
5.	Bi-Annual Audit	11-5		7,000.00	5,000.00	5,000.00	-	17,000.00
6.	Bi-Annual Reviews	11-5		7,000.00		5,000.00		12,000.00
7.	End of Project Audit	11-5					25,000.00	25,000.00
	Sub – Total							616,000.00
	10% Contingency							61,600.00
	Grand Total							677,600.00

12. MONITORING PLAN AND ARRANGEMENTS

12.1 INTRODUCTION

The PMU with the help of relevant authorities will monitor the environmental and social effects of project implementation and the success of mitigation measures. The objective for monitoring is twofold:

- To provide timely information about the effectiveness of the environmental and social management screening process.
- To generate Information that will inform continuous improvement to the process.
- To establish the progress in implementation of the mitigation measures, the extent to which they are effective in maintaining environmental and social integrity and if any changes are required to improve the ESCMF implementation.

Monitoring is done on the basis of agreed upon indicators. Examples of typical environmental indicators include:

- (i) Evidence of anti-soil erosion measures such as terraces,
- (ii) Re-planted vegetation,
- (iii) Constructed drainage channels,
- (iv) Filled up burrow pits, etc

Social indicators include:

- (i) Representation on the community management committees,
- (ii) Equitable sharing of benefits from the programme intervention,
- (iii) Numbers of members attending programme planning and implementation meetings,
- (iv) Effect of programme implementation on local household economies.

12.2 MONITORING, EVALUATION AND LEARNING

The monitoring and evaluation of the measures stipulated in this ESCMF are integrated into the project's overall monitoring and evaluation procedures, as follows:

- The NAEB will monitor the environmental and social risks and mitigation measures identified through the different procedures identified in this document,
- The NAEB will regularly review and synthesize data from these sources to identify most important issues as well as emerging themes,
- The NAEB will integrate environmental and social sustainability issues into its regular reporting to IFAD.

The outcomes of these monitoring and evaluation practices should be integrated into the regular learning and training programmes of the line ministries involved, picking up the emerging themes from the monitoring data and inviting experts to provide insights on best practices as well as new technologies.

12.3 AREAS TO BE MONITORED

12.3.1 Environmental issues

a) Soils

Soil degradation may occur as the soils are exposed and or compacted during the construction of agriculture infrastructure, soil erosion control structures and agricultural activities, potentially affecting the drainage of the areas.

The beneficiary communities must ensure that no gullies or rills develop in the programme areas. This can be avoided by taking such soil erosion control measures as construction of embankments and designing drainage along work areas. The absence of gullies and rills will be used as a measure of the success of the control measures.

The soil can also be scathed by chemical spillages. This will render the soil poisonous, and it must be discouraged at all cost.

b) Vegetation

Unnecessary vegetation clearing and grass fires must be prevented at all costs. The trees should not be gathered for firewood or cut for other purposes. The local residents must be monitored to ensure that firewood is not excessively collected.

c) Wildlife

Under such situations, farmers may want to snare small animals. All wildlife should be treated in accordance with the Wildlife Act.

d) Marginal lands/fragile ecosystems

Marginal lands and fragile ecosystems must be protected against abuse.

e) Chemical pollution

A great likelihood of chemical pollution of the water and the soil exists and in order to monitor the level of pollution in the soil or water, samples must be taken regularly from them for pollution testing.

f) Water resources

Both quality and quantity of water resources in the rivers must be properly managed for sustainable irrigation activities to persist.

g) Ambient air quality

All air polluting activities need to be checked regularly to minimise their effect on air quality.

h) Climate Resilience

It will be important to regularly inspect agricultural infrastructure for its resilience to climate change and variability and also any agricultural practices, if they are still relevant in the given climatic conditions.

12.3.2 Social Issues

a) Loss of natural and cultural heritage

The rehabilitation/construction of roads, dams, warehouses and other agricultural infrastructure and fields may affect some natural features, antics and relics in the programme area. Measures must be put in place for chance finds and any such incidences must be treated as required by the relevant Act.

b) Socio-Cultural Issues

Regular health checks of the work force/farmers are a way to monitor disease patterns of the members of the community to ensure that no new strains of diseases are being introduced.

c) Noise and Vibrations

It will be important to routinely monitor noise levels from the machinery to ensure that it conforms to the limits recommended for noise levels.

It is recommended that all environmental parameters mentioned above be monitored during the implementation and operation stages and any impacts should be mitigated as soon as possible. The farmers and the PSAC/NAEB should monitor on a periodic basis.

In the course of monitoring, if and when any significant impacts are detected, the monitoring team should meet and address the issue. All team members should keep records of such meetings.

12.4 ENVIRONMENTAL AND SOCIAL MONITORING PLAN

Screening will ensure that no activities in the exclusion list (Table 6-1) will be accommodated under PSAC. Thus, the first action by the Environmental Officers will be to monitor whether any subprojects:

- i) Require acquisition of land and displacement of people,
- ii) Block the access to or use of land, water points and other livelihood resources used by others,
- iii) Encroach onto fragile ecosystems, marginal lands or important natural habitats,
- iv) Impact on physical cultural resources of national or international importance and conservation value.

The following is an outline of the proposed environmental and social monitoring plan for the PSAC programme:

The Monitoring Plan is summarized in Table 9-1 below.

Table 12-1 Monitoring Activities and Indicators

ISSUE	METHOD OF MONITORING	AREAS OF CONCERN	POSITIVE INDICATOR	FREQUENCY	RESPONSIBLE AUTHORITIES
Soils	In the process of constructing roads, soil erosion control structures, dams and other agriculture infrastructure, the contractors should make a daily inspection of earth works and ensure that slopes are suitably graded. Once earthworks are complete the Implementing Agent should monitor the restoration measures implemented by the Contractor, such as re-vegetation	<ul style="list-style-type: none"> • Soil erosion • Conservation activities • Catchment management 	An absence of rills, gullies or other erosion features occurs	Daily and ongoing as project is implemented	<ul style="list-style-type: none"> • MINAGRI • NAEB/PSAC-PMU
Vegetation	The Associations/cooperatives/farmers must clear areas to be used and site works only.	<ul style="list-style-type: none"> • Clearing of the project sites and disturbance of animals. • flora and fauna 	No unnecessary vegetation cleared	Weekly and ongoing as project is implemented	<ul style="list-style-type: none"> • MINAGRI • NAEB/PSAC-PMU • Rwanda Environmental Management Authority (REMA).
Birds	Interference with nesting sites	<ul style="list-style-type: none"> • Nesting sites • Migratory routes 	Reproductive patterns of birds undisturbed	Weekly and ongoing as project is implemented	<ul style="list-style-type: none"> • Rwanda Environmental Management Authority (REMA). • Department of National Parks and Wildlife
Small mammals habitat loss	Ensure that no unnecessary habitat loss occurs, and that poaching is curtailed.	<ul style="list-style-type: none"> • Animal habitats • Poaching 	<ul style="list-style-type: none"> • No Mammals are displaced from their habitats. • Number of poaching incidences reduced or eliminated. 	Weekly and ongoing as project is implemented	<ul style="list-style-type: none"> • Rwanda Environmental Management Authority (REMA). • Department of National Parks and Wildlife. • Police department.
Crime	The NAEB/PSAC-PMU Secretariat should Liaise with police department if crime/theft becomes a problem.	<ul style="list-style-type: none"> • Criminal activities in the area 	Crime theft kept to a minimum. Incidences of stock theft and house breaking minimized.	Weekly and ongoing as project is implemented	<ul style="list-style-type: none"> • Department of National Parks and Wildlife. • Police department. • District Administrator.
Noise	Noise monitoring should be carried out on an ad-hoc basis by the Environmental Monitor or the NAEB/PSAC-PMU to establish noise levels in the work areas.	<ul style="list-style-type: none"> • Noise Levels 	Noise levels at the nearest sensitive receiver would be kept to a minimum.	Weekly and ongoing as project is implemented.	<ul style="list-style-type: none"> • Ministry of Health. • Rwanda Environmental Management Authority (REMA).

ISSUE	METHOD OF MONITORING	AREAS OF CONCERN	POSITIVE INDICATOR	FREQUENCY	RESPONSIBLE AUTHORITIES
Health	NAEB/PSAC-PMU must ensure that education and awareness campaigns are implemented and must mainstream HIV/AIDS issues into the project implementation programme.	<ul style="list-style-type: none"> • Public health • Waste management at Sub-project sites. • Disease outbreak due to concentration of people at the Sub-project sites. • Disease outbreak due to dust and water pollution. 	Reduction in number of cases of such diseases as Avian flu, AIDS/STD related diseases recorded at hospital and medical clinic	Monthly and ongoing as project is implemented	<ul style="list-style-type: none"> • Health ministry • NAEB/PSAC-PMU • MINAGRI.
Archaeology	This should concentrate on chance finds. Provision should be made to allow archaeologists to be present on site during the excavation periods if they so wish. The NAEB/APEMP-PMU should inspect all excavations, and where archaeological remains are found work must stop until the NAEB/PSAC-PMU has been given the "all clear" to proceed. The NAEB/PSAC-PMU should contact the Rwanda National Trust Commission in the event of a significant archaeological find.	• Archaeological Findings	Archaeological remains not excavated, disturbed or destroyed.	<ul style="list-style-type: none"> • Daily and ongoing as project is implemented • Room for chance finds 	<ul style="list-style-type: none"> • Institute of National Museums of Rwanda (INMRB). • Rwanda Environmental Management Authority (REMA). • Local Leadership
Energy	<ul style="list-style-type: none"> • The Associations/cooperatives/Developers must inspect the provisions made by the Contractor to supply energy to the workforce, and ensure that fuel wood is not being collected. • The Rwanda Environmental Management Authority (REMA). should enforce legislation which prohibits cutting down of trees. • The Rwanda Environmental Management Authority (REMA), PSAC and local leadership (cultural and political) should sensitize the workers against cutting down of trees. 	• Types of energy sources used in the project	Energy supplied by electric generator or other suitable source. Deforestation and resultant erosion controlled and reduced	Regularly	<ul style="list-style-type: none"> • Department of Forestry. • Rwanda Environmental Management Authority (REMA). • Local Leadership
Air Pollution	Observations should be made on the level of dust generated during the construction and Agricultural activities by the Environmental Monitor or NAEB/PSAC-PMU. Dampening should be carried out if levels are unacceptable.	• Levels of dust emissions	Deposition of dust on surfaces should decrease with increased dampening	Daily	<ul style="list-style-type: none"> • Health ministry • NAEB/PSAC-PMU • MINAGRI
Water resources	<ul style="list-style-type: none"> • Water resources should be managed well • The Ministry of Health should test borehole water quality in the area to ascertain the suitability for human consumption. 	<ul style="list-style-type: none"> • Watercourses and impoundments. • Surface water quality • Ground Water Quality • Recommended distances from watercourses. • Possible dam construction sites. 	<ul style="list-style-type: none"> • Water made available for environmental concerns. • Pollution of water resources monitored/detected early, and remedial measures taken on time 	Tests for water pollution to be done Monthly.	<ul style="list-style-type: none"> • Health ministry • NAEB/PSAC-PMU • MINAGRI. • Ministry of Infrastructure (Mininfra), • Rwanda Environmental Management Authority (REMA).

ISSUE	METHOD OF MONITORING	AREAS OF CONCERN	POSITIVE INDICATOR	FREQUENCY	RESPONSIBLE AUTHORITIES
Landscape	The NAEB/PSAC-PMU should make visual inspection of earth works to ensure that excessive excavation is not being carried out. Temporary screening may be appropriate in some cases.	<ul style="list-style-type: none"> • Visual intrusions • Aesthetics 	Landscape alteration reduced to a minimum	Monthly	<ul style="list-style-type: none"> • Institute of National Museums of Rwanda (INMRB). • Rwanda Environmental Management Authority (REMA).
Complaints	The NAEB/PSAC-PMU should inspect the record of complaints made by local residents, to be kept by the coalitions/farmers, and should check that action is taken quickly and that the number of complaints do not rise significantly.	<ul style="list-style-type: none"> • Complaints 	Number of complaints decreases.	Monthly	<ul style="list-style-type: none"> • NAEB/PSAC-PMU • MINAGRI. • Rwanda Environmental Management Authority (REMA).

13. CONCLUSIONS AND RECOMMENDATIONS

The proposed PSAC programme has potential to significantly enhance the agricultural productivity and improve the livelihoods of smallholder Tea, Coffee and Horticulture farmers in the target districts. An improvement in the productivity of the Smallholder farmers will translate to improved livelihoods as they now will have cash to secure other needs.

The envisaged environmental and social impacts include disturbance of soil from infrastructure construction, establishment of new plantations, rehabilitation of existing plantations, other agricultural activities, digging of pits and foundations, and irrigation and value addition infrastructures construction activities, Solid and liquid waste generation, tree cutting and general vegetation clearing, emission of dust and generation of noise. **These envisaged environmental impacts will generally be localized, minimal, short term and can be mitigated.** However, this will entail adhering to the requirements of the current ESCMF. **The Final benefits of this programme to the nation will, by far outweigh any potential negative effects.**

It is therefore recommended that:

- All agricultural and value addition infrastructure must include the requisite waste disposal or handling systems.
- It is important that stakeholder organisations such as District Administrators, Rwanda Environmental Management Authority (REMA), NGOs and other interested parties are consulted and kept informed of the implementation progress so that they can play their part.
- Reduction and control of noise levels to minimize any disruption to the living conditions of wildlife be strictly adhered to.
- The land around any sub-project works should be left intact and pollution be minimised.
- Bush clearance should be confined to the absolutely necessary part, buffer strips be maintained and huge indigenous trees in the area should be preserved as much as possible.
- Labour intensive methods should be encouraged as they benefit the local community in terms of job creation. For this the project should employ locals as much as possible to ensure that benefits remain in the area where development is taking place.

The programme overall will not have any apparent significant environmental impacts if the recommended mitigations are carried out.

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Becky Carter Institute of Development Studies 9 July 2018

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15. APPENDICES

APPENDIX 1: ENVIRONMENTAL AND SOCIAL SCREENING FORM

Government of Rwanda.

Environmental & Social Screening Form

(*Guidelines:* Site inspection of project site. The evaluation results to be a consensus of at least three officials)

Project Name:	District:
Project Location :	Name of Catchment
Name of Village:	Nature/Size:
Name, Signature & Designation of Evaluator(s): 1..... . 2.....	Date of Field Evaluation:
	Sector

		Appraisal		Significance			<i>Potential Mitigation Measures</i>
		Yes	No	Low	medium	high	
1.0	Environmental and Social Screening						
	Will the project generate the following negative impacts						
1.1	Loss of trees/vegetation						
1.2	Soil erosion/siltation in the area						
1.3	Pollution to land- e.g., from diesel, oils						
1.4	Dust emissions						
1.5	Solid and liquid wastes e.g., open defecation						
1.6	Spread of HIV/Aids and other STI						
1.7	Borrow pits and pools of stagnant water						
1.8	Rubble/heaps of excavated soils						

1.9	Alien / Invasive species					
1.10	Spread of water borne diseases e.g., Malaria					
1.11	Loss of soil fertility					
1.12	Contamination from agrochemicals and pesticides					
1.13	Nuisance from smell or noise					
1.14	Reduced water quality and quantity					
1.15	Incidence of flooding					
1.16	Disruption of marriages					
1.17	Health hazards to workers and communities					
1.18	Removal of native trees					
2.0	Resettlement Screening					
	Will the project generate the following negative social and economic impacts?					
2.1	Loss of land by households					
2.2	Loss of properties –houses, structures					
2.3	Loss of trees by households					
2.4	Loss of crops by people					
2.5	Loss of access to river/forests/grazing area					
2.6	Loss of cultural site, graveyard land					
2.7	Conflicts over use of local water resources					
2.8	Disruption of important pathways, roads					
2.9	Loss communal facilities – churches					

Consultation (comments from beneficiaries)

Overall evaluation of Environmental and Resettlement Screening Exercises.

The results of the screening process would be either the proposed sub - projects would be exempted or subjected to further environmental and resettlement assessment. The basis of these options is listed in the table below:

Review of Environmental Screening	Tick	Review of Resettlement Screening	Tick
1. The project is cleared. No serious impacts. (<i>When all scores are "No" in form</i>)		1.The project is cleared. No serious social impact. <i>(Where scores are all "No", "few" in form)</i>	
2. There is need for further assessment. (<i>when some scores are "Yes, High" in form</i>)		2.There is need for resettlement/compensation. <i>(When some scores are "Yes, High" in form</i>	
3. Need to prepare site specific ESMP		3. Need to prepare RAP	

Endorsement by Environmental District Officer	Endorsement by Director of Agriculture
Name	Name:
Signature:	Date:

NOTES:

1. The NAEB Environment Officer shall ensure that a completed form is filed within project file immediately after endorsement. He/She should keep a duplicate.
2. Project Management Committee will maintain a copy of completed form

APPENDIX 2: METHODOLOGY FOR SIGNIFICANCE RATING OF IMPACTS

The significance of adverse impacts from project activities will be rated on the basis of their magnitude, duration and probability as shown below in Table APP 1. The scales of rating are 1 to 5 with 1 being low and 5 being high. Where an aspect is affected by more than one impact, the highest rating is taken as the applicable significance of the impact. The ESMP in Chapter 9 only considers the impacts that have been rated moderate and high significance as these present impacts that need attention.

Table APP 2-1 Methodology for significance rating of impacts (adapted from Ryan Edwards, 2011)

No.	CRITERIA	DESCRIPTION	SCORING
1.0	Impact Assessment Criteria	The criteria used for the assessment of the potential impacts of the proposed project are described here in:	
	Nature	Includes a description of what causes the effect, what will be affected and how it will be affected	
	Duration	Lifetime of the impact is measured in relation to the lifetime of the project	
	Extent	Physical and spatial scale of the project	
	Intensity Extent	Examining whether the impact is destructive or benign, whether it destroys the impacted environment, alters its functioning, or slightly alters the environment	
	Type	Description of the type of impact as positive, negative or neutral, and direct or indirect	
	Consequence	Combination of duration, extent and intensity of impact in relation to the type	
	Probability	This describes the likelihood of the impacts actually occurring. The impact may occur for any length of time during the lifecycle of the activity, and not at any given time	
	Significance severity	Synthesis of the characteristics described above and assessed as low, medium or high. Distinction will be made for the significance rating without the implementation of mitigation measures and with the implementation of mitigation measures	
	Nature	Includes a description of what causes the effect, what will be affected and how it will be affected	
2.0	Quality	Nature of Environmental Change	
	Positive	Beneficial impacts	N/A
	Negative	Adverse Impacts	N/A
3.0	Probability	the likelihood of the impact actually occurring	
	Improbable	Possibility of the impact occurring is none, due either to the circumstances, design or experience. The chance of this impact occurring is thus zero (0%).	1
	Possible	Possibility of the impact occurring is very low, either due to the circumstances, design or experience. The chances of this impact occurring is defined as 25%.	2
	Likely	There is a possibility that the impact will occur to the extent that provisions must therefore be made. The chances of this impact occurring is defined as 50%.	3
	Highly Likely	It is most likely that the impact will occur at some stage of the development. Plans must be drawn up before carrying out the activity. The chances of this impact occurring is defined as 75%.	4

No.	CRITERIA	DESCRIPTION	SCORING
	Definite	Impact will take place regardless of any prevention plans, and only mitigation actions or contingency plans to contain the effect can be relied upon the chances of this impact occurring is defined as 100%.	5
4.0	Severity	The degree of disturbance	
	Very Low	Impact affects the quality, use and integrity of the system/component in a way that is barely perceptible.	1
	Low	Impact alters the quality, use and integrity of the system/component but system/ component still continues to function in a slightly modified way and maintains original integrity (no/limited impact on integrity).	2
	Moderate	Impact alters the quality, use and integrity of the system/component but system/component still continues to function in a moderately modified way and maintains general integrity.	3
	High	Impact affects the continued viability of the system/component, and the quality, use, integrity and functionality of the system or component is severely impaired and may temporarily cease. High costs of rehabilitation and remediation.	4
	Very High	Impact affects the continued viability of the system/component, and the quality, use, integrity and functionality of the system or component permanently ceases and is irreversibly impaired (system collapse). Rehabilitation and remediation often impossible. If possible, rehabilitation and remediation often unfeasible due to extremely high costs of rehabilitation and remediation.	5
5.0	Extent	the spatial influence of the effects produced by the impact.	
	Footprint	Impacted area extends only as far as the activity, such as footprint occurring within the total site area	1
	Site	Impact could affect the whole, or a significant portion of the site	2
	Regional	Impact could affect the area around the site including neighbouring farms, transport routes and adjoining towns	3
	National	Impact could have an effect that expands throughout the country (South Africa)	4
	International	Impact has international ramifications that go beyond the boundaries of South Africa	5
6.0	Duration	Period when the Impact is Expected to Occur	
	Short-term	The impact and its effects will either disappear with mitigation or will be mitigated through natural process in a span shorter than the construction phase (0 – 1 years), or the impact and its effects will last for the period of a relatively short construction period and a limited recovery time after construction, thereafter it will be entirely negated (0 – 2 years).	1
	Medium-Short-term	The impact and its effects will continue or last for the period of a relatively long construction period and/or a limited recovery time after this construction period, thereafter it will be entirely negated (2 – 5 years).	2
	Medium-Long-term	The impact and its effects will continue or last for some time after the construction phase but will be mitigated by direct human action or by natural processes thereafter (5 – 15 years)	3

No.	CRITERIA	DESCRIPTION	SCORING
	Long-term	The impact and its effects will continue or last for the entire operational life of the development but will be mitigated by direct human action or by natural processes thereafter (15 – 50 years).	4
	Permanent	The only class of impact that will be non-transitory. Mitigation either by man or natural process will not occur in such a way or such a time span that the impact can be considered transient (Indefinite).	5
7.0	Intensity	The assessment of the intensity of the impact will be a relative evaluation within the context of all the activities and the other impacts within the framework of the project.	
	Low	Impact alters the affected environment in such a way that the natural processes or functions are not affected	
	Low-Medium	Impact alters the affected environment in such a way that the natural processes or functions are slightly affected	
	Medium	Affected environment is altered, but functions and processes continue, albeit in a modified way	
	Medium-High	Affected environment is altered, but functions and processes are modified immensely	
	High	Function or process of the affected environment is disturbed to the extent where the function or process temporarily or permanently ceases	
8.0	Consequence	The Consequence of issues will be determined using the following formula: Consequence = Type x (Duration + Extent + Intensity)	
	Extreme Detrimental	A very serious negative impact which may be sufficient by itself to prevent implementation of the Project. The impact may result in permanent change. Very often these impacts are immitigable and usually result in very severe effects. The impacts will be irreplaceable and irreversible should adequate mitigation and management measures not be successfully implemented.	-18 to 20
	High Detrimental	A serious negative impact which may prevent the implementation of the Project. These impacts would be considered by society as constituting a major and usually a long-term change to the (natural and/or social) environment and result in severe effects. The impacts may result in the irreversible damage to irreplaceable environmental or social aspects should mitigation measures not be implemented.	14 to > - 17
	Moderate Detrimental	An important negative impact which requires mitigation. The impact is insufficient by itself to prevent the implementation of the project but which in conjunction with other impacts may prevent its implementation. These impacts will usually result in negative medium to long-term effect on the social and/or natural environment.	-10 to 13
	Slight Detrimental	A small negative impact. The impact will result in medium to short-term effects on the social and/or natural environment.	-6 to 9
	Negligible	An acceptable negative/positive impact for which mitigation is desirable but not essential. The impact by itself is insufficient even in combination with other low impacts to prevent the development being approved. These impacts will result in negative/positive medium to short-term effects on the social and/or natural environment. The impacts are reversible and will not result in the loss of irreplaceable aspects.	-5 to 5
	Slight Beneficial	A small positive impact. The impact will result in medium to short-term effects on the social and/or natural environment.	6 to 9
	Moderate Beneficial	An important positive impact. The impact is insufficient by itself to justify the implementation of the Project. These impacts will usually result in positive medium to long-term effect on the social and/or natural environment.	10 to 13

No.	CRITERIA	DESCRIPTION	SCORING
	High Beneficial	A beneficial impact that may help to justify the implementation of the Project. These impacts would be considered by society as constituting a major and usually a long-term positive change to the (natural and/or social) environment.	14 to 17
	Extreme Beneficial	A very beneficial impact which may be sufficient by itself to justify implementation of the project. The impact may result in permanent positive change.	1 to 20
9.0	Magnitude	Effect on Environmental and Social Processes	
		Magnitude = Probability + Severity + Extent + Duration	
	negligible	not serious: Changes are barely perceptible.	< 6
	low	acceptable, mitigable	6-9
	moderate	undesirable but mitigable	10-13
	high	very serious	14-17
	very high	totally unacceptable	>17

APPENDIX 3: GUIDELINES FOR THE DEVELOPMENT OF SUB-PROJECT ESMPs

APP 3.1 ESMP Development

When a sub-project includes distinct mitigation measures (physical works or management activities), an Environmental and Social Management Plan (ESMP) needs to be included with the sub-project application. An example ESMP is presented in Chapter 7 of this ESCMF.

ESMP Contents:

An ESMP usually includes the following components:

- Description of adverse effects: The anticipated effects are identified and summarized.
- Description of mitigation measures: Each measure is described with reference to the effect(s) it is intended to deal with. As needed, detailed plans, designs, equipment descriptions, and operating procedures are described.
- Description of monitoring program: Monitoring provides information on the occurrence of environmental effects. It helps identify how well mitigation measures are working, and where better mitigation may be needed. The monitoring program should identify what information will be collected, how, where and how often. It should also indicate at what level of effect there will be a need for further mitigation. How environmental effects are monitored is discussed below.
- Responsibilities: The people, groups, or organizations that will carry out the mitigation and monitoring activities are defined, as well as to whom they report and are responsible. There may be a need to train people to carry out these responsibilities, and to provide them with equipment and supplies.
- Implementation schedule: The timing, frequency and duration of mitigation measures and monitoring are specified in an implementation schedule and linked to the overall sub-project schedule.
- Cost estimates and sources of funds: These are specified for the initial sub-project investment and for the mitigation and monitoring activities as a sub-project is implemented. Funds to implement the EMP may come from the sub-project grant, from the community, or both. Government agencies and NGOs may be able to assist with monitoring.

Monitoring Methods:

Methods for monitoring the implementation of mitigation measures or environmental effects should be as simple as possible, consistent with collecting useful information (see example below) and that community members can apply themselves. For example, they could just be regular observations of sub-project activities or sites during construction and then use. Are fences and gates being maintained and properly used around a new water point? does a stream look muddier than it should and, if so, where is the mud coming from and why? are pesticides being properly stored and used? Most observations of inappropriate behaviour or adverse effects should lead to common sense solutions. In some cases (e.g., unexplainable increases in illness or declines in fish numbers), there may be a need to require investigation by a technically qualified person.

App 2.2 Typical Sub-Project ESMPS

The following groups of agricultural activities have been considered:

- **Weirs and Reservoirs**
- Irrigation and Drainage
- Crop Production
- **Agro-industry (Processing Agricultural products)**

1.0 Weirs and Reservoirs

- Establishing/maintaining Small Storage Reservoirs (tanks, small dams/weirs).
- Development of Small-scale Farmer Driven Rainwater Harvesting.

No.	POTENTIAL NEGATIVE IMPACTS	MITIGATING MEASURE
1.	Soil erosion	<ul style="list-style-type: none"> • Proper design and layout of structures avoiding too steep a gradient. • Land levelling. • Design of terraces on hillside minimizing surface erosion hazard.
2.	Negative environmental effects of construction: <ul style="list-style-type: none"> • air and water pollution from construction and waste disposal • soil erosion • destruction of vegetation, sanitary and health problems from construction camps 	<ul style="list-style-type: none"> • Measures to minimize impacts: <ul style="list-style-type: none"> ○ air and water pollution control ○ careful location of camps, buildings, borrow pits, quarries, spoil and disposal sites ○ precautions to minimize erosion ○ land reclamation
3.	Dislocation of people living in inundation zone.	<ul style="list-style-type: none"> • Relocation of people to suitable area, provision of compensation in kind for resources lost, • provision of adequate health services, infrastructure, and employment opportunities.
4.	Loss of land (agricultural, forest, range, wetlands) by inundation to form reservoir.	Siting of dam to decrease losses; decrease size of dam and reservoir; protect equal areas in region to offset losses.
5.	Loss of historic, cultural, or aesthetic features by inundation.	Siting of dam or decrease of reservoir size to avoid loss, salvage or protection of cultural properties.
6.	Loss of wildlands and wildlife habitat.	Siting of dam or decrease of reservoir size to avoid/minimize loss. establishment of compensatory parks or reserved areas; animal rescue and relocation.
7.	Proliferation of aquatic weeds in reservoir and downstream impairing dam discharge, irrigation systems, navigation and fisheries and increasing water loss through transpiration.	Clearance of woody vegetation from inundation zone prior to flooding (nutrient removal); provide weed control measures; harvest of weeds for compost, fodder or biogas; regulation of water discharge and manipulation of water levels to discourage weed growth.
8.	Impediment to movement of livestock and humans.	Provision of passageways.
9.	Threat to historic, cultural or aesthetic features.	<ul style="list-style-type: none"> • Siting of project to prevent loss. • salvage or protection of cultural sites.
10.	Siting of project to less vulnerable area.	<ul style="list-style-type: none"> • Siting of project to less vulnerable area. • Limitation and regulation of water take-off to minimize problems to extent possible.
11.	Social misdemeanour by construction workers Impacts associated with the contractor's camp include: <ul style="list-style-type: none"> • disposal of liquid and solid wastes. • theft, alcoholism, and sexually transmitted diseases (especially HIV/AIDS). 	<ul style="list-style-type: none"> • As a contractual obligation, contractors should be required to have an HIV/AIDS policy and a framework (responsible staff, action plan, etc) to implement it during project execution. • Contractor to curb thefts and misbehaviour through a code of conduct. • Contractor to manage any of its waste properly.

3.0 Irrigation and Drainage.

- Establishing/maintaining Small Scale gravity irrigation schemes.
- Improved homestead gardening e.g., using drip irrigation kits.

No.	POTENTIAL NEGATIVE IMPACTS	MITIGATING MEASURE
1.	Soil erosion (furrow, surface)	<ul style="list-style-type: none"> • Proper design and layout of furrows or field avoiding too steep a gradient. • Land levelling. • Design of terraces on hillside minimizing surface erosion hazard.
2.	Soil erosion (with sprinkler irrigation on hilly area).	Design of sprinkler system minimizing erosion hazard assuring infiltration rate exceeds application rate of the sprinklers.
3.	Waterlogging of soils.	<ul style="list-style-type: none"> • Regulation of water application to avoid overwatering (including controlled turn-out to allow cutting off water supply to irrigation ditches), • . installation and maintenance of adequate drainage system. • Use of lined canals or pipes to prevent seepage. • Use of sprinkler or drip irrigation.
4.	Salinization of soils	<ul style="list-style-type: none"> • Measures to avoid water logging: • Leaching of salts by flushing soils periodically • Cultivation of
5.	Scouring of canals	Design of canal system to minimize risk and use of lined canals.
6.	Clogging of canals by sediments.	Measures to minimize erosion on fields.
7.	Leaching of nutrients from soils.	<ul style="list-style-type: none"> • Avoidance of overwatering. • replacement of nutrients by fertilizers or crop rotations.
8.	Algal blooms and weed proliferation.	Reduction of input to release of nutrients (nitrogen and phosphorous) from fields.
9.	Clogging of canals by weeds.	<ul style="list-style-type: none"> • Design and management of canals to minimize weed growth. • . Provision of access to canals for treatment or removal of weeds.
10.	Deterioration of river water quality below irrigation project and contamination of local ground water (higher salinity Nutrients, agrochemicals) affecting fisheries and downstream users	<ul style="list-style-type: none"> • Improved water management; improved agricultural practices and control of inputs (particularly biocides and chemical fertilizers). • Imposition of water quality criteria.
11.	Reduction of downstream flows affecting flood plain use, flood plain ecology, riverine and estuarine fisheries, users of water, dilution of pollutants.	<ul style="list-style-type: none"> • Relocation or redesign of project. • . Regulation of take-off to mitigate effects. • Compensatory measures where possible.
12.	Encroachment on swamps and other ecologically sensitive Areas.	Siting of projects to avoid or minimize encroachment on critical areas.
13.	Alteration or destruction of wildlife habitat or impediment to movement of wildlife.	<ul style="list-style-type: none"> • Siting of project to minimize loss or avoid encroachment on most sensitive or critical areas. • Establishment of compensatory parks or reserved areas. • Animal rescue and relocation. • Provision of corridors for movement.
14.	Impediment to movement of livestock and humans.	Provision of passageways.
15.	Threat to historic, cultural, or aesthetic features.	<ul style="list-style-type: none"> • Siting of project to prevent loss. • salvage or protection of cultural sites.
16.	Siting of project to less vulnerable area.	<ul style="list-style-type: none"> • Siting of project to less vulnerable area. • Limitation and regulation of water take-off to minimize problems to extent possible.
17.	Dislocation of populations and communities.	<ul style="list-style-type: none"> • Siting of project to minimize effect. • Resettlement scheme ensuring at least equal standard of living.

18.	Introduction or increase in incidence of water-borne or water-related disease (schistosomiasis, malaria, onchocerciasis, etc.).	<ul style="list-style-type: none"> Prevention measures: use of lined canals or pipes to discourage vectors Avoidance of stagnant or slowly moving water use of straight or slightly curving canals Installation of gates at canal ends to allow complete flushing Filling or draining of borrow pits along canals disease prophylaxis disease treatment
19.	Disease and health problems from use of wastewater in Irrigation.	<ul style="list-style-type: none"> Wastewater treatment (e.g., settling ponds) prior to use. Establishment and enforcement standards for wastewater use.
20.	Conflicts over water supply and inequalities in water Distribution throughout service area.	Means to ensure equitable distribution among users and monitor to assure adherence.
21.	Over pumping of groundwater.	Limitation of withdrawal so that it does not exceed 'safe yields' (recharge rate).
22.	Occupational Health Safety risks <ul style="list-style-type: none"> The movement of trucks to and from the site, the operation of various equipment and machinery and the actual agricultural activities will expose the workers to work-related accidents and injuries. Pollutants such as dust and noise could also have negative implications for the health of workers. 	<ul style="list-style-type: none"> All safety precautions must be enforced. Provide PPE to all workers. institute dust and noise suppression measures.
23.	Social misdemeanour by construction workers Impacts associated with the contractor's camp include: <ul style="list-style-type: none"> disposal of liquid and solid wastes. theft, alcoholism and sexually transmitted diseases (especially HIV/AIDS). 	<ul style="list-style-type: none"> As a contractual obligation, contractors should be required to have an HIV/AIDS policy and a framework (responsible staff, action plan, etc) to implement it during project execution. Contractor to curb thefts and misbehaviour through a code of conduct. Contractor to manage any of its waste properly.

4.0 Horticulture Crop Production

- Asparagus, mushrooms and fruits for export.
- Growing tree seedlings (fruit trees, ornamental trees, fuel wood).
- Basic seed multiplication and sale.

No.	POTENTIAL NEGATIVE IMPACTS	MITIGATING MEASURE
1.	Soil erosion (furrow, surface)	<ul style="list-style-type: none"> Proper design and layout of furrows or fields avoiding too steep a gradient. Land levelling. Design of terraces on hillside minimizing surface erosion hazard.
2.	Pollution, environmental disruption and health hazards from Diseases and pest control measures	<ul style="list-style-type: none"> Choice of chemical that is species-specific, short residence time (active period), and has low impact on other biologic resources. Protective measures for field workers. Spraying methods and timing to minimize potential of water pollution. Selection of disease-resistant crop varieties.
3.	Reduction of genetic variability due to selective breeding	Conservation of genetic diversity in-site (protection of wild relatives in natural Habit, maintaining variability within

		populations by breeding) and ex-situ (e.g., preservation of genetic material in 'banks').
4.	Negative effects of uncontrolled burning for brush control on soil and vegetation (deterioration of soil fertility and soil structure, altered wildlife habitat, destruction of vegetation)	Implementation of well-planned and controlled burning programs.
5.	Conflicts over water supply and inequalities in water Distribution throughout service area.	Means to ensure equitable distribution among users and monitor to assure adherence.
6.	Siting of project to less vulnerable area (marginal areas).	<ul style="list-style-type: none"> • Siting of project to less vulnerable area. • Limitation and regulation of water take-off to minimize problems to extent possible.
7.	Encroachment on swamps and other ecologically sensitive Areas (fragile ecosystems).	Siting of projects to avoid or minimize encroachment on critical areas.
8.	Disease and health problems from use of wastewater in Irrigation.	<ul style="list-style-type: none"> • Wastewater treatment (e.g., settling ponds) prior to use. • Establishment and enforcement standards for wastewater use.
15.	Threat to historic, cultural or aesthetic features.	<ul style="list-style-type: none"> • Siting of project to prevent loss. • salvage or protection of cultural sites.
16.	Occupational Health Safety risks <ul style="list-style-type: none"> • The movement of trucks to and from the site, the operation of various equipment and machinery and the actual agricultural activities will expose the workers to work-related accidents and injuries. <p>Pollutants such as dust and noise could also have negative implications for the health of workers.</p>	<ul style="list-style-type: none"> • All safety precautions must be enforced. • Provide PPE to all workers. • institute dust and noise suppression measures.
17.	Social misdemeanour by construction workers Impacts associated with the contractor's camp include: <ul style="list-style-type: none"> • disposal of liquid and solid wastes. • theft, alcoholism, and sexually transmitted diseases (especially HIV/AIDS). 	<ul style="list-style-type: none"> • As a contractual obligation, contractors should be required to have an HIV/AIDS policy and a framework (responsible staff, action plan, etc) to implement it during project execution. • Contractor to curb thefts and misbehaviour through a code of conduct. • Contractor to manage any of its waste properly.

5.0 Agro-industry (Processing Agricultural products)

- Canning fruits
- Tea Processing
- Coffee Processing

No.	POTENTIAL NEGATIVE IMPACTS	MITIGATING MEASURE
1.	Soil erosion	<ul style="list-style-type: none"> • Proper design and layout of structures avoiding too steep a gradient. • Land levelling. • Design of terraces on hillside minimizing surface erosion hazard.
2.	<ul style="list-style-type: none"> • Increased soil erosion due to clearing of vegetation and trampling. • Increased siltation of surface waters. 	<ul style="list-style-type: none"> • Restriction of construction activities to good ground. • Soil erosion control measures (e.g., reforestation, terracing).
3.	Siting of plant or facility complex on/near sensitive habitats	<ul style="list-style-type: none"> • Location of plant in rural area away from estuaries, wetlands, or other sensitive or ecologically important habitats, or in industrial estate to minimize or concentrate the stress on local environment and services. • Involvement of natural resource agencies in review of siting alternatives.

No.	POTENTIAL NEGATIVE IMPACTS	MITIGATING MEASURE
4.	Siting of agro-industry along water courses leading to their eventual degradation.	<ul style="list-style-type: none"> Site selection examining alternatives which minimize environmental effects and not preclude beneficial use of the water body using the following siting guidelines: <ul style="list-style-type: none"> on a watercourse having a maximum dilution and waste absorbing capacity in an area where wastewater can be reused with minimal treatment for agricultural or industrial purposes within a municipality which is able to accept the plant wastes in their sewage treatment system Improved water management; improved agricultural practices and control of inputs. Proper handling of waste. Imposition of water quality criteria.
5.	Siting of agro-industry so that air pollution problems are aggravated.	Location of plant at a high elevation above local topography, in an area not subject to air inversions, and where prevailing winds are away from populated areas.
6.	Environmental deterioration (erosion, contamination of water and soil loss of soil fertility, disruption of wildlife habitat, etc.) from intensification of agricultural land use.	Control of agricultural inputs and cropping/grazing practices to minimize environmental problems.
7.	Aggravation of solid waste problems in the area	<ul style="list-style-type: none"> For facilities producing large volumes of waste, incorporation of the following guidelines in site selection: <ul style="list-style-type: none"> plot size sufficient to provide a landfill or on-site disposal proximity to a suitable disposal site convenient for public/private contractors to collect and haul solid wastes for final disposal
8.	Water pollution from discharge of liquid effluents <ul style="list-style-type: none"> Plant: TSS; temperature; pH Materials storage piles runoff: TSS; pH Most agricultural, livestock, agro-industries, packaging, and marketing operations produce solid waste. <ul style="list-style-type: none"> Steam and hot water boilers produce ash Fresh food and processed food markets, waste from canning. 	<ul style="list-style-type: none"> Labouratory analysis of liquid effluent (including cooling water runoff from waste piles) in O/G, TDS, TSS, BOD, COD and in-situ temperature monitoring. Seek guidance of local environmental officers to identify acceptable disposal sites. Waste from agricultural activities can be further processed into other uses, e.g., organic manure. Reuse and recycling must be preferred over disposal of the waste.
9.	Particulate emissions to the atmosphere from all plant operations.	Control of particulates by fabric filter collectors or electrostatic precipitators.
10.	Gaseous and odour emissions to the atmosphere from processing operations.	Control by natural scrubbing action of alkaline materials; an analysis of raw materials during feasibility stage of project can determine levels of sulphur to properly design emission control equipment.
11.	Accidental release of potentially hazardous solvents, acidic and alkaline materials.	Maintenance of storage and disposal areas to prevent accidental release; provide spill mitigation equipment.
12.	Occupational health effects on workers due to fugitive dust, materials handling, noise, or other process operations. Accidents occur at higher than normal frequency because of level of knowledge and skill.	Development of a Safety and Health Program in the facility designed to identify, evaluate, and control safety and health hazards at a specific level of detail to address the hazards to worker health and safety and procedures for employee protection, including any or all of the following: <ul style="list-style-type: none"> site characterization and analysis site control training medical surveillance engineering controls, work practices and personal protective equipment monitoring information programs handling raw and process materials decontamination procedures emergency response illumination regular safety meetings sanitation at permanent and temporary facilities

No.	POTENTIAL NEGATIVE IMPACTS	MITIGATING MEASURE
13.	Disease and health problems from use of wastewater to irrigate crops.	<ul style="list-style-type: none"> • Wastewater treatment (e.g., settling ponds) prior to use. • Establishment and enforcement standards for wastewater use in crop production.
14.	Threat to historic, cultural, or aesthetic features.	<ul style="list-style-type: none"> • Siting of project to prevent loss. • salvage or protection of cultural sites.
15.	Temporary Visual Intrusions <ul style="list-style-type: none"> • Rehabilitation and upgrading of agricultural facilities like small irrigation schemes, small dams and other possible facilities will change the characteristics of the area and leave a marred landscape. 	<ul style="list-style-type: none"> • Contractor should ensure minimum footprint of construction activities and provide decent accommodation for workers. • All altered landscapes (Sand pits, borrow pits etc) should be rehabilitated by the contractor.
13.	Noise <ul style="list-style-type: none"> • Noise and vibration caused by machines, site vehicles, pneumatic drills etc • Noise from the chicken, pigs or whatever animals which are being raised. • Noise from the processing of agricultural produce. 	<ul style="list-style-type: none"> • Contractor to avoid old equipment. • Heavy duty equipment to be minimized. • Noisy operations to be limited to certain times. • Noise levels to be limited to within acceptable levels. • Animal raising to be in designated areas to avoid being a nuisance to the public. • Processing plants should be sited away from residential areas.
14.	Social misdemeanour by construction workers <ul style="list-style-type: none"> • Impacts associated with the contractor's camp include: • disposal of liquid and solid wastes. • theft, alcoholism, and sexually transmitted diseases (especially HIV/AIDS). 	<ul style="list-style-type: none"> • As a contractual obligation, contractors should be required to have an HIV/AIDS policy and a framework (responsible staff, action plan, etc) to implement it during project execution. • Contractor to curb thefts and misbehaviour through a code of conduct. • Contractor to manage any of its waste properly.

APPENDIX 4 PROOF OF PUBLIC CONSULTATION AND DISCLOSURE.

APP 4.1 CONSULTED STAKEHOLDER

The following is the lists of the stakeholders who were consulted during the ESCMF study.

Table APP 4.1 List of Consulted Stakeholders from field visits.

No.	INSTITUTION/FARMERS	DISTRICTS	AREA	CONTACT DETAILS
1.	Courtesy visit to Karongi district office	KARONGI		
2.	KOPAKAKI Dutegure Cooperative	KARONGI	Rubengera	0788802132
3	Mubuga Coffee	KARONGI	Mubuga	0788522405
4	KATECOGRO COOP	KARONGI	Gitesi, Rwankuba, Twumba.	0788872597
5	Macadamia :Nocolas Ndagijimana	KARONGI	Mubuga	0788757298
6	SACCO Gishyita	KARONGI		0788254613 0722476111
7	Courtesy visit to Nyamasheke district office	NYAMASHEKE		
8	COACAM Cooperative	NYAMASHEKE	Macuba	0783598284
9	Muraho/Rugali CWS	NYAMASHEKE	Macuba	0783677555
10	COTHECYAKA	NYAMASHEKE	Kanjongo, Cyato	0782573279
11	COTHEGA	NYAMASHEKE	Karambi	0783444913
12	macadamia:Kayijuka Alphonse/Nicolas	NYAMASHEKE	Kagano	0785020126
13	Kubwimana Jean Bosco	NYAMASHEKE	Gihombo	0788477768
14	Sacco /Kagano	NYAMASHEKE		0788489907
15	SACCO COTHEGA	NYAMASHEKE		
16	Courtesy visit to Rusizi district office	RUSIZI		
17	COCAFI Cooperative	RUSIZI	Rwimbogo	0783053415
18	RWACOF Mashesha CWS	RUSIZI	Gitambi	0784077329
19	Tea Trials: Martin	RUSIZI	NTENDEZI	
20	macadamia, Avocado & essential oils: COHUMU/President COHUMU/ President	RUSIZI	Bugarama	0782338708
21	Ngarambe Ferdinand	RUSIZI	Nzahaha (8 sectors around Bugarama)	0788303595
22	SACCO Mururu or Giheke	RUSIZI		0782834587 0788287779
23	Courtesy visit to HUYE district office	HUYE		
24	San Francesco Bay: model for rejuvenation, closer density	HUYE	Kigoma	0783830771
25	Abahuzamugambi Cooperative	HUYE	Maraba	0788635763

APPENDIX 5: INTERGRATED PEST MANAGEMENT PLAN (IPMP)

1.0 INTRODUCTION

The Small-scale farmers will be involved in the growing of horticulture crops, tea and coffee. These agricultural livelihoods activities will entail the use of agro chemicals (pesticides, fertilisers etc). This outline of the Integrated Pest Management Plan (IPMP) has been developed as a decision-making process for the selection, implementation, and evaluation of pest management practices to be employed in the project.

2.0 EXISTING PEST MANAGEMENT APPROACHES AND THEIR LIMITATIONS.

The farmers carry out routine management of pests in their fields, mainly through the use of pesticides. Farm and crop management techniques are also used to control pests but there are limitations and problems that the farmers face in using these methods. Below are the existing and potential pest management efforts and their limitations.

- Growing a Healthy Crop by Starting with Healthy Seed**

A crop that germinates from seed that is healthy is likely to be less vulnerable to pest damage. Also, a crop grown from seed that has been bred from resistant strains is less likely to be damaged during plant growth and crop storage.

Most of the farmers do not have ready access to good seed at the time of planting and as a result they use seed from the previous harvest. Commercial seed is usually too expensive for the farmers who mostly rely on seed and farm input donations.

- Good Farming Practices to Ensure Vigorous Crops**

A plant growing in good farm conditions is generally less vulnerable to pest damage than a plant growing under stressed conditions. Good farming practices include timely and recommended soil preparation and planting, and recommended water and nutrient application.

Limitations and constraints for the farmers include lack of appropriate skills/knowledge on water and nutrient management, lack of farm inputs and resources to adequately and timely prepare their farms.

- Making the Crop Unattractive or Unavailable to Pests**

This strategy includes adjusting planting times to ensure that crop development does not coincide with pest appearance. The success of using this strategy requires good knowledge of the seasons and the ability to forecast the right time for planting.

The farmers need the appropriate training and information through the extension workers to ensure that they plant at the right times.

- Crop Diversity or Rotation, Early Planting**

Crop rotations or multiple cropping removes the chance for the re-appearance of persistent pests. This strategy depends on the availability of seed to the farmers who, most of the times, are in short supply of adequate and good quality seed.

In the Horticulture sector it was noted during the field trip that crop diversification and rotation was practiced to a limited extent. Some of the crops were difficult to sell due to lack of markets. The farmers mentioned lack of markets as one of the reasons why they preferred to stick to the crops that had ready markets. Crop rotation is also difficult due to limitations on availability of land.

- **General Hygiene**

Good sanitation of the farms and surroundings, including crop storage structures and buildings ensures clean and healthy crops as well as seed for planting.

The farmers need to be well trained in crop and seed management to avoid damage. They need to appreciate the importance of preparing their farms in time and the benefits of weeding at the appropriate times.

- **Biological/ecological control**

This is achieved by conserving and enhancing natural biological/ecological controls already in the field and in selected situations, through natural enemies of pests. This method requires research and thorough evaluation before new species are introduced to avoid disrupting existing ecosystems.

The farmers need to be trained in available and appropriate biological controls that can be used to prevent emergence of pests. Farmers are not fully aware of the potential for this control method which, by creating an enabling environment could tame natural biological systems to discourage pests.

- **Physical Control**

Physical controls, such as flooding to eliminate snails are practiced where there is good supply of irrigation water. Other physical controls include hand picking of pests, uprooting infested crop, using fire to remove pests on crop residues and frequent weeding.

These methods are commonly used by the farmers. However, there is need to enhance their application to ensure that they are used in a systematic and coordinated manner.

- **Use of pesticides**

Pesticides may be used with care to ensure their toxicity to non-target organisms is as low as possible. The effectiveness of pesticides should be as selective as possible. Certain pesticides of natural origin are compatible with integrated pest management (IPM), causing minimum disturbance to natural biological and ecological pest control mechanisms.

It was noted that farmers are using different types of pesticides for the same crops and that the type of pesticide used is determined by affordability and availability. Use of pesticides is a commonly preferred method of pest control since it is perceived as a rapid method that does not require much effort. The farmers therefore need to be guided and trained to understand the limitations and environmental consequences of using pesticides. They should be knowledgeable of pesticides that are compatible with IPM and that do not degrade the natural biological and ecological pest control systems. The farmers need to be equipped with information on pesticide application quantities and methods; prevention of chemical poisoning/accidents and effects of high pesticides residues in crops. Enforcement of the act that deals with Pesticides is of primary importance to control importation and use of pesticides.

3.0 INTERGRATED PEST MANAGEMENT (IPM)

Integrated Pest Management (IPM) refers to a mix of farmer-driven, ecologically based pest control practices that seeks to reduce reliance on synthetic chemical pesticides. It involves (a) managing pests (keeping them below economically damaging levels) rather than seeking to eradicate them; (b) relying, to the extent possible, on non-chemical measures to keep pest populations low; and (c) selecting and applying pesticides, when they have to be used, in a way that minimises adverse effects on beneficial organisms, humans, and the environment.

Integrated Pest Management (IPM) is a comprehensive approach to solving pest problems. IPM shifts the focus from controlling a pest now; to making the best management decisions for the long-term; and builds a comprehensive response to pest problems. The goal is to identify and implement coordinated strategies that work together in an integrated manner to provide optimum results; with the view to achieving long-term positive environmental and social benefits. The concept of integration works on multiple levels in that remedial strategies for individual pests are integrated with each other to ensure compatibility with the need to manage other pests. The pest management strategies must be consistent with the objectives to protect the environment and to address social concerns.

The IPM approach arises as a response to negate over-reliance on pesticides and short-term solutions that do not account for all of the long-term costs and externalities. IPM acknowledges that pesticides are still valuable, but stresses that chemical control is but one of the many tactics considered in an IPM approach. Pesticide use in IPM is limited to situations where there is an identified need and lack of suitable alternatives. This contrasts with a preventive chemical approach where pesticides are used on a prescribed basis without determining the need or making full use of alternative measures.

IPM techniques can be separated into two major groups: i) Relatively straightforward replacements for chemicals, and ii) Supporting measures.

Chemical replacement includes:

- **Biological control:** the introduction of insects, mites, micro-organisms that prey on or parasitize harmful species.

- **Bio-pesticides:** these have a pathogenic micro-organism as the active ingredient, for example a bacterium, fungus or a virus.
- **Botanicals:** botanical pesticides contain plant extracts that have biocidal properties e.g., Neem (*Azadirachta indica*).
- **Semi-chemicals:** chemicals (especially pheromones) are used to stimulate particular behaviours or interactions between individual insects so as to control pests.

Choosing appropriate measures is not straightforward and requires significant understanding of the interactions between the environment, crop, pest, and predator. The scientific basis for farmer decision-making in biological control depends on detailed knowledge of the life histories of pests and their natural enemies, crop ecology, and interactions within the agro-ecosystem. Supporting measures include traditional methods of pest control as used in subsistence farming systems: cultural control (e.g., intercropping), habitat manipulation (e.g., creating diversity), mechanical and physical control, natural biological systems and host plant resistance. Farmer participation and learning are therefore essential in ensuring proper pest management practices.

The basic requirements for implementing IPM in the PSAC sites includes understanding the biology and economics of the pest and the system in which the pest exists, monitoring the pests and natural controls, and establishing their economic or aesthetic injury thresholds. IPM can be achieved by selecting an appropriate strategy of cultural, mechanical, biological, and/or chemical prevention or control techniques, as briefly described below:

- **Cultural Practices:**
These include habitat modification and adapting operating procedures so that pest damage is reduced, and natural control is enhanced. It involves sanitation or cleaning of sources of pest infestation, choosing plant varieties that are resistant to pest injury, adjusting planting time, fertilization, tillage, and harvesting operations to have the most beneficial effect for the pest management situation.
- **Biological Controls:**
These are predators, parasites, and diseases that attack pests. Measures should be taken to conserve naturally occurring populations of these biological controls. In some situations where naturally occurring biological controls are not effective, they can be introduced from outside sources.
- **Chemical Control:**
This involves selecting a pesticide with the lowest toxicity to humans and non-target organisms (including biological controls) and using it in such a way to prevent or minimize undesirable environmental effects. The lowest effective amount of pesticide is applied, using appropriate and carefully calibrated equipment. In many cases, use of pesticides cannot be entirely eliminated. However, use of pesticides must be controlled so as to reduce or eliminate social and environmental impacts.

A comprehensive IPM should support a pesticide management plan that is designed to ensure that pesticides are procured, handled, stored, applied and disposed in such a manner that protects life and the environment. The plan shall consider the entire life cycle of the pesticides. Hence the various livelihood activities and operations must observe the following:

- a) All pesticides must be purchased from registered pesticides dealers.
- b) Pesticides must be purchased strictly according to the requirements to avoid over-stocking. A follow up system for the procurement, transportation, receipt and custody of pesticides must be established.
- c) During movement or transportation of pesticides they must not be mixed up with other items, particularly food items. They should be in well confined containers.
- d) Pesticides shall be stored in a dedicated and centralized warehouse or storage facility, separately from agricultural produce and other items. All pesticides must always be under lock and key and under the custody of a very responsible person. Storage of pesticides in farmers' houses must be prohibited. Warehouses must be protected from sources of fire. Access to the warehouses must be restricted to responsible and authorized persons.
- e) All pesticide mixing containers and spraying equipment must be washed and cleaned in a safeguarded central point. All containers must be disposed of in line with the requirements of the Pesticides Act and the Environmental Management Act.

IPM strategies will comprise of soil pests, weeds, field and post-harvest pests, and pest diseases management. Use of certified seeds or seed dressing will protect crop from soil borne pests. Weed control could either be manual or use of appropriate herbicides, for example, pre- and post-germination herbicides. However, extreme care is needed in the use of herbicides, as wrong or uninformed use is likely to cause total loss of crops or pollution of water and soil.

As a rule, beneficiaries should observe strict surveillance of their crop and observe high levels of crop hygiene as a first step to manage the pests and diseases in their plots, as appropriate. These include removal and destruction of affected plants and then preventive control of the identified problem. Post-harvest pests are managed even before harvesting by cleaning the stores and destroying the residues from previous harvest. Use of recommended pesticides on the harvested crop before storage contributes immensely to the preservation of the harvested crop against attacks by pests.

IPM initiatives have the potential to improve the management of pests on the farms and in food handling facilities to improve yields and to prevent damage to crops. Section 2 above highlights some of the IPM practices that are being used to a limited extent, by the farmers. These practices have great potential and therefore need to be supported and strengthened through extension services and targeted training activities to ensure maximum benefits.

4.0 INTEGRATED PEST MANAGEMENT AND MONITORING PLAN

Table 1 Integrated pest management and monitoring plan

Item No	Potential Issues Concerns	Cause of Concern	Control/Mitigation Measure	Responsible Person/institution	Standards/Regulation/Practice s	Monitoring Institution	Monitoring Frequency
1. PHYSICAL AND BIOLOGICAL CONTROLS							
1.1	maize, beans, sorghum, horticulture crops damage by pests	Low crop yields	Use healthy seed and resistant varieties. Train farmers on importance of using healthy seed	Associations/cooperatives management	IPM practices	MINIAGRI NAEB	Quarterly
			Good farming practices (timely and recommended soil preparation, water and nutrient management). Train farmers in good farming practices	Extension workers, Cluster management & farmers	Recommended agricultural practices, IPM practices	MINIAGRI NAEB	quarterly
			Provide information to farmers on appropriate planting times	Extension workers.	Recommended agricultural practices, IPM practices	MINIAGRI NAEB	Half yearly
			Crop rotation, diversity and inter-cropping	Extension workers	Recommended agricultural practices	MINIAGRI NAEB	Half yearly
			Train farmers in enhancement of biological control of pests. Research in IPM methods	Extension workers, Agricultural Research, NGO's	IPM practices	MINIAGRI NAEB	Half yearly
			Make farm inputs and information on pests, pesticides and pest resistant seeds available to farmers	Micro-credit institutions (FININCLUDE), Extension workers, seed suppliers and NGO's	IPM	MINIAGRI NAEB	Half yearly
2. CHEMICAL CONTROLS (PESTICIDES)							
2.1 Issues / Concerns During Pesticide Transportation							
2.1.1	Adulteration	Lack of controls	Inspection, sampling and testing	Transporters	-Packaging and storage standards -Product specifications -Environment Act Pesticides Act	NAEB	Half yearly
2.1.2	Accidents / spillages	-Vehicle condition, -Road condition, -Poor driving skills	Ensure that roadworthy vehicles are used. Ensure drivers are properly instructed.	NAEB	-Road traffic regulations. Vehicle maintenance requirements	-- Rwanda Environmental requirements	As need arises

Item No	Potential Issues Concerns	Cause of Concern	Control/Mitigation Measure	Responsible Person/institution	Standards/Regulation/Practice s	Monitoring Institution	Monitoring Frequency
						Management Authority (REMA)	
2.1.3	Accidental Contamination	Using same vehicle for different purposes	Ensure vehicles are inspected and cleaned when changing use	Transporters	- (pesticide transport regulations).	Environment Department MINIAGRI -DA	As need arises
2.2	Issues/Concerns During Pesticide Storage						
2.2.1	Pesticide degradation contamination.	- loss, -Inappropriate building and for storage of pesticides.	Suitable warehouse	Transporters Agro dealers	- regulations	- Rwanda Environmental Management Authority (REMA) -NAEB	Before approval of storage faculties for pesticides
		Wrong shelving or stacking	Routine inspection and inventory checks	Agro-dealers	- regulations, - manufacturer's guidelines	- NAEB	Half yearly
		-Inadequate storage space. housekeeping -Multi-purpose use of warehouse	-Provide adequate and separate storage space for pesticides	Agro-dealers	- regulations, - manufacturer's guidelines	- NAEB	Half yearly
		Theft and vandalism	Restrict entry to pesticide areas. Check pesticides records regularly	Associations/cooperatives management.	Farm security policy	Associations/cooperative management	quarterly
		Over-stocking	Buying the required quantities only	Agro-dealers	Pesticides Act	Associations/cooperative management	As need arises
2.2.2	Farm members safety	Lack of control on trespassers	Restrict entry to pesticide areas Provide appropriate warning signs	Associations/cooperatives management.	MBS, FAO Guidelines. Factories Act	Ministry of Labour, NAEB	Annually
2.2.3	Occupational Health	Exposure to pesticides	-Provide protective clothing and ensure it is used. -Train farmers in proper pesticides handling. -Routine medical examination	Agro-dealers. MINIAGRI NAEB	labour regulations, regulations	-Min. of labour. - NAEB	Annually
2.3	Issues/concerns during pesticide application						
2.3.1	Pesticide misuse, over / under use	lack of appropriate knowledge	Training and awareness campaigns	MINIAGRI NAEB	Pesticide manufacturers regulations	, NAEB DEO	Annually

Item No	Potential Issues Concerns	Cause of Concern	Control/Mitigation Measure	Responsible Person/institution	Standards/Regulation/Practices	Monitoring Institution	Monitoring Frequency
2.3.2	Intentional poisoning	Frustration, Social pressures	-Ensure responsible, mentally sound and mature persons are given charge and control of pesticides. -Restrict accessibility to pesticides. -Spot checking	Agro-dealers	Pesticides Act	-Min of labour - NAEB	Annually
2.3.3	Accidental poisoning	lack of knowledge of pesticide potency and negligence	Training	MINIAGRI NAEB	Pesticides Act	-DEO	Annually
		-Equipment malfunction -Wrong type of equipment. - Time and method of application (spraying)	-Regular maintenance of equipment. -Use recommended equipment. -Use approved methods of application. -Use recommended protective clothing. -Training seminars -Integrated Pesticide Management	- MINIAGRI NAEB	-Manufacturer's recommendations. -Equipment maintenance policy	- NAEB	Annually
		-Improper cleaning of equipment.	-Clean equipment and dispose equipment as recommended by	MINIAGRI NAEB	-Manufacturer's recommendations.	- NAEB -PSAC	Annually
		-Improper disposal of manufacturer. cleaning water and old equipment	-Use bio-beds and draining dams to dispose cleaning and drainage waters -Integrated Pesticide Management		- regulations. Water resources regulations	- NAEB -PSAC	
		Multi-purpose use of equipment or pesticides	Control use of equipment and pesticides. -Thorough cleaning of equipment -Training -Integrated Pesticide Management	MINIAGRI	Pesticides Act	- NAEB -PSAC	Annually
2.4.	Issues / Concerns during disposal of pesticides containers and equipment						

Item No	Potential Issues Concerns	Cause of Concern	Control/Mitigation Measure	Responsible Person/institution	Standards/Regulation/Practice s	Monitoring Institution	Monitoring Frequency
2.4.1	Water Environmental pollution	- Cleaning of equipment, -Disposal of remains of pesticides -Disposal of containers and equipment	-Use of bio-beds, draining channels and draining dams. -Use chemical remains to re-spray. -Clean equipment in one place. -Use plants such as water lilies to absorb waste pesticides. -Take stock of pesticide containers -Integrated Pesticide Management	-- NAEB -PSAC - Environmental Management Authority (REMA) -Min of Water	-Pesticides and equipment manufacturer's recommendations. -Water pollution standards.	Rwanda Environmental Management Authority (REMA)	Annually ,
2.4.2	Post Application Monitoring	Pesticides residues in the food chain	-Integrated Pest Management -Adherence to specifications on control of residues -Sensitize farmers not to harvest produce immediately after spraying -Information management -Develop manuals for use at grassroots level	-- NAEB -PSAC	-Environmental standards -Wastewater standards	- Rwanda Environmental Management Authority (REMA) - NAEB -PSAC	Annually

APPENDIX 6: TARGETED ADAPTATION ASSESSMENT

SHORT-LISTING OF FEASIBLE ADAPTATION OPTIONS

The first step is to identify a long list of adaptation options to build resilience for the Promoting Smallholder Agro-Export Competitiveness Project (PSAC).

The second step was to categorise the long list of options. This resulted in a shorter list of feasible options.

The third step was to filter the short list of options down to the list of “most feasible adaptation options”.

The filtration process led to the identification of the “most feasible programmatic options.” As Table Ann 5-4 shows, these options have different characteristics in terms of the climate hazards they address, and the issues in the agriculture sectors that are critical to their delivery.

The options were filtered according to a number of criteria:

- **First criterion.**
Does the option pass an initial assessment of relevance and feasibility to be implemented in the local context?
- **Second criterion.**
Does the option provide a positive contribution to reaching the national targets of agricultural productivity levels?
- **Third criterion.**
Does the option help to alleviate the constraints in the Tea, coffee, and horticulture value chains?
- **Fourth criterion.**
Does the option provide significant reductions to the current costs of withstanding weather variability and future climate change?

The following table Ann 5-4 presents the most feasible adaptation options that were identified in regard to the Tea, Coffee, and horticulture sector.

Table Ann 5-4 Climate change adaptation options.

No.	HIGHLY VULNERABLE ISSUE	ADAPTATION OPTION
1.0	Cost of agricultural production and agriculture in general	Agricultural disaster risk reduction and management (DRR/M)
		Establishment of farmers' support (subsidies, awareness training programs)
		The development of knowledge and decision-support systems including improved monitoring and early warning systems.
		The development of new crop varieties and technologies to support farming. (improved coffee varieties and tested tea clones)
2.0	Climate and climate Shocks	Off-farm enterprise promotion like coffee shops etc
		Implementation of climate smart agriculture (CSA) practices and environmentally sustainable practices
		Improved water management including the development of water harvesting techniques.
5.0	Soil erosion and soil improvements	Reduction of soil erosion, nutrient leaching from soil and minimized wind damage. (Soil erosion control and water holding structures)
		Improved net assimilation of tealeaf and additional organic matter from leaf litter including composting and mulching.
		The use of shade trees and inter-cropping of nitrogen-fixing plants with staple crops

7.0	Production of Tea, Coffee, and Horticulture crops	Shifting cropping calendars; when to plant, which varieties to plant and which inputs to use
		Adjustment of spraying programs and timing of husbandry activities such as pruning and fertilizer application

APPRAISAL OF FEASIBLE OPTIONS

The most feasible options were identified using expert decision making. However, to know **which option** and **when** the options should be implemented, they need to be appraised in more detail. The answer to “where”, is given by a Multi-Criteria Analysis, (MCA) approach, whilst the answer to “when”, is given by an iterative risk management (IRM) approach. (FDRE, 2013; Seitz J, 2014)

Multi-Criteria Analysis, (MCA) Approach

The Multi-Criteria Analysis, (MCA) approach is used to decide **which “most feasible options” should be implemented**. In appraising the options, the approach takes into consideration a number of criteria including costs, benefits and urgency. The approach was used to prioritize urgent and immediate adaptation options. It was purely an expert-driven process, using information gathered from a wide stakeholder engagement.

The MCA method was chosen because there was a clear indication that numerous criteria and indicators, not just monetary ones, must be considered in the prioritization of the adaptation options³⁷. The “most feasible adaptation options” which were identified above (Table Ann 5-4), will be prioritized in the current section. The prioritization will follow the following steps:

- **Step 1:** Identify prioritization criteria,
- **Step 2:** Identify outcome and performance of options against the criteria,
- **Step 3:** Assign weights to each criterion.

Step 1: Identify prioritization criteria The criteria against which the feasible adaptation options were judged and prioritized were identified. The different criteria used in the MCA were independent of each other, and included the following:

- Economic costs and benefits,
- Level of climate resilience and robustness,
- Synergy with national plans and Multilateral Environmental Agreements,
- Urgency,
- Complementarity with national plans institutional feasibility.

Step 2: Identify outcome and performance of each option so that they can be ranked against identified criteria: The performance of each option was assessed against each criterion on a scale of 0 – 1. This was done by developing a performance matrix for the adaptation options as depicted in Table Ann 5-4. Each criterion is ranked on a 0–1 scale and combined based on the criteria weights to find a combined score for each option, which then was used to rank the options for decision making.

The adaptation option, “Establishment of farmers' support (subsidies, awareness training programs)” ranked highest followed by “The development of new crop varieties and technologies to support farming, (Improved coffee varieties and tested tea clones).” and then by “Reduction of

³⁷ FDRE (2007), Climate change National Adaptation Programme of Action (NAPA) of Ethiopia. The Federal Democratic Republic of Ethiopia. (2007). Available at: <http://unfccc.int/resource/docs/napa/eth01.pdf>

soil erosion, nutrient leaching from soil and minimized wind damage. (Soil erosion control and water holding structures)”.

Table Ann 5-4 Adaptation decision matrix (without criteria weighting)

Source: Adapted from RoR, (2006)³⁸

CRITERIA OPTIONS	ECONOMIC COSTS AND BENEFITS	LEVEL OF CLIMATE RESILIENCE AND ROBUSTNESS	SYNERGY WITH NATIONAL PLANS AND MULTILATERAL ENVIRONMENTAL AGREEMENTS	URGENCY	COMPLEMENTAR Y WITH NATIONAL PLANS INSTITUTIONAL FEASIBILITY	FINAL SCORE	RANK
Agricultural disaster risk reduction and management (DRR/M)	0.50	0.75	0.75	0.5	0.6	3.10	11
Shifting cropping calendars; when to plant, which varieties to plant and which inputs to use	0.75	0.5	1	1	1	4.25	7
The development of knowledge and decision-support systems including improved monitoring and early warning systems.	0.75	0.75	0.60	1	1	4.10	8
Implementation of climate smart agriculture practices and environmentally sustainable practices.	0.25	0.5	0.25	0.75	0.5	2.25	12
Off-farm enterprise promotion like coffee shops etc	0.75	0.85	1	1	1	4.60	5
The development of new crop varieties and technologies to support farming. (improved coffee varieties and tested tea clones)	1	1	1	1	0.90	4.90	2
Improved water management including the development of water harvesting techniques.	0.75	1	1	1	0.75	4.50	6
Reduction of soil erosion, nutrient leaching from soil and minimized wind damage. (Soil erosion control and water holding structures)	1	1	1	1	0.80	4.80	3
Improved net assimilation of tealeaf and additional organic matter from leaf litter including composting and mulching.	0.75	0.75	1	1	1	4.00	9
The use of shade trees and inter-cropping of nitrogen-fixing plants with staple crops	1	1	0.75	1	1	4.75	4
Establishment of farmers' support (subsidies, awareness training programs)	1	1	1	1	1	5.00	1
Adjustment of spraying programs and timing of husbandry activities such as pruning and fertilizer application	0.5	0.75	0.75	1	0.5	3.50	10

Source: Adapted from RoR, (2006)

³⁸ **RoR, (2006)**, National Adaptation Programme of Action, Republic of Rwanda. page 44. Available at: <http://unfccc.int/resource/docs/napa/rwa01e.pdf>

Step 3: Assign weights to each criterion to reflect its relative importance and aggregate: Once options have been identified and a set of criteria has been developed, the next step of an MCA method requires deciding if separate weights need to be assigned to different criteria. The weights reflected the importance of each criterion in meeting the overall objectives of the decision, including preferences of stakeholders derived from the consultations. This is illustrated in Table Ann 5-6.

This was done by proposing the following weights for the identified criteria:

Table Ann 5-5 weights for the identified criteria

No.	IDENTIFIED CRITERIA	WEIGHT
1.	Economic costs and benefits	0.20
2.	Level of climate resilience and robustness	0.30
3.	Synergy with national plans and Multilateral Environmental Agreements	0.15
4.	Urgency	0.20
5.	Complementary with national plans institutional feasibility	0.15

This time around, the adaptation option, “Establishment of farmers' support (subsidies, awareness training programs)” ranked highest followed by “The development of new crop varieties and technologies to support farming. (improved coffee varieties and tested tea clones)” and then by “Reduction of soil erosion, nutrient leaching from soil and minimized wind damage. (Soil erosion control and water holding structures)”. The inclusion of weightings reshuffled the priority of the options, aligning them more to the preferences of the stakeholders and the political and strategic priorities of the country or sector.

Table Ann 5-6 Adaptation decision matrix (with criteria weighting)

OPTIONS \ CRITERIA	ECONOMIC COSTS AND BENEFITS	LEVEL OF CLIMATE RESILIENCE AND ROBUSTNESS	SYNERGY WITH NATIONAL PLANS AND MULTILATERAL ENVIRONMENTAL AGREEMENTS	URGENCY	COMPLEMENTARY WITH NATIONAL INSTITUTIONAL FEASIBILITY	FINAL SCORE	RANK
CRITERIA WEGHT	0.20	0.30	0.15	0.20	0.15		
Agricultural disaster risk reduction and management (DRR/M)	$0.50 \times 0.20 = 0.1$	$0.75 \times 0.30 = 0.225$	$0.75 \times 0.15 = 0.1125$	$0.5 \times 0.20 = 0.1$	$0.6 \times 0.15 = 0.09$	0.6275	11
Shifting cropping calendars; when to plant, which varieties to plant and which inputs to use	$0.75 \times 0.20 = 0.15$	$0.5 \times 0.30 = 0.15$	$1 \times 0.15 = 0.15$	$1 \times 0.20 = 0.2$	$1 \times 0.15 = 0.15$	0.8	9
The development of knowledge and decision-support systems including improved monitoring and early warning systems.	$0.75 \times 0.20 =$	$0.75 \times 0.30 = 0.225$	$0.60 \times 0.15 = 0.09$	$1 \times 0.20 = 0.2$	$1 \times 0.15 = 0.15$	0.865	8
Implementation of climate smart agriculture practices and environmentally sustainable practices.	$0.25 \times 0.20 =$	$0.5 \times 0.30 = 0.15$	$0.25 \times 0.15 = 0.0375$	$0.75 \times 0.20 = 0.15$	$0.5 \times 0.15 = 0.075$	0.6125	12
Off-farm enterprise promotion like coffee shops etc	$0.75 \times 0.20 =$	$0.85 \times 0.30 = 0.225$	$1 \times 0.15 = 0.15$	$1 \times 0.20 = 0.2$	$1 \times 0.15 = 0.15$	0.925	6
The development of new crop varieties and technologies to support farming. (improved coffee varieties and tested tea clones)	$1 \times 0.20 =$	$1 \times 0.30 = 0.3$	$1 \times 0.15 = 0.15$	$1 \times 0.20 = 0.2$	$0.90 \times 0.15 = 0.135$	0.985	2
Improved water management including the development of water harvesting techniques.	$0.75 \times 0.20 =$	$1 \times 0.30 = 0.3$	$1 \times 0.15 = 0.15$	$1 \times 0.20 = 0.2$	$0.75 \times 0.15 = 0.1125$	0.9625	4
Reduction of soil erosion, nutrient leaching from soil and minimized wind damage. (Soil erosion control and water holding structures)	$1 \times 0.20 =$	$1 \times 0.30 = 0.3$	$1 \times 0.15 = 0.15$	$1 \times 0.20 = 0.2$	$0.80 \times 0.15 = 0.12$	0.97	3
Improved net assimilation of tealeaf and additional organic matter from leaf litter including composting and mulching.	$0.75 \times 0.20 =$	$0.75 \times 0.30 = 0.225$	$1 \times 0.15 = 0.15$	$1 \times 0.20 = 0.2$	$1 \times 0.15 = 0.15$	0.925	6
The use of shade trees and inter-cropping of nitrogen-fixing plants with staple crops	$1 \times 0.20 = 0.20$	$1 \times 0.30 = 0.3$	$0.75 \times 0.15 = 0.1125$	$1 \times 0.20 = 0.2$	$1 \times 0.15 = 0.15$	0.9625	4
Establishment of farmers' support (subsidies, awareness training programs)	$1 \times 0.20 = 0.20$	$1 \times 0.30 = 0.30$	$1 \times 0.15 = 0.15$	$1 \times 0.20 = 0.2$	$1 \times 0.15 = 0.15$	1	1
Adjustment of spraying programs and timing of husbandry activities such as pruning and fertilizer application	$0.5 \times 0.20 = 0.1$	$0.75 \times 0.30 = 0.225$	$0.75 \times 0.15 = 0.1125$	$1 \times 0.20 = 0.2$	$0.5 \times 0.15 = 0.075$	0.7125	10

Source: Adapted from Seitz J, (2014),

4.4.2 Iterative Risk Management

Having prioritised the most feasible adaptation options using the MCA, the iterative risk management (IRM) approach was then used to **know when the “most feasible options” should be implemented, i.e., the sequencing of the options**. It was used to sequence the implementation of the identified resilience options. This approach takes care of the uncertainty in future climate change and is derived from the recommendations of the Intergovernmental Panel on Climate Change (IPCC), whose special report on extreme events, recommended the use of IRM approaches³⁹

The approach uses a monitoring, research, evaluation and learning process (cycle) to improve future management strategies. It is well suited for decision contexts characterised by high uncertainties and can help decision makers to avoid taking irreversible decisions and develop plans where decisions can be adjusted appropriately. IRM is based on the idea that current decisions are essentially constrained by imperfect knowledge and cognitive bias, and cycles of revisions are necessary to improve the performance of strategies and actions. Thus, IRM incorporates learning at the core of its methodology⁴⁰.

IRM has a focus on starting with current climate variability (and the adaptation deficit) and then looking at future climate change within a framework of decision making under uncertainty. Early steps within IRM have a strong focus on building adaptive capacity, implementing low and no-regret options, and identifying areas of long-term concern that warrant early investigation or action. By encouraging the “what if?” question, IRM promotes the development of flexible approaches where decisions are taken at the right time and can be adjusted later.

Thus, IRM looks at how to implement options over time, based on current impacts (and the adaptation deficit) and projected future climate change, against a background of uncertainty (Figure Ann 5-10). The analysis of the Prioritised Options shows that all should be implemented in some form immediately, though some of the long-term areas might only require initial investigation. The implementation of the options is depicted in figure Ann 5-10:

- **Band “A”** consists of long-term resilience actions. Initially a few actions and investigations will be implemented to avoid locking Rwanda into irreversible decisions which may not be needed in the future. These actions are proactive investigations and implementation of certain long-term issues that need to start immediately. They involve protecting the infrastructure from structural damages by using natural and man-made approaches to avert impacts from floods and heat. These should be implemented and integrated into the infrastructural development immediately to make development more effective and ‘climate smart’. In the Prioritised Options for Rwanda Promoting Smallholder Agro-Export Competitiveness Project (PSAC) these include

³⁹ IPCC AR4 (2007); [IPCC Fourth Assessment Report: Climate Change 2007 \(AR4\)](http://ipcc.ch/publications_and_data/ar4/syr/en/contents.html), Contribution of Working Groups I, II and III to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change, www.ipcc.ch/publications_and_data/ar4/syr/en/contents.html

⁴⁰ IPCC, (2012); International Panel on Climate Change (IPCC). (2012). *Managing the Risks of Extreme Events and Disasters to Advance Climate Change Adaptation. A Special Report of Working Groups I and II of the Intergovernmental Panel on Climate Change*. [Field, C.B., V. Barros, T.F. Stocker, D. Qin, D.J. Dokken, K.L. Ebi, M.D. Mastrandrea, K.J. Mach, G.-K. Plattner, S.K. Allen, M. Tignor, and P.M. Midgley (eds.)]. Cambridge University Press, Cambridge, UK, and New York, NY, USA, 582 pp.

- Agricultural disaster risk reduction and management (DRR/M)
- Shifting cropping calendars; when to plant, which varieties to plant and which inputs to use.
- Implementation of climate smart agriculture (CSA) practices and environmentally sustainable practices.
- Improved water management including the development of water harvesting techniques.
- Reduction of soil erosion, nutrient leaching from soil and minimized
- **Band “B”** consists of actions which will result in benefits whether the climate changes or not, and thus provide immediate benefits for economic growth, as well as enhancing long-term resilience. They involve building capacity to ensure the institutional frameworks and an enabling environment are created for subsequent resilience mainstreaming and integration. In the prioritised options for the Rwanda Promoting Smallholder Agro-Export Competitiveness Project (PSAC), low and no regret options can include all the listed options but most appropriately the following.
 - The development of knowledge and decision-support systems
 - Off-farm enterprise promotion like coffee shops etc
 - The development of new crop varieties and technologies to support farming. (Improved coffee varieties and tested tea clones)
 - Improved water management including the development of water harvesting techniques.
 - Improved net assimilation of tealeaf and additional organic matter from leaf litter including composting and mulching.
 - The use of shade trees and inter-cropping of nitrogen-fixing plants with staple crops
 - Establishment of farmers' support (subsidies, awareness)

The experience gained through the implementation of low-regret measures can serve as a basis to start designing and assessing more costly adaptation actions that could be implemented in the future.

- **Band “C”** consists of Enabling steps, involving building capacity and the enabling steps for the whole programme to take off. Once the climate resilience actions become rooted into the system, less and less of these actions will be implemented. In the prioritised options for the Rwanda Promoting Smallholder Agro-Export Competitiveness Project (PSAC), these include
 - The development of knowledge and decision-support systems
 - The development of new crop varieties and technologies to support farming. (Improved coffee varieties and tested tea clones)
 - Establishment of farmers' support (subsidies, awareness training programs)
 - Adjustment of spraying programs and timing of husbandry activities such as pruning and fertilizer application

Further the IRM looks at three-time periods in which to sequence options based on these key climate risks: the short term (now), the medium term (2025) and the long term (2050+). It

looks at how to implement options based on current and projected future climate and the associated risks. Options should be sequenced in a robust and flexible manner given this uncertainty and should be matched to risk areas and key decision thresholds⁴¹.

(i) Short term

In the short term, the three bands of adaptation programmes will be implemented simultaneously at different rates as follows:

- **Band “A”**

These include Climate Resilience and Climate-justified actions, which constitutes “early actions for long term change”. They will start with a few actions and investigations to avoid locking Rwanda into irreversible decisions which may not be needed in the future. The number of the adaptation actions are expected to grow as the programme takes shape.

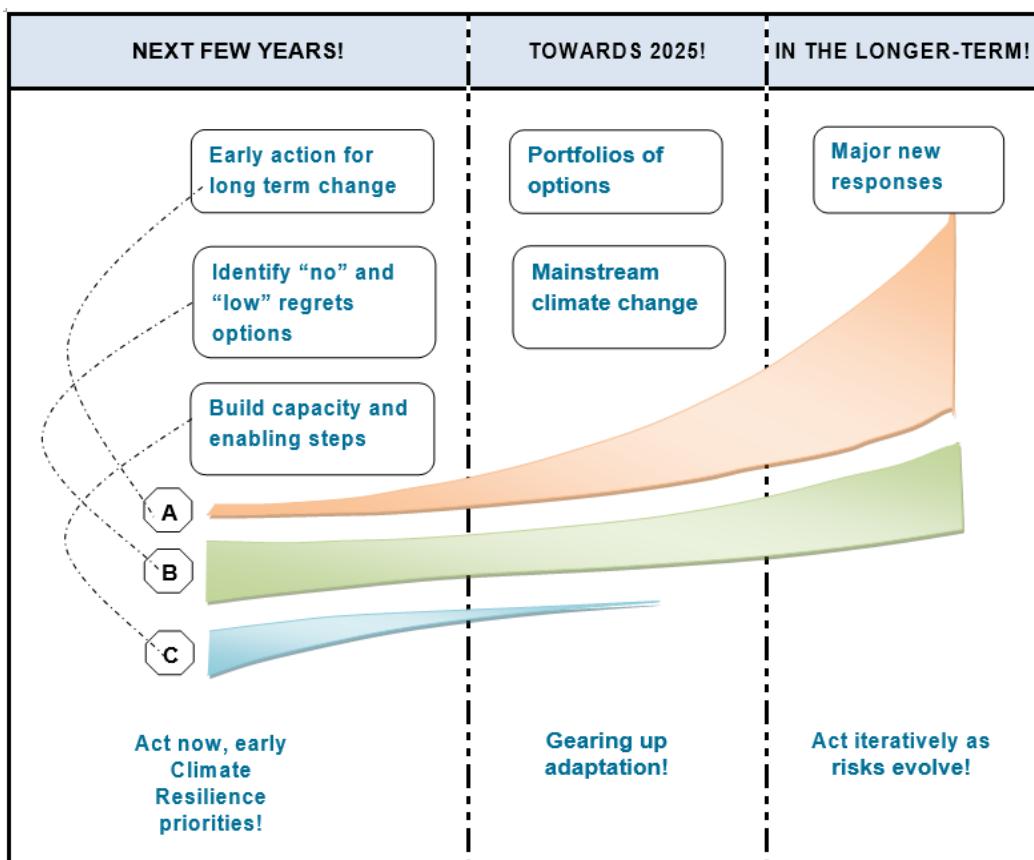


Figure Ann 5-10 Iterative sequencing of resilience options (Adapted from FDRE, 2013)

- **Band “B”**

These are the Low- and no-regret actions, which result in social and economic benefit irrespective of the future climatic changes. They will start in full force as much as is possible.

⁴¹ FDRE, (2013); Ethiopia’s climate resilient green economy. Climate Resilience Strategy, Agriculture and Forestry, Federal Democratic Republic of Ethiopia

- **Band “C”**

These are the enabling steps. They have to be implemented in order for the climate resilience programme to take root. The enabling steps will taper off in the long run as the Climate resilience actions become rooted in the system.

(ii) Mid Term up to 2025

In the period up to 2025, the low and no regret options will have taken root and Rwanda will be having the institutional and technical capacity to deliver climate resilient growth. As the low and no regret options (Band B) will continue being implemented, more focus will now be directed to actions that increase resilience of the agriculture sector (Band A), fully integrating these into the delivery of development activities to ensure climate resilient growth. The number of band “A” actions in figure Ann 5-10 will start to increase, whilst Band “C” programmes will be tapering off.

(iii) Long Term (Post 2025)

In the long term (post 2025) all the portfolios of options will need to be implemented, noting that the specific activities will vary according to the evolution of climate risks. The implementing agent will need to act iteratively as risks evolve.

The key advantage of such an approach is that it seeks to exploit quick wins, by addressing the existing adaptation deficit at the same time as building future resilience. It also makes sure irreversible decisions are not taken now, which may or may not be needed depending on the level of climate change that arises. By doing so it encourages decision makers to ask “what if” and develop a flexible approach, where decisions are reviewed over time, and plans adjusted as the evidence emerges. This builds in flexibility, reduces the risk of lock-in or stranded assets, and aims to keep future options open.

APPENDIX 7: LABOUR AND COMMUNITY HEALTH AND SAFETY MANAGEMENT PLAN

1.0 INTRODUCTION

This Labour Management Procedures (LMP) was developed by the Rwanda Ministry of Agriculture and Animal Resources (MINAGRI) to manage risks under the **Promoting Smallholder Agro-export Competitiveness Project (PSAC)** funded by IFAD. The LMP sets out the Program's approach to meeting national requirements as well as the objectives of the IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) of IFAD 2020, specifically the objectives of Environmental and Socials, Standard 5: Labour and Working Conditions and Standard 6. Community health and safety.

The aim of the PSAC project is to increase incomes of the rural poor, by supporting inclusive agro-exports value chains by increasing their climate resilient productive capacity and market access. The proposed project will focus on key activities that are priorities for the MINAGRI within the context of economic, social, and governance transformation towards the aspirations of Vision 2050.

The components and sub-components of the project are summarized below.

1.2 PROJECT DEVELOPMENT OBJECTIVE (PDO)

The Project Development Objective is "*To support the inclusion of rural poor in targeted export-driven value chains, by increasing their climate-resilient productive capacity and market access*".

1.3 PROJECT COMPONENTS

To address the Smallholder Agro-export Competitiveness challenges and support the achievement of the PDO, the proposed project consists of three main components:

1.3.1 Component 1:

Investments to enhance climate smart production and productivity of selected export-driven value chains

This component will support the intensification and improve the competitiveness of the production levels of the selected export-driven value chains through targeted investments along two sets of interventions as detailed below:

Sub-component 1.1 – Support smallholder farmers' production and productivity.

This subcomponent (SC) will focus on expansion and rehabilitation of plantation areas, supported by the development and adoption of innovative climate-resilient technologies and practices. At the inception level the project will conduct study to determine the most cost-effective strategies in coffee processing and production. It will support the coffee drying parabolic structures to address the challenges of increasing wet periods affecting the quality of the coffee during harvest. Support

conservation measures at tea plantations and promote a community-based approach for the production of avocado and mango seedlings

Sub-component 1.2 - Improvement of rural infrastructure facilities.

PSAC will address the key infrastructure gaps that are hindering smallholder cooperatives/POs in each export-driven VC. Acquisition of trucks to fast-track delivery of fresh tea leaves. The investment in an Avocado grading acquisition of Complete Soil and Water Testing Kit Investments in new hangar construction in 52 tea and 2 coffee cooperatives. Basic facilities, tools and equipment to all investments involving a grant will be supported under component 2 for business planning and linkage to financing, in addition to the overall capacity building support to be provided for improved cooperative governance and enhanced technical skills.

1.3.2 Component 2:

Enabling business environment along selected export-driven value chains)

This component will enhance the competitiveness and sustainability of the targeted VCs by improving smallholder value chain actors' access to advisory services, sustainable markets and financial services.

Sub-component 2.1 – Capacity building of Producer Organizations.

The support will be provided to both established cooperatives, especially the ones that have been identified as weak in previous assessments, the new cooperatives, out-grower schemes, farmer groups that will be formed to accompany the expansion of certain crops as foreseen under component 1. Issues to be addressed will focus will include: governance, decision-making process and management; group dynamics, gender equality climate change adaptation approaches, and environmental and natural resources management.

Quality control and market-driven certification: PSAC support will support in the accreditation of certain testing services, creating a national pool of various voluntary standards certified lead trainers

Backward and forward market linkages: The project will support efforts that promote brands that display the uniqueness of the Rwandan produce in Tea and coffee as well as horticulture through digital marketing and capacity building of exporters about international business environment

Enhanced access to financial services: The project, through its business development services will support the quality and outreach of rural financial services by financial institutions, and build the capacity of the target groups to access financial services

1.3.3 Component 3:

Policy support and coordination

Policy dialogue: in PSAC will aim at efficiently completing the work undertaken by other development projects and agencies.

Enabling rural finance environment. To ensure enabling agriculture finance environment, especially for export agriculture, PSAC in collaboration with Cordaid and AFR will create a platform to coordinate the proposed activities of the final strategy.

Other issues affecting PSAC export-driven value chains: PSAC, through NAEB will contribute and will ensure close follow up on policy products that are expected to have a positive impact on the project's target group.

Specific support to value chain platforms: In this area PSAC intends to:

- (iii) support roundtables for policy formulation in the coffee VC;
- (iv) build Capacity of Business Membership Organizations (BMOs) like Coffee Exporters and Processors Association of Rwanda (CEPAR

2.0 OVERVIEW OF LABOUR ON THE PSAC PROJECT

The LMP is applicable, to all the PSAC Project workers as per the following condition:

- People employed or engaged directly by PSAC to work specifically in relation to the Project,
- The Government public servants, who may provide support to the Project, will remain subject to the terms and conditions of their existing public sector employment agreement or arrangement,
- People employed or engaged by consultants to perform work related to core function of the Project, regardless of location,
- People employed or engaged by PSAC's primary suppliers,

2.1 LABOUR REQUIREMENTS

2.1.1 Direct Workers:

Direct workers include, the NAEB staff, Program-based Staffs and Permanent MINAGRI Staffs. NAEB will employ consultants and support staff who are working on contractual bases as part of the PFU. Terms and conditions of these consultants are guided by the Labour law. In addition, the civil servants (MINAGRI Staff) at the local level will be involved in the program implementation on a full time or on part-time basis. The consultants will be engaged by the Program to undertake short period assignments as necessary. These are consultants guided by specific contractual agreements between them and PSAC.

Direct workers are eligible to work for a fixed contract period of not more than 1 year. Contracts will be renewed for another year based on satisfactory services. Consultants will be engaged under a short-term period of not more than six months and the labour requirement including the time schedule and deliverables will be stipulated in their respective contracts.

NAEB will oversee the running of the Project. It will host the following key positions that will be recruited on a competitive basis:

- Project Operation Manager;
- 3 Value Chain Specialists (coffee, tea, horticulture);
- Access to Finance (A2F) Specialist;
- Monitoring and Evaluation (M&E) Specialist;

- Gender and Social Inclusion Specialist;
- Environmental Specialist;
- Knowledge Management (KM) & Communication Specialist;
- Administrative Assistant;
- Accountants (reporting to Financial Manager of SPIU for IFAD-funded projects);
- Procurement Officer (reporting to Sr. Procurement Officer of SPIU for IFAD-funded projects);
- 3 drivers (one for each value chain). In addition,
- NAEB Focal Person (young graduates, men and women) will be posted in each target district to ensure smooth coordination at field level.

2.1.2 Contracted Workers:

Based on the requirement in every component the NAEB will employ contractors who will hire contracted workers based on their level of skills and program needs. If agreed with the NAEB sub-contracts of the work could be given. Sub-contractors recruited may supply labourers as per the agreed terms and conditions.

Contracted workers are eligible to work for a contract period fixed by the NAEB. Their contracts will be renewed, if required, based on satisfactory services.

2.1.3 Primary Supply Workers:

Based on the requirement in every component primary supply workers will be recruited by the suppliers as required. It will be ensured (and monitored periodically by the NAEB) that no children are recruited and supplied as workers. Furthermore, it will be monitored like above that these workers are not subjected to ‘forced labour’ in any manner. NAEB will be responsible to make sure that these standards are followed strictly. If any deviation is identified NAEB will take action as prescribed in the contract/ agreement following the LMP. Their tenure service will be based on supplies as procured.

3.0 ASSESSMENT OF POTENTIAL LABOUR RISKS

The main labour risks associated with the Project are assessed to be related to the work environment and associated risks of accidents. **Based on current conditions in the sector it is assessed that the risk of child or forced labour is negligible**, and already managed through national legislation.

The MINAGRI has developed this LMP as part of the environment and social safeguards instruments for the project. It serves to illustrate the types of workers to be engaged and their management in line with IFAD and national labour laws. Even though labour influx is not anticipated, social impacts such as GBV, sexual exploitation and communicable diseases for local communities cannot be ruled out. Thus, management and mitigation of GBV/SEA risks were integrated in both the stakeholder engagement plan (SEP) and the LMP.

3.1 LABOUR INFLUX

It is not expected that there will be any labour influx in any project community. The PSAC will mandate and localize the economic benefits and only allow for outside, including expatriate labour, where there is a requirement for special skills. There will be no dedicated camps established for worker accommodation in the Project.

Specific requirements to manage risks associated with labour influx, related to interaction between project workers and local communities, such as communicable diseases and gender-based violence, are managed through contractual requirements, Code of Conduct and training set out in this document. These procedures are guided by the national legislation.

3.2 OCCUPATIONAL HEALTH AND SAFETY:

The Occupational health and Safety measures and actions will be developed and implemented to assess and manage risks and impacts to the community arising from Project activities and workers. The consultants to be engaged will ensure that their employees/staff will be trained on occupational health and safety and records of which are to be inspected monthly and audited bi-annually in compliance with the Rwandan labour laws.

Article 77 and 78 of the Rwandan Labour Law Law N° 66/2018 of 30/08/2018 and Article 132 to 138 of the Rwandan Labour Code, Law N° 51/2001 of 30/12/2001 deal with occupational health and safety where employers are required to ensure the health, safety and welfare in the workplace for employees. The law include measures relating to OHS for protecting workers from injuries, illness or impacts associated with exposure to hazards encountered in the work place during work. The OHS measures include provision of PPE, awareness raising, trainings and guidance on how to prevent accidents at work place.

PSAC will provide workers with PPE, facilities for a safe and clean environment to eat and change, sanitation facilities, and first aid kits.

The law also requires the employer to inform the management of the social security and the Inspectorate of labour where the enterprise is located, occupational accident, disease or death in accordance with relevant Laws.

The law also Elaborates offences and penalties relating to occupational health and safety where the employer was negligent about health and safety of employees.

3.3 GENDER-BASED VIOLENCE:

Based on IFAD Gender-based violence including sexual exploitation and abuse risk assessment rating, the social risks of Sexual Exploitation/Harassment and GBV are rated as moderate, and the project will not directly or indirectly cause or contribute to any of the pre-existing social issues related to gender-based violence but will attempt to ultimately contribute to their mitigation through improving the livelihoods of the poor stakeholders.

Nonetheless, there is a possibility of contextual risks of GBV and there could be an increase in the risk and exposure of GBV/SEA against women because of economic improvement opportunity as a result of the project. There is thus a need to uphold safe environments at all sub-project areas and implement the GBV Action Plan contained in the project ESMF.

3.4 CHILD AND FORCED LABOUR:

The risk of child labour will be very minimal and will be mitigated through Certification of labourers' age. This will be done by using the legally recognized documents such as the National Identification Card, and Birth Certificate. Further, awareness-raising sessions will be

conducted regularly to the communities to sensitize on prohibition and negative impacts of child and forced Labour. In addition, this procedure will guide the authority to monitor periodically that no such practice is/ are being practiced in PSAC.

4.0 OVERVIEW OF LABOUR LEGISLATION: TERMS AND CONDITIONS

This section sets out the key aspects of national labour legislation with regards to terms and conditions of work, and how national legislation applies to different categories of workers. The overview focuses on legislation which relates to the working relationship between employers and workers in Rwanda as governed by the Law No. 66/2018 of 30 August 2018 **Regulating Labour in Rwanda**, and the Rwandan Labour Code, Law N° 51/2001 of 30/12/2001, The scope of this Law applies to the following:

1. Employment relations based on an employment contract between an employee and an employer in the private sector,
2. Employment relations based on an employment contract between an employee and an employer in the public service, unless otherwise provided by the general statutes for public service,
3. An apprentice,
4. An intern; a self-employed person with regard to occupational health and safety,
6. An informal sector employee with regard to the following:
 - a) occupational health and safety,
 - b) the right to form trade unions and employers' associations,
 - c) the right to salary,
 - d) the minimum wage in categories of occupations determined by an Order of the Minister in charge of labour,
 - e) the right to leave,
 - f) social security
 - g) protection against workplace discrimination,
 - h) protection from forced labour
 - i) prohibited forms of work for the child, pregnant or breastfeeding woman.

4.1 THE GENERAL PROVISIONS

The General provisions are contained in:

Chapter I General Provisions And Fundamental Rights: Article 10 to 40 of the labour law, deals with the rights of an employee which include:

- working in an environment where health and safety in the workplace are guaranteed,
- to receive equal salary for works of equal value without discrimination of any kind,
- to be provided leave as provided for by Law,
- to join a trade union of his/her choice,
- to be trained by his/her employer, and
- to receive information relevant to his/her work.

Article 7 prohibits any form of forced labour, article 8 prohibits sexual harassment in workplace. Sexual harassment in any form against supervisee is prohibited. It is prohibited to dismiss an employee for having reported or testified on sexual harassment committed by his/her supervisor. If there is tangible evidence that an employee has resigned due to sexual

harassment committed against him/her by his/her supervisor, his/her resignation is considered as unfair dismissal. All project workers will sign a Code of Conduct.

Article 9. The recruitment of project workers will be free from any kind of discrimination as provided for by the Law regulating Labour in Rwanda especially in its article 9 stipulating that "An employer must give employees equal opportunities at the workplace". "An employer is prohibited from discriminating employees on basis of ethnic origin, family or ancestry, clan, skin color or race, sex, region, economic categories, religion or faith, opinion, fortune, cultural difference, language, physical or mental disability or any other form of discrimination. Every employer must pay employees equal salary for work of equal value without discrimination of any kind". The same provision of the law will also be applicable in case of any labour influx occurrence.

Chapter II: dealing with Employment Contract, Apprenticeship and Internship Contracts. Article 11 of the law provides guidelines on the conclusion of an employment and provides options for written and unwritten contracts provided that whichever of both has proof. In light of this, an employment contract for PSAC workers shall be fixed and in written form with specification of employment terms and conditions and shall be signed off by the employer and employee so as to avoid any conflict or dispute that may arise in relation to this.

Article 12 Apart from foreign consultant who might be contracted to perform specific duties that might require special expertise that cannot be sourced locally, in this project, the likelihood of migrant workers is very low. Nevertheless, in the event of their employment, provisions of the law regulating labour in Rwanda and other relevant laws on these matters shall be applied especially article 12 of the Law N° 66/2018 of 30/08/2018.

Chapter III: General Working Conditions - which deals with rights, obligation and responsibilities of both employers and employees. Article 43 states the terms of working hours, which sets 45 as the maximum working hours per week however provides a window for extra hours for an employee upon the agreement with his or her employer on appropriate compensation for the overtime and leaves the responsibility to prepare daily timetable for work hours and break for an employee to the employer.

Chapter IV: Salary - Article 67 states that employers will pay the employee the whole salary to which he/she is entitled and deposits it in an account given by the employee in writing in a bank or in a financial institution recognised in accordance with the provisions on payment intervals of the written contract signed by the two which could be every day for an employee employed on hourly or daily basis, every week for an employee recruited for a week, every fifteen days for an employee recruited for a fortnight and every month for employee recruited on a one-month basis.

Chapter V: Occupational Health And Safety - Article 77 deals with General health and safety conditions in the workplace, Article 78 requires employers/enterprises to establish Occupational Health and Safety Committee, while Article 79 emphasizes on the importance of Personal protective equipment while performing a certain type of activities under which most of the works to be performed under PSAC fall.

Chapter VI: Association of Employees and Association of Employers

Article 83 Employees' right to freedom of association An employee has the right to: 1) join others in forming a trade union; 2) join a trade union of his/her choice; 3) participate in lawful activities of a trade union. Article 84, Employers' right to freedom of association An employer has the right to: 1) form employers' association; 2) join employers' association of choice; 3) participate in lawful activities of employers' association. Article 85, Registration of employees' organisations and employers' organisations Employees' organisations and employers' organisations are registered in accordance with the provisions of this Law.

Chapter VIII: Labour Disputes Settlement - which requires the employees' representatives to amicably settle individual labour disputes between employers and employees. Where employees' representatives fail to settle the disputes amicably, the concerned party refers the matter to the labour inspector of the area where enterprise is located. If the Labour Inspector fails to settle the dispute due to the nature of the case or the conflict of interests, he/she refers the dispute to the Labour Inspector at the national level. If amicable settlement fails at this level the case is referred to the competent court. However, the court can decide not to receive the case after determining that steps for amicable settlement provided for in this Article have not been followed.

Chapter IX: Right To Strike And Lockout - Strike and lockout Employees have the right to strike and employers have the right to lock out in the respect of the provisions of this Law. The strike for employees or lockout for an employer is legal when the arbitration committee has exceeded fifteen (15) working days without issuing its decision or the conciliation resolution on collective dispute or the court award being enforceable have not been implemented. In any case, a strike or lockout must be preceded by a notice of four (4) working days.

Chapter XI: Declaration Made by An Enterprise Article 116: Declaration of an enterprise and employees An employer who opens an enterprise declares it in writing to the labour inspectorate of his/her area. He/she also provides an initial declaration of information relating to the situation of his/her employees within one (1) month from commencement of enterprise. An employer wishing to close business or relocate an enterprise declares it to the Labour Inspector of his/her area within.

5.0 RESPONSIBLE STAFF AND PROCEDURES

The Lead Implementation Agency will be National Agricultural Export Development Board (NAEB), under the responsibility of its Chief Executive Officer (CEO) will have the overall responsibility to oversee all aspects of the implementation of the PSAC in particular to ensure contractor compliance. The project will be implemented by the NAEB, addressing all PSAC aspects as part of procurement for works as well as during contractor induction. The contractors will subsequently be responsible for management of labour issues in accordance with contract specific labour Management Plans, implementation of which will be supervised by the NAEB on a monthly basis or at shorter intervals as defined by specific Plans. The detailed approach is described in the following sections.

5.1 OCCUPATIONAL HEALTH AND SAFETY.

The PSAC Environmental Specialist must ensure that the implementation of PSAC will be

conducted in compliance to occupational health and safety requirements. The PSAC Environmental Specialist will make sure that each participating institution receives the template OHS programs, establish safety representatives for day-to-day monitoring of safety requirements, record and report all incidents accordingly to the PSAC.

5.2 LABOUR AND WORKING CONDITIONS.

Government civil servants, who may provide support to the Project, will remain subject to the terms and conditions of their existing public sector employment agreement or arrangement as per provisions of the Labour Law. In addition to these the COVID – 19 regulations will also apply.

5.3 CONTRACTORS OCCUPATIONAL HEALTH AND SAFETY.

Contractors must engage a minimum of one safety representative. Smaller contracts may permit for the safety representative to carry out other assignments as well. The safety representative will ensure the day-to-day compliance with specified safety measures and records of any incidents are done. Minor incidents are reported to the NAEB on a monthly basis; serious incidents are reported immediately. Minor incidents are reflected in the quarterly reports to IFAD while major issues are flagged to IFAD immediately.

5.4 CONTRACTOR LABOUR AND WORKING CONDITIONS.

Contractors will keep records in accordance with specifications set out in this LMP. The NAEB may at any time require records to ensure that labour conditions are met. NAEB will review records against actuals at a minimum on a monthly basis and can require immediate remedial actions if warranted. A summary of issues and remedial actions will be included in quarterly reports to IFAD.

5.5 WORKER GRIEVANCES.

The NAEB procedures currently in place will remain for Project staff. Contractors will be required to present a worker grievance redress mechanism which responds to the minimum requirements in this LMP. The NAEB Social Officer will review records on a monthly basis. Where worker concerns are not resolved, the national system will be used as set out in the section, but NAEB will keep abreast of resolutions and reflect them in quarterly reports to IFAD.

5.6 ADDITIONAL TRAINING.

Contractors are required to, at all times, have a qualified safety officer on board. If training is required, this will be the contractor's responsibility. The safety officer will provide instructions to contractor staff. NAEB will provide training to address risks associated with labour influx and will provide a schedule for trainings required. The contractor will be obligated to make staff available for this training, as well as any additional mandatory trainings required by NAEB, as specified by the contract.

6.0 POLICIES AND PROCEDURES

The engagement and treatment of program staff will be made on the basis of characteristics related to inherent job requirements. It will be based on the principle of equal opportunity and fair treatment, and there will be no discrimination with respect to any aspects of the employment relationship, such as recruitment and hiring, compensation (including wages and

benefits), working conditions and terms of employment, access to training, job assignment, promotion, termination of employment or retirement, or disciplinary practices.

Contractors will be responsible for mitigating all environmental and social impacts of subprojects resulting from activities directly under their control. The NAEB Environmental Specialist will incorporate standardized environmental and social clauses in the tender and contract documents in order for potential bidders to be aware of environmental and social performance requirements that will be expected from them and are able to reflect that in their bids and required to implement the clauses for the duration of the contract. NAEB will enforce compliance by contractors with these clauses.

The contractor will be required to ensure that all documentation related to environmental and social management, including the LMP, is available for inspection at any time by the NAEB or its appointed agents. The contractual arrangements with each project worker must be clearly defined in accordance with Rwandan Legislation. All environmental and social requirements will be included in the bidding documents and contracts in addition to any additional clauses, which are contained, in the Projects environmental and social instruments.

The NAEB, Contractors, suppliers or sub-contractors will never engage forced labour. Forced labour includes bonded labour (working against an impossible debt), excessive limitations of freedom of movement, excessive notice periods, retaining the worker's identity or other government-issued documents or personal belonging, imposition of recruitment or employment fees payable at the commencement of employment, loss or delay of wages that impede the workers' right to end employment within their legal rights, substantial or inappropriate fines, physical punishment, use of security or other personnel to force or extract work from project workers, or other restrictions that compel a project worker to work on a non- voluntary basis.

6.1 LABOUR INFLUX AND GENDER BASED VIOLENCE

Contractors will need to maintain labour relations with local communities through a code of conduct (CoC). The CoC commits all persons engaged by the contractor, including sub-contractors and suppliers, to acceptable standards of behaviour. The CoC must include sanctions for non-compliance, including non-compliance with specific policies related to gender-based violence, sexual exploitation and sexual harassment (e.g., termination). The CoC should be written in plain language and signed by each worker to indicate that they have:

- Received a copy of the CoC as part of their contract,
- Had the CoC explained to them as part of induction process,
- Acknowledged that adherence to this CoC is a mandatory condition of employment,
- Understood that violations of the CoC can result in serious consequences, up to and including dismissal, or referral to legal authorities.

A copy of the CoC shall be displayed in a location easily accessible to the community and project affected people. It shall be provided in English and translated into Kinyarwanda

Contractors must address the risk of gender-based violence, through: Mandatory training and awareness raising for the workforce about refraining from unacceptable conduct toward local community members, specifically women. Training may be repeated,

- Informing workers about national laws that make sexual harassment and gender-based violence a punishable offence which is prosecuted,
- Adopting a policy to cooperate with law enforcement agencies in investigating complaints about gender-based violence,
- Developing a system to capture gender-based violence, sexual exploitation and workplace sexual harassment related complaints/issues.

This process will be under the portfolio of the Environmental Specialist to be recruited under the NAEB and shall identify and engage the relevant stakeholders on GBV and HIV and Aids related issues.

6.2 OCCUPATIONAL, HEALTH AND SAFETY

PSAC is committed to:

- Complying with legislation and other applicable requirements which relate to the occupational health and safety hazards.
- Enabling active participation in OH&S risks elimination through promotion of appropriate skills, knowledge and attitudes towards hazards.
- Continually improving the OH&S management system and performance.
- Communicating this policy statement to all persons working under the control of PSAC with emphasis on individual OH&S responsibilities.
- Availing this policy statement to all interested parties at all participating educational facilities and institutions.

The PSAC Environmental Specialist will be responsible for overseeing the workplace Safety, Health and Environmental issues. He/she must:

- Identify potential hazards,
- In collaboration with the employer, investigate the cause of accidents at the workplace,
- Attend meetings of the safety and health committee to which that safety and health representative is a member,
- Make recommendations to the employer in respect of safety and health matters affecting employees.

Further to avoid work related accidents and injuries, the contractor will:

- Provide occupational health and safety training to all employees involved in PSAC works.
- Ensure availability of first aid box.
- Provide employees with access to toilets and potable drinking water.
- Provide safety and occupational safety measures to workers with Personal Protection Equipment (PPE) when installing solar systems to prevent accidents during replacement and installation and follow safety measures in installing them.
- Properly dispose of solid waste at designated permitted sites landfill allocated by the local authorities.

Further to enforcing the compliance of environmental management, contractors are responsible and liable of safety of site equipment, labours and daily workers attending to the site installations and safety of citizens for each sub-project site, as mandatory measures.

7.0 AGE OF EMPLOYMENT

Rwanda is a member of the International Labour Organization (ILO) hence it adheres to its standards. The national Law No 66/2018 of 30/08/2018 regulating Labour in Rwanda was elaborated in reference to the International Labour Law. Therefore, this LMP was prepared and will be implemented in respect of the international labour standards.

More specifically the following principles as set forth in the ILO Declaration on Fundamental Principles and Rights at Work of 1998 amended in 2022 will be respected:

- The right of workers to associate freely and bargain collectively
- The end of forced and compulsory labour
- The end of child labour
- The end of unfair discrimination among workers

In addition to article 6 of the labour law which points out with a general outlook on various prohibited forms of work for the child, the ministerial instructions no 01/2017 of 17/11/2017 relating to prevention and fight against child labour in its article 9 states that a child aged between 16-17 may perform work like an adult of above 18 years as long as the work is not forced and is in compliance with national legislation.

8.0 TERMS AND CONDITIONS

The terms and conditions of employment in terms of this project are governed by the provisions of the national Law No 66/2018 of 30/08/2018 regulating Labour in Rwanda which makes it mandatory for employers to give its employees a copy of the written particulars of employment with definite agreements spelt out. This requirement however is not applicable to casual employees. For this project, contractors will be required to provide all its employees with written particulars of employment, including casual employees.

Contractors will also be required to comply with the most current Regulation of Wages Order for their particular sector, e.g., the Building and Construction Industry which is issued by the Order of the Minister in charge of labour and reviewed on a regular basis. The Wages Order specifies the minimum wages, hours of work, overtime pay, leave entitlements, travelling and subsistence allowances, and the issue of protective clothing.

8.1 WORKER'S ORGANIZATION

The national Law No 66/2018 of 30/08/2018 regulating Labour in Rwanda was elaborated in reference to the International Labour Law. The following articles demonstrate this fact

Article 83: Employees' right to freedom of association An employee has the right to: 1) join others in forming a trade union; 2) join a trade union of his/her choice; 3) participate in lawful activities of a trade union.

Article 84: Employers' right to freedom of association An employer has the right to: 1) form employers' association; 2) join employers' association of choice; 3) participate in lawful activities of employers' association.

Article 85: Registration of employees' organisations and employers' organisations Employees' organisations and employers' organisations are registered in accordance with the provisions of this Law.

Rwanda is a member of the International Labour Organization (ILO) hence it adheres to its standards. Therefore, this LMP was prepared and will be implemented in respect of the international labour standards. Therefore, NAEB provides employees with the right to join and form an organization for purpose of labour representation.

9.0 DISCIPLINARY PROCEDURES AND GRIEVANCE MECHANISM

In any working environment it is essential for both employers and employees to be fully conversant with all aspects of disciplinary processes, the grievance handling procedures and the legal requirements and rights involved. In implementing an effective dispute management system consideration must be given to the disputes resulting from the following:

- Disciplinary Action
- Grievance Redress Mechanism (GRM)

9.1 DISCIPLINARY PROCEDURE

The starting point for all disciplinary action is rules. These rules may be implied or explicit and of course will vary from workplace to workplace. Some rules are implied in the contract of employment (e.g., ruling against use of alcohol and drugs at workplace), however it is advisable that even implied rules be included in the disciplinary code or schedule of offences.

Therefore, the workplace rules must be:

- Valid and reasonable
- Clear and unambiguous
- The employee must understand the procedure to be applied if he/she contravenes any of the rules.

A comprehensive Grievance Redress Mechanism has been developed for the project, however the following dispute resolution procedures at workplace will be as follows:

- Conducting of a comprehensive investigation to determine whether there are grounds for a hearing to be held.
- If a hearing is to be held, the employer is to notify the employee of the allegations using a language that the employee can understand.
- The employee is to be given reasonable time to prepare for the hearing and to be represented by a fellow employee or lawyer.
- The employee must be given an opportunity to respond to the allegations, question the witnesses of the employer and to lead witnesses.
- If an employee fails to attend the hearing the employer may proceed with the hearing in the absence of the employee.
- The hearing must be held and concluded within a reasonable time and is to be chaired by an impartial representative.
- If an employee is dismissed, it must be given the reasons for dismissal and the right to refer the dispute concerning the fairness of the dismissal to the labour Court.

Therefore, it is incumbent upon the Consultants/Contractor to ensure that they have a disciplinary procedure and Code and Standards which the employees are aware of. Each Consultant/Contractor will be required to produce this procedure to ensure that employees are not treated unfairly.

9.2 INDIVIDUAL GRIEVANCE PROCEDURE

Termination of Employment requires every employer, including contractors, to have a Formal Grievance Procedure which should be known and explained to the employee. Such procedure should at least:

- a) Specify to whom the employee should lodge the grievance,
- b) Refer to time frames to allow the grievance to be dealt with expeditiously,
- c) Allow the person to refer the grievance to a more senior level within the organization, if it is not resolved at the lowest level,
- d) If a grievance is not resolved the employee has the right to lodge a dispute with the employer.

All the contractors who will be engaged for the project will be required to produce their grievance procedure as a requirement for tender which at a minimum comply with these requirements. In addition, good international practice recommends that the procedures be transparent, is confidential, adheres to non-retribution practices and includes the right to representation. After they are engaged, they will be required to produce proof that each employee has been inducted and signed that they have been inducted on the procedure.

9.3 COLLECTIVE GRIEVANCES AND DISPUTES RESULTING FROM THE NEGOTIATIONS OF COLLECTIVE AGREEMENTS.

Where a trade union is recognized, it is entitled to negotiate on a regular basis with the employer over terms and conditions existing at the workplace and the employer is obliged to negotiate with it. The procedures followed in such instances is usually contained in the Recognition Agreement, which states how the issues are raised, the procedure for negotiations, the composition of the parties involved in the negotiation and the procedure to deal with issues that are not resolved through consensus. Chapter VIII of the national labour Law No 66/2018 of 30/08/2018 deals with issues of Labour Disputes Settlement while articles 92 and 93 provide guidelines for collective bargaining. Disagreements on salaries and other entitlements or working conditions will be solved through workers representation.

9.4 GENDER-BASED VIOLENCE, SEXUAL EXPLOITATION AND WORKPLACE SEXUAL HARASSMENT

Violence and harassment in the work world deprives people of their dignity, is incompatible with decent work, and a threat to equal opportunities and to safe, healthy, and productive working environments. It remains a widespread phenomenon, present in all countries and disregarding sectors, occupations, and workplace arrangements. In line with IFAD's policy to preventing and responding to sexual harassment, sexual exploitation, and abuse, in cases these occur, there should be established reporting and response protocols in place, with specific procedures for gender-based violence, including confidential reporting with safe and ethical documenting of such cases, that indicate when and where to report incidents, and what follow-up actions will be undertaken. In addition, there should be modalities to provide services and redress to survivors.

CONTRACTOR MANAGEMENT

The NAEB will require that contractors monitor, keep records and report on terms and conditions related to labour management. The contractor must provide workers with evidence of all payments made, including social security benefits, pension contributions or

other entitlements regardless of the worker being engaged on a fixed term contract, full-time, part-time or temporarily. The application of this requirement will be proportionate to the activities and to the size of the contract, in a manner acceptable to NAEB and IFAD:

- **Labour conditions:** records of workers engaged under the Project, including contracts, registry of induction of workers including Code of Conduct (CoC), hours worked, remuneration and deductions (including overtime), collective bargaining agreements.
- **Safety:** recordable incidents and corresponding Root Cause Analysis (lost time incidents, medical treatment cases), first aid cases, high potential near misses, and remedial and preventive activities required (for example, revised job safety analysis, new or different equipment, skills training, and so forth).
- **Workers:** number of workers, indication of origin (expatriate, local, nonlocal nationals), gender, age with evidence that no child labour is involved, and skill level (unskilled, skilled, supervisory, professional, management).
- **Training/induction:** dates, number of trainees, and topics.
- **Details of any security risks:** details of risks the contractor may be exposed to while performing its work—the threats may come from third parties external to the project.
- **Worker grievances:** details including occurrence date, grievance, and date submitted; actions taken and dates; resolution (if any) and date; and follow-up yet to be taken grievances listed should include those received since the preceding report and those that were unresolved at the time of that report.

Every Safety File is ‘site-specific’. It will be compiled following the client’s and the site’s safety specifications. The overall information requirements remain the same, and the site-specific documents will be added. When Health and Safety File is set up, it will consist of the following Documents:

- Contractor appointment letter.
- Notification of Construction Work
- Copy of the OHS regulations
- Occupational Health and Safety Management Plan
- Company Occupational Health and Safety Policy
- Letter of Good Standing
- Material Safety Data Sheets for hazardous materials used (if required)
- Tax Clearance Certificate
- Risk Assessments
- Safe work procedures (Site Specific)
- Fall Protection Plan (if required)
- Legal appointment with proof of training (Ex. Chief Executive Officer, Risk Assessor, First Aider, etc.)
- Incident Reporting Procedures
- Incident Reports
- Incident Registers
- Reports of Accidents
- Emergency Preparedness Documents
- First Aid Documents
- Induction Records

- Medical Surveillance Records
- Safety Communication (e.g., Toolbox talks)
- Minutes of Safety Meetings
- Inspection Registers

COMMUNITY WORKERS

(There will be no provision for Community Workers.)

PRIMARY SUPPLY WORKERS

This section addresses labour management risk associated with people employed or engaged by NAEB's primary suppliers. Primary suppliers are suppliers who, on an ongoing basis, provide goods or materials directly to the Project.

The project will require procurement of a substantial number of materials, including protection and control equipment, power-poles, steel products, Solar products, computer products etc.

All primary suppliers are formal businesses who are required to procure and produce materials subject to high standards.

APPENDIX 8: GRIEVANCE REDRESS MECHANISM

1.0 GENERAL

A grievance redress mechanism (GRM) is a process for receiving, evaluating and addressing project related concerns of, and complaints by, project affected communities or persons.

IFAD's Grievance Redress Mechanism allows affected complainants to have their concerns resolved in a fair and timely manner through an independent process. IFAD's GRM requires i) working proactively with the affected parties to resolve complaints; ii) ensuring that the complaints procedure is responsive and operates effectively; and iii) maintaining records of all complaints and their resolutions.

The principles of a good GRM are⁴²:

- A mechanism scaled to risk and adverse impact on affected communities.
- Designed to take into account culturally appropriate ways of handling community concerns.
- A clear and understandable mechanism that is accessible to all segments of the affected communities at no cost.
- Transparency and accountability to all stakeholders.
- A mechanism that prevents retribution and does not impede access to other remedies.

The key steps for grievance management are⁴³:

- i. Publicising grievance management procedures so that the mechanism is accessible to everyone.
- ii. Receiving (i.e., collecting, recording, and registering) and keeping track of grievances.
- iii. Reviewing and investigating grievances to assess the nature of the grievance, its severity and legitimacy.
- iv. Developing resolution options commensurate with the nature of grievances and preparing and communicating a clear response and closing out cases when agreement with the complainants is reached.
- v. Monitoring grievances through tracking to ascertain effectiveness, adapting the mechanism to correct inefficiencies, using the results of monitoring for feedback and lessons learned.

2.0 GRIEVANCE REDRESS MECHANISM FOR KIIWP

Common disputes and disagreements may be related to land property boundaries, destruction of land resources following valuation processes including standing crops, amount of monies to be compensated and delay in disbursement of agreed compensation.

Mostly PSAC interventions will be delivered to community beneficiaries through cooperatives, who manage grievances and conflicts through internal committees. The communities have confidence in these cooperative grievance redress mechanisms. Once an aggrieved person is not satisfied at any level, there is room for escalating the grievance to higher levels.

⁴² IFC (2009); Good Practice Note – Addressing Grievances from Project-Affected Communities, Guidance for Projects and Companies on Designing Grievance Mechanisms

⁴³ ibid

Figure 1 depicts the pathways the grievance redress may follow. It may follow either the Abunzi system if the aggrieved party is not a member of the cooperative concerned, or it would- follow the resolution mechanism typically used by the cooperatives as stipulated in the provisions of Law N° 48/2013 of 28/06/2013 establishing the Rwanda Cooperative Agency (RCA).

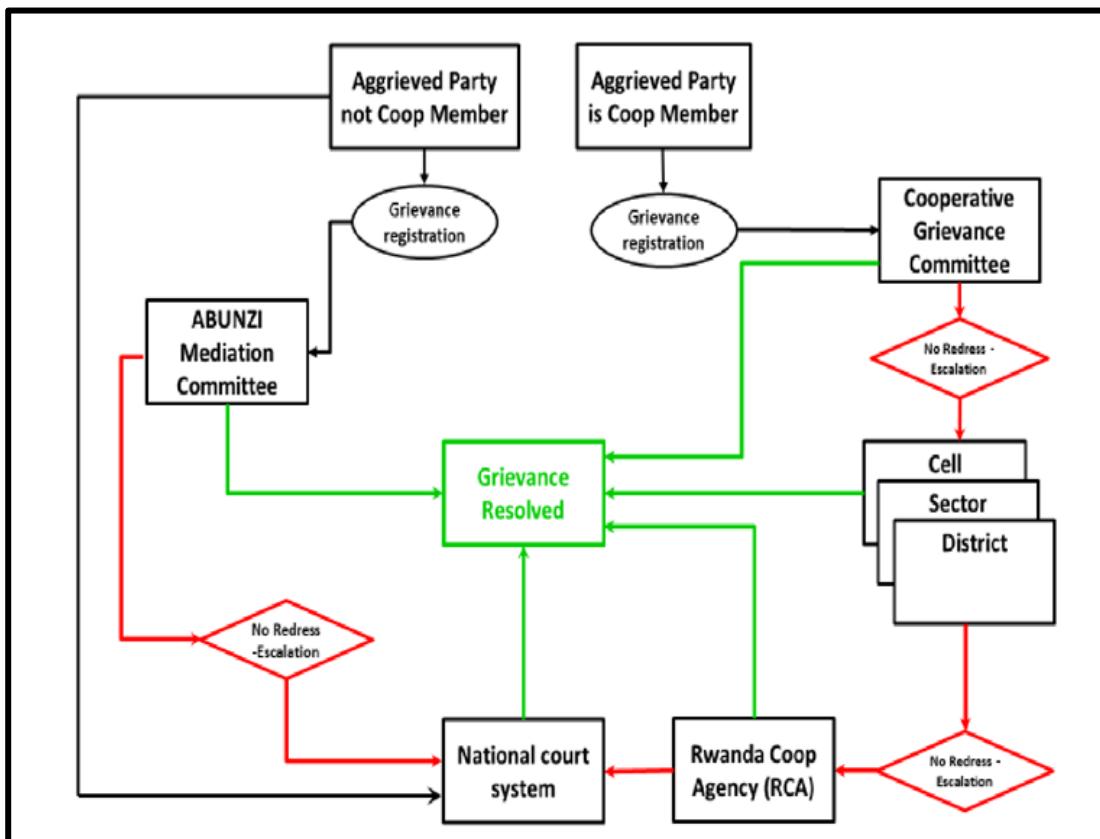


Figure 1 Grievance Redress Mechanism for KIIWP

The RCA requires that cooperatives request arbitration on unresolved grievances registered by their members. RCA evokes its grievance redress mechanism, failure at which the grievance is escalated to the national court system. Aggrieved parties who are not members of a cooperative would register grievances in the *Abunzi* system or directly in the national courts, depending on the gravity of the grievance as defined by the law. This mechanism is also proposed at Project operation level as the GRM for resettlement requirements before Project commencement is provided for by law.

3.0 OPERATION OF THE GRIEVANCE REDRESS MECHANISM

The grievance redress mechanism (GRM) is a system by which queries or clarifications about the project will be responded to, problems with implementation will be resolved, and complaints and grievances will be addressed efficiently and effectively.

3.1 PURPOSE OF THE GRM

The GRM will serve the following purpose:

- to be responsive to the needs of beneficiaries and to address and resolve their grievances.
- to serve as a conduit for soliciting inquiries, inviting suggestions, and increasing

community participation.

- to collect information that can be used to improve operational performance.
- to enhance the project's legitimacy among stakeholders.
- to promote transparency and accountability.
- to deter fraud and corruption and mitigate project risks.

3.2 STRUCTURE OF THE GRM

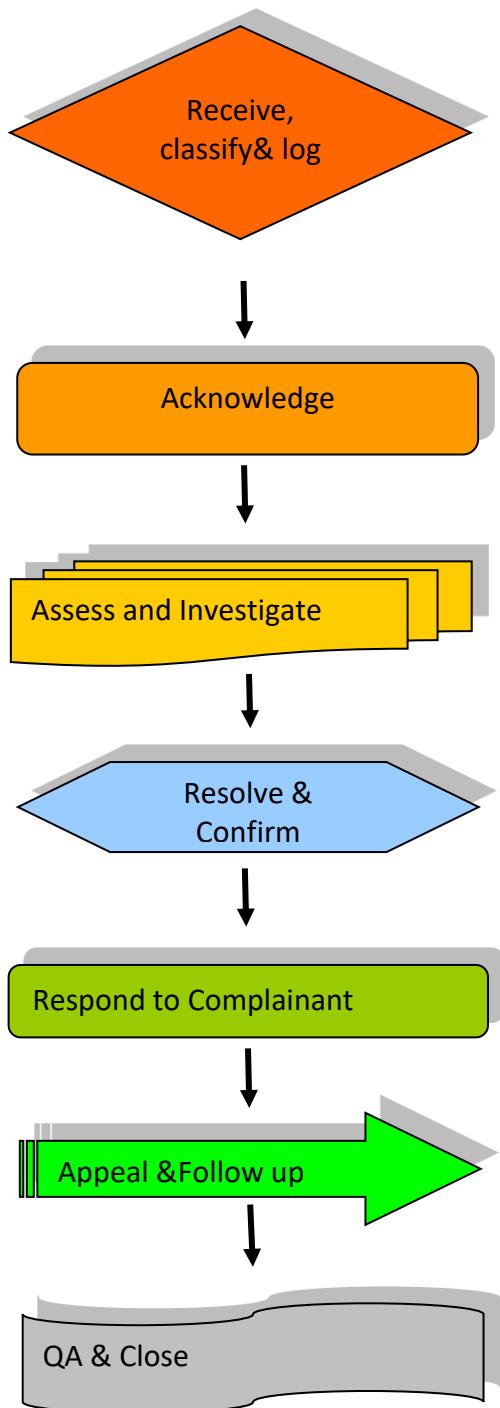
The GRM consists of a small number of components:

- The access point for impacted/concerned people
- Grievance log
- Acknowledgement stage
- Assessment stage
- Passing of resolution
- Response
- Room for appeal
- Case closure

The components are summarized in the process flow diagram below.

3.2.1 Process Overview

The following key steps must be followed for all complaints received by PSAC staff:



The requirements for each of these steps is detailed below

3.2.2 The Process of the GRM

i) Receive, classify & log

All potential issues must be captured and classified for escalation, review and action as required.

a) Receiving the Grievance:

The access points will be as close to the users as possible. An easily accessible and well publicized focal point or user-facing ‘help desk’ is the first step. This will be established at each sub-project, and PSAC Offices so that it will be seen as credible and accessible. The main issues for the access point include the following:

- Uptake channels should include some or all of the following:
 - phone hotline,
 - email,
 - mail,
 - SMS,
 - webpage,
 - or face-to-face.
- The uptake channels will be publicized and advertised via local media and the implementing agency.
- Verbal complaints should be recorded by staff for them to be considered.
- Many complaints may be resolved ‘on the spot’ and informally by the PSAC staff but should also be logged in order to (i) encourage responsiveness; and (ii) ensure that repeated or low-level grievances are being noted in the system.
- The GRM should have the ability to handle anonymous complaints.

Typically, the complainant will be provided with a receipt and ‘roadmap’ telling him/her how the complaint process works and when to expect further information.

b) Logging and classifying:

Any complaint, issue or negative stakeholder interaction (whether this is formally logged by the complainant or not), must be logged and classified for action.

All of these complaints must be formally logged using the standard forms and all complaints must be prioritized as follows:

- **Priority 1 – urgent**, potential high health and high business impact. **This require a response to the Complainant within three (3) working days.**
 - This should be used (sparingly) for major health issues where the complaint may have disastrous impacts on either human, the environment or PSAC itself.
 - Also, this could be used in a situation where the complainant may be in a position to influence or make public statements that would impact upon the PSAC reputation.
- **Priority 2, - non-urgent**, lower health environmental and social impact. This requires a response to the complainant within 2 working weeks.
 - This should be used for most complaints with individual stakeholders, as this allows a reasonable time to collect information and produce a balanced response.
- Discretion and flexibility should be exercised in prioritizing all complaints
 - The staff member logging the complaint should review the complaint and its priority with the Sub-project/ PSAC Project Manager before proceeding to the next step.

- The Sub-project/ PSAC Project Manager will decide on the appropriate person(s) to carry out subsequent steps, including the investigation.
- **All Priority 1 complaints must be escalated immediately to the PSAC Project Manager.**

ii) Acknowledge

Ensure that every complaint receives a formal written acknowledgement, containing an expectation of when they will receive a response, and the person dealing with it.

- All complaints, regardless of priority, should receive a pro forma acknowledgement sent out 1st class mail on the day of receipt.

iii) Assess & Investigate

Follow up all aspects of the complaint, both internal and external, to ensure that the key facts are identified and clarified.

- The priority of the complaint will drive the timescale for completion (3 days for urgent or 2 weeks for non-urgent).
- All areas of interaction and communication should be established (who, what, where, when, why etc.) and documented where possible.

iv) Resolve & Confirm

Ensure that the final resolution is clear and fair. Also confirm the proposed action and resolution with another senior person (PSAC Management).

- Ensure that the proposed resolution meets corporate guidelines and does not prejudice PSAC in any unnecessary legal or financial manner.
- Document the proposed action and discuss and agree with the PSAC Project Manager.
- Discuss and review the solution from both the corporate and complainant viewpoint to ensure fairness and clarity.
- The review should include recognition and documentation of any underlying issues that have contributed to the complaint and recommendations for actions to prevent further occurrence.
- This should then be reviewed as part of the bi-monthly quality assurance reviews.

v) Respond to Complainant

Provide the Complainant with the resolution within the timescales promised.

- The details of the findings and proposed resolution should be clearly explained (in written or verbal form as appropriate) to the complainant- within the agreed timescales.
- If this cannot be done on time the Complainant should be contacted by telephone to request further time.

vi) Appeal & Follow

Ensure that complaints are followed up to confirm that the complainants are satisfied with the response given. If not satisfied the Complainant is advised on the route for Appealing

- All Priority 1 complaints and 95% of priority 2 complaints must be followed up within a reasonable timescale.
- This will be carried out by PSAC Administration team / PSAC Project Manager's office.
- The follow-up should identify the following

- Is the complainant satisfied with the response?
 - Did they feel that their complaint was properly and fairly handled?
- Any negative responses to these questions should be referred to PSAC Project Managers for action and direct follow up with the complainant.
- The complainant is given room for appealing to the MINAGRI or Courts of Law, if he is not satisfied.

vii) QA & Close

Ensure that the PSAC as a whole is aware of the complaints and any underlying issues. Plan actions to remove these and prevent future recurrence.

- All complaints should be reviewed monthly as part of the quality assurance review meetings.
- Any complaints where action can be taken to avoid recurrence must be acted upon and raised with the appropriate managers/teams across the PSAC.

Rwanda

Promoting Smallholder Agro-Export Competitiveness Project Project Design Report

Annex: Annex 20. Fpic Implementation Plan

Mission Dates: 09-27 May 2022

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East and Southern Africa Division
Programme Management Department



GOVERNMENT OF RWANDA

PROMOTING SMALLHOLDER AGRO-EXPORT COMPETITIVENESS PROJECT (PSAC)



FPIC IMPLEMENTATION PLAN

Prepared for:

Ministry of Agriculture and Animal Resources (MINAGRI).
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EXECUTIVE SUMMARY

The Government of Rwanda is in the process of preparing the “Promoting Smallholder Agro-export Competitiveness Project (PSAC), with the assistance from IFAD. PSAC will support the inclusion of rural poor in targeted export-driven value chains, by increasing their climate-resilient productive capacity and market access. The Project Development Objective (PDO) is *“To support the inclusion of rural poor in targeted export-driven value chains, by increasing their climate-resilient productive capacity and market access”*.

The project will target a total of fourteen (14) districts distributed across Rwanda, with a particular emphasis on the Western and Southern regions, that are also including some of the most vulnerable rural populations.

Even though the project will not cause any physical displacements, it may arise in shifting of livelihoods for some small-scale farmers, in the process of establishing the agricultural activities, tea, coffee and horticulture plantations. So, there will be an issue involving land and land rights, and livelihoods, thus the need to develop this FPIC implementation plan. The FPIC process requires the following steps:

Socio-Cultural and Land Assessments

One of the project’s priority activities is to carry out assessments on the sociocultural and land tenure conditions of the project areas right at the beginning of PSAC implementation and before any investment is made at community level. This will also involve the screening, and preliminary stakeholder identification.

Identification of Decision-Making Institutions and Representatives

The key institutional actors involved with issues of resettlement, property and land rights, access to resources, etc, are the local government departments both at National level and District level. The implementing agency will be the Ministry of Agriculture and Animal Resources (MINAGRI) through NAEB. There will be several key implementing Ministries that will be involved in the FPIC process.

Consultations leading to FPIC

Subsequent to the socio-cultural and land tenure assessments and the identification of key decision-making institutions, consultations will be held with the sub-project communities during programme implementation – when site specific ESMPs and designs are being updated or prepared, as the case may be. Consultations will be conducted by the NAEB Environmental and Social Specialist, or by an independent facilitator/advisor hired by NAEB.

As part of the engagements in preparing the PSAC Project, several missions and consultations were undertaken, including the project design mission conducted in May 2022.

Formalising the Consent Agreement

Once project activities and project sites requiring FPCI agreement are identified, this will be formalised in a written form in English as well as in Kinyarwanda. The effective time the

consent agreement would be formalised will be agreed upon during the consultation process and needs to be formalised before any investment is made.

The consent agreement will be prepared by the NAEB District Teams. The format for a consent agreement would, among others, include:

- Project activities on which consent is provided
- Respective expectations
- Proposed project duration, expected results and activities
- Participatory monitoring and verification plan and procedures
- Identification of grievances procedures and mechanisms
- Terms of withdrawal of consent
- Record of process through means and languages accessible to all stakeholders and parties involved.

Capacity Support

The successful implementation of the PSAC FPIC programme activities will require that the stakeholders and the implementing partners be on the same page. Thus, a series of training workshops to sensitise both parties so that they will be able to make informed decisions through the FPIC process has been proposed. The regular short and tailor-made training courses and seminars that will be offered to reinforce the capacity and skills of the stakeholders and farmers during the entire project period include the following:

- **Training of implementing partners on background of project:** -Environmental and Social Risks and Impacts of PSAC
- **Training of Extension staff on background of project:** - Environmental and Social Impact Assessment of the Projects.
- **Cascading training to lower levels on background of project:** - Environmental and Social Impact Assessment of the Projects:
- **Training of Stakeholder on Gender, HIV/AIDS awareness**
- **Training of Stakeholder on land issues:** Land Tenure and rights

Grievance Redress Mechanisms

Land and livelihood issues can easily generate grievances and complaints, which include objections to use of someone's land, encroachment on private land, theft of properties within the land, harassment of women, marginalization in distribution of material assistance, dissatisfaction with amount of compensation and dissatisfaction with size and nature of land replacement.

Such grievances are likely to crop up in one way or another in the implementation of the agricultural activities to be funded PSAC and to take care of these, a grievance redress mechanism (GRM) has been proposed. The project affected people will be sensitised to make use of the GRM. The process of grievance redress mechanisms will involve informal courts handled by traditional leaders (village headmen, Chiefs). In some cases, there may be need for involvement of the District Commissioner and the formal courts within the judiciary.

FPIC Implementation Arrangements

A description of the arrangement, responsibilities and mechanisms for seeking FPIC, has been outlined. The lead implementing agency for the project is MINAGRI, with the assistance of

NAEB. NAEB will be tasked with day-to-day coordination, planning and management of select project activities, Whilst the overall steering of the project will be done by a Steering Committee.

NAEB will spearhead the implementation of the FPIC process and will be assisted by several key implementation ministries who have staff down to district level. NAEB staff with their District teams comprised of the staff from the key implementing partners will be capacitated by undergoing scheduled training. The target beneficiaries will similarly be capacitated. All the training will be conducted by designated Ministries or private consultants. Once capacitated the teams will start the consultation processes leading to FPIC. This process will also be assisted with private consultants.

Funding For the FPIC Process

The estimated cost for the implementation of the FPIC process, which covers land tenure assessments, identification of stakeholders, capacitating both the implementing partners and the beneficiaries, and monitoring the FPIC implementation is USD **258,000.00**.

1. DESCRIPTION OF THE PROJECT

1.0 PROJECT DESCRIPTION

The Government of Rwanda is in the process of preparing the “Promoting Smallholder Agro-export Competitiveness Project (PSAC), with the assistance from IFAD. PSAC will support the inclusion of rural poor in targeted export-driven value chains, by increasing their climate-resilient productive capacity and market access.

The PSAC Project Development Objective.

The Project Development Objective (PDO) is *“To support the inclusion of rural poor in targeted export-driven value chains, by increasing their climate-resilient productive capacity and market access”*.

Geographical targeting.

The project will target a total of fourteen (14) districts distributed across Rwanda, with a particular emphasis on the Western and Southern regions, that are also including some of the most vulnerable rural populations (Figure 1-3). These will be: *Nyamasheke, Rutsiro, Karongi, Nyabihu and Rusizi in Western Province; Huye, Nyaruguru, Nyamagabe, Ruhango and Nyanza in Southern Province; Rulindo and Musanze in Northern Province and Rwamagana and Bugesera in Eastern Province*. In addition to these, Kayonza district will be targeted solely for the purpose of conducting trials on new improved essential oils varieties.



Figure 1-1 Area of Intervention

1.2 PROJECT STRUCTURE

PSAC has three components: The first two (technical components) will generate varying effects to different components of the environment and the society at large.

1.2.1 Component 1:

Investments to enhance climate smart production and productivity of selected export-driven value chains

This component will support the intensification and improve the competitiveness of the production levels of the selected export-driven value chains through targeted investments along two sets of interventions:

- **Sub-component 1.1 – Support smallholder farmers' production and productivity.**
- **Sub-component 1.2 - Improvement of rural infrastructure facilities.**

1.2.2 Component 2:

Enabling business environment along selected export-driven value chains)

This component will enhance the competitiveness and sustainability of the targeted VCs by improving smallholder value chain actors' access to advisory services, sustainable markets and financial services through various components of the following sub-components:

- **Sub-component 2.1 – Capacity building of Producer Organizations.**
 - *Quality control and market-driven certification.*
 - *Backward and forward market linkages.*
 - *Enhanced access to financial services.*

1.2.3 Component 3:

Policy support and coordination

This component will support policy and coordination through the following activities:

- *Policy dialogue*
- *Enabling rural finance environment.*
- *Other issues affecting PSAC export-driven value chains.*
- *Specific support to value chain platforms:* In this area PSAC intends to:

1.2.4 Impacting Activities

The critical components for environmental related negative impacts are derived from the PSAC activities that will require development, construction, and operation of infrastructure such as:

- a) rehabilitation and or establishment of tea, coffee and horticulture plantations,
- b) irrigation schemes infrastructure installations,
- c) agro-processing and storage facilities construction and operations,
- d) operations of washing stations,
- e) rural roads' rehabilitation, and
- f) use of agrochemicals; fertilisers, herbicides, pesticides, etc

The potential environmental, social and climatic risks emanating from these activities will include deforestation; land degradation; inappropriate use of agrochemicals leading to pollution; conflicts; gender-based violence; child labour and social unrests.

These activities may cause pollution of environmental media such as water, soil, etc, and pose occupational health hazard, water use conflicts, conversion and/or loss of physical cultural resources during construction of infrastructures etc. Most of the impacts will be localized to

the project site, short term and most importantly can be avoided/reduced or mitigated by properly applying mitigation measures.

The establishment of new tea or coffee plantations, coffee washing stations, tea processing plants etc may cut-off some of the villagers from using certain resources which they were used to, and they may not have easy access to communal resources such as:

- blocking of some foot paths causing people to take longer routes.
- Blocking other community members from using the areas taken over by the plantations.
- Blocking of others from accessing resources, medicinal plants, etc.
- Loss of assets or access to assets.
- interfere with the normal access to assets like grazing or hunting grounds
- Loss of income sources, and or means of livelihood

1.3 WHEN IS FPIC REQUIRED?

The following chart provides guidance to establish under what circumstances FPIC is required.

Table 1-1 When is FPIC required?

	Project likely to affect land access and/or use rights of communities	Agricultural and rural development projects unlikely to affect land rights (agricultural technologies and production, value chain development, social infrastructure)	Project supporting demand-driven services to individuals (rural finance, small and medium-sized enterprise development)
Rural areas without indigenous peoples or minorities	YES	NO	NO
Rural areas with some indigenous peoples and minorities' communities	YES	On a case-by-case basis*	NO
Indigenous peoples territories or tribal areas	YES	YES	YES

*Depending on the potential impact of the project on local indigenous peoples' communities. The project target group may include some indigenous peoples' communities or it may not include indigenous peoples but project activities may have an impact on land, territories and resources of indigenous peoples' communities living near the project area.

Source: IFAD SECAP 2014

The PSAC is not likely going to cause any resettlement but may cause a shift in the livelihoods of the small-scale farmers. Land rights and user rights are key elements as regards the need for FPIC, and since they are an important issue in PSAC this has triggered the requirement for an FPIC implementation plan.

2. THE SCREENING PROCESS

2.1 IDENTIFYING STAKEHOLDERS.

To develop an effective FPIC process, it is necessary to determine who the stakeholders are and understand their needs and expectations for engagement, and their priorities and objectives in relation to the Project. This information is then used to tailor engagement to each type of stakeholder. As part of this process, it is particularly important to identify individuals and groups who may find it more difficult to participate and those who may be differentially or disproportionately affected by the project because of their marginalised or vulnerable status.

Stakeholders for the purpose of this project have been and will continue to be identified on a continuous basis by identifying those people and institutions that have an interest in the successful planning and execution of the project including special interest groups. These include those:

- Project Implementing Agencies (funding agencies, executing agencies, partners)
- Directly and/or indirectly project-affected people (PAPs) and
- Interested parties (Social and labour regulatory authorities, Contractors, Media society, and Civil Society etc)

2.2 KEY STAKEHOLDERS

Stakeholders of this project shall be defined as all those people and institutions that have an interest in the successful planning and execution of the project. This includes those likely to be positively and negatively affected by the project.:

The key stakeholders to be continuously engaged could include:

1. Rwanda Government Departments:

- MINALOC, Ministry of Local Government
- RAB, Rwanda Agriculture Board
- MINAFFET, Ministry of Foreign Affairs and International Cooperation
- MIGEPROF,
- BDF, Business Development Fund
- Rwanda Standards Board (RSB),
- Rwanda Cooperative Agency (RCA), and
- HCoE.

2. Other Stakeholders

- Rural Entrepreneurs Tea and coffee
- Farmers Cooperatives /Cooperatives /Associations
- Service Providers
- BRD, Rwanda Development Bank
- Farmers/farmers groups or Cooperatives /Cooperatives /Associations,

- Women and Youth Councils /Cooperatives /Cooperatives /Associations

The list above is not exhaustive. As the Programme gets underway, the NAEB will develop a detailed PCP identifying all possible stakeholders, their specific information needs and the appropriate modes of consultation as well as feedback mechanisms.

2.3 SOCIO-CULTURAL AND LAND ASSESSMENTS.

The sociocultural and land tenure aspects in the project areas are very important in making decisions and follow up actions regard PSAC. It will thus be essential to carry out assessments on the sociocultural and land tenure conditions of the project areas as a priority activity by the beginning of PSAC implementation and before any investment is made at community level. The socio-cultural and land tenure assessments will establish:

- The community stakeholders, landowners and users in the sub-project areas who might be affected and who can gain more rights through careful sub-project design based on the FPIC process, and who have the right to give or withhold consent.
- Customary laws, informal rules and organizing practices, and claims on land ownership, occupation and use.
- Types of livelihoods and resources communities depend upon.
- Land use mapping indicating existing land use and land use as proposed by the communities to accommodate the project.
- Institutions, governance systems and decision-making roles.
- Existing dimensions of traditional leadership (roles and status) and traditional mutual support and solidarity/reciprocity mechanisms etc.
- Social, economic, cultural and spiritual relations with lands and,
- Possible consequences for local communities resulting from the change on the status of land, and resources emerging from the proposed sub-projects.

Participatory mapping can be a useful tool in the preparation of the socio-cultural and land tenure assessment.

3. PARTICIPATION, CONSULTATION AND FPIC PROCESSES

3.0 INTRODUCTION

The purpose of the present FPIC Implementation Plan is, among others, to provide information on how the FPIC Process will be conducted throughout the course of the project and which methods will be used as part of the process; as well as to outline the responsibilities of MINAGRI AND NAEB.

3.1 IDENTIFICATION OF DECISION-MAKING INSTITUTIONS AND REPRESENTATIVES

The key institutional actors involved with issues of resettlement, property and land rights, access to resources, etc, are the local government departments both at National level and District level. The implementing agency will be the **MINAGRI** through the NAEB.

NAEB's Environmental and Social Specialists will work very closely with the Rwanda Environmental Management Authority (REMA), Local Government officials and District Council Officials to facilitate consultations leading to FPIC with concerned communities /project affected persons (PAPs).

The practical timing for identifying decision-making institutions and representatives at community level would be at the beginning of PSAC implementation, during preliminary consultations with the communities undertaken for the site specific ESMPs for newly proposed sub-projects as well as during the preparation of any ESIA studies or can be done in tandem with the socio-cultural and land tenure assessment.

3.2 CONSULTATIONS LEADING TO FPIC

Subsequent to the socio-cultural and land tenure assessments and the identification of key decision-making institutions, consultations will be held with the sub-project communities and plantations Cooperatives /Cooperatives /Associations during programme implementation – when site specific ESMPs and designs are being updated or prepared, as the case may be. Consultations will be conducted by the PSAC Environmental and Social Specialist, or by an independent facilitator/advisor hired by NAEB.

The use of participatory mapping will be instrumental for the consultation process leading to FPIC. This is because of the advantages of participatory mapping and accompanying participatory enquiry techniques which allow the assessment of ownership, occupation and use of land and resources as well as the social dynamics (e.g., movements and relationships among the different social groups) and right holders.

Given that the sub-projects are initiated by the communities and proposed to the NAEB the consultations will:

- Confirm that the sub-project is a community-driven initiative.
- Share the objective and scope of the proposed sub-project with the communities/Cooperatives /Cooperatives /Associations directly or through their representatives (existing or elected by the communities in the process).

- Clearly inform the Cooperatives /Cooperatives /Associations/communities' representatives on the actors financing and implementing the project and their respective responsibilities.
- Provide clear and transparent information on the benefits and risks of the project.
- Share the findings of the socio-cultural, land tenure and environmental assessment and reality check/confirmation of findings.
- Engage selected Association/community members or their representatives in the resources and social mapping activities, in order to assess ownership, occupation and use of land and resources as well as the social dynamics (relationships among the different social groups).
- Share the objective and scope of the mapping exercise with the Cooperatives /Cooperatives /Associations/communities.
- Ensure inclusive participation - men, women, young people, the elderly, representatives of different communities present on the same land and neighbouring villages - and provide for multiple maps by the different Cooperatives /Cooperatives /Associations/communities.
- Share the maps with all stakeholders and actors; and,
- Formalise ownership of the land use maps by the communities that have developed them.

It is important that:

- Where there is universal consent to the proposed sub-project, Cooperatives /Cooperatives /Associations/communities' consent is formalized through a consent agreement between the Cooperatives /Cooperatives /Associations/communities and the PSAC. The consent agreement will be the outcome of the collective decision-making process by the local Cooperatives /Cooperatives /Associations/communities. The process will be adequately documented.
- Where there are doubts on consent, or where concerns are raised during consultations, these doubts and concerns are documented, and the Cooperatives /Cooperatives /Associations/communities are requested to propose means/solutions to overcome concerns.
- Feedback is provided to the sub-project design team and project staff on concerns/doubts raised by the Cooperatives /Cooperatives /Associations/communities.
- Feedback is provided to the Cooperatives /Cooperatives /Associations/communities on how their concerns have been accommodated in the sub-project design.

The usual practice for IFAD-funded projects is to use independent, qualified¹ facilitators to support the FPIC process. Where NAEB teams are not familiar with consultations leading to FPIC, the facilitator will have a double role, in facilitating the process and building capacity, while applying relevant provisions, hence supporting the local and national governments to fulfil the requirements of internal and external policies. If the right people to facilitate these

¹ Minimum requirement for the facilitator is rights sensitivity and knowledge of the cultural context they will operate, together with technical knowledge of the issues under consideration. The facilitator must be neutral, trustworthy and mutually accountable to IFAD, the borrower government and the community.

exercises are selected, they can play a role as facilitators and at the same time build the capacities of project staff, as well as of communities. Communities' representatives who participate in the mapping should be identified by the communities as their representatives in the FPIC process.

3.3 ONGOING STAKEHOLDER ENGAGEMENT ACTIVITIES

3.3.1 On-going Stakeholder Engagement

A variety of engagement techniques were used to build relationships with stakeholders, gather information from stakeholders, consult with stakeholders, and disseminate project information to stakeholders. This engagement process will provide a framework for achieving effective stakeholder involvement and promoting greater awareness and understanding of issues so that the project is carried out effectively.

For the proposed PSAC, the public consultations with the local communities, and all other interested/affected parties were conducted as part of the PDR development process. These consultations were aimed at briefing the communities and other stakeholders about the project activities, how the activities will be carried out and what sectors of the environment are likely to be impacted. The public consultations were done in a participatory manner to encourage the communities to contribute to the screening process.

Throughout the project life, the engagement techniques that will be used will take into consideration the cultural appropriateness and the purpose for engaging with the stakeholders. Thus prior to any engagement event the following actions will occur:

- Selection of individual stakeholders with whom engagement will occur,
- Selection of methods for disclosure of information (including such topics as format, language, and timing),
- Selection of location and timing for engagement event(s) (avoiding busy work times, which may be seasonal, and days/times when special events may be occurring),
- Agreeing on mechanisms for ensuring stakeholder attendance at engagement event(s) (if required),
- Identification and implementation of feedback mechanisms to be employed.

3.4 CONSIDERATIONS FOR STAKEHOLDER ENGAGEMENT

The following considerations were made and should be carried out throughout the project life:

3.4.1 Resourcing Stakeholder Engagement:

FPIC Consultations require resources as they take time to develop and build trust-based relationships with stakeholders. Relationships with stakeholders should develop, grow, and be sustained. This becomes a continuous process as additional stakeholders might be identified that will also need to be engaged.

This was done through initial outreach meetings with various stakeholders to, among other things, introduce the project, educate some stakeholders about the concept of engagement itself, as well as on the complex issues requiring specialised and technical knowledge.

3.4.2 Managing expectations:

Stakeholders can have unrealistically high expectations of benefits that may accrue to them from a project and as such NAEB must be clear on what the PSAC can and cannot do, establishing a clear understanding of their roles and responsibilities. The engagement processes at PDR stage enabled the project team to develop these relationships with stakeholders and potential project partners.

3.4.3 Securing stakeholder participation:

Cultural norms and values can prevent stakeholders from freely participating in meetings. Often there are conflicting demands within project beneficiaries, and it can be challenging for a project to identify stakeholders who are representative of common interests. The design team took advantage of the presence of local officers who were sensitive to local power dynamics.

3.5 PROPOSED STRATEGY FOR INFORMATION DISCLOSURE

Information and data that will be shared will be information about the project description that will include among many other issues, the project background, the theory of change and the summarized presentation of each of the project components and subcomponents. The selection of project beneficiaries will also be outlined.

The information will largely be shared at the early stages of the project. This will be presented in a document format, distributed to the district offices who will present it to lower levels, i.e., the beneficiaries. The documents will also be published in the Government of Rwanda/MINAGRI website as well as the NAEB website. There will also be public presentations and discussions over scheduled radio and television platforms. Ministry Officials responsible for implementation, management and coordination of project activities will make presentations about the project as well as the progress update while engaging with the public and responding to arising questions, concerns and comments.

The MINAGRI/NAEB will also use the following platforms to reach more stakeholders and widen ease of access to information:

- Media briefing
- Newspapers, posters, radio, television,
- Information centres and exhibitions or other visual displays,
- Brochures, leaflets, posters, nontechnical summary documents and reports,
- Official correspondence, meetings,
- Website, social media.

The strategy will also include means to consult with project-affected stakeholders if there are significant changes to the project resulting in additional risks and impacts. The most critical aspect of the strategy is leveraging on village level leadership engagement, coordination with the District Administrator's Offices, project affected people and NAEB.

3.6 PROPOSED STRATEGY FOR CONSULTATION

MINAGRI/NAEB have earlier identified groups of stakeholders under in the tea, coffee and horticulture sectors. These include members of the community governance structures,

District Administration Structures, Ministry Officials, tea, coffee and horticulture Farmer groups/Cooperatives /Associations, tea, coffee and horticulture value chain players which include MSMEs in coffee/tea production Industry, inputs suppliers, the market brokers/agents, and the general public. NAEB will be responsible for coordination of all project events and will keep a schedule of implementation of all outreach activities and will report on progress.

The identified stakeholder groups will be engaged using various platforms including:

- Interviews
- Surveys, polls, and questionnaires for beneficiary feedback
- Public meetings, workshops, and/or focus groups on specific topic.
- Participatory methods
- Other traditional and non-traditional mechanisms for consultation and decision making.

Table 3-1 Stakeholder engagement techniques

ENGAGEMENT TECHNIQUE	APPROPRIATE APPLICATION OF THE TECHNIQUE
Correspondences (Phone, Emails)	<ul style="list-style-type: none"> • Distribute information to Government officials, NGOs, Local Government, and organisations/agencies • Invite stakeholders to meetings and follow-up
One-on-one meetings	<ul style="list-style-type: none"> • Seeking views and opinions • Enable stakeholder to speak freely about sensitive issues • Build personal relationships • Record meetings
Formal meetings	<ul style="list-style-type: none"> • Present the Project information to a group of stakeholders • Allow group to comment – opinions and views • Build impersonal relation with high level stakeholders • Disseminate technical information • Record discussions
Public meetings (following COVID-19 guidelines)	<ul style="list-style-type: none"> • Present Project information to a large group of stakeholders, especially communities • Allow the group to provide their views and opinions • Build relationship with the communities, especially those impacted • Distribute non-technical information • Facilitate meetings with presentations, PowerPoint, posters etc. • Record discussions, comments, questions.
Focus group meetings	<ul style="list-style-type: none"> • Present Project information to a group of stakeholders (8- 15 people groups) • Allow stakeholders to provide their views on targeted baseline information • Build relationships with communities • Record responses
Project website	<ul style="list-style-type: none"> • Present project information and progress updates • Disclose SEP, GRM and other relevant project documentation
Project leaflet	<ul style="list-style-type: none"> • Brief project information to provide regular update • Site specific project information.
Surveys	<ul style="list-style-type: none"> • Gathering opinions and views from individual stakeholders • Gather baseline data • Record data • Develop a baseline database for monitoring impacts
Workshops/Webinars	<ul style="list-style-type: none"> • Present project information to a group of stakeholders • Allow a group of stakeholders to provide their views and opinions • Use participatory exercises to facilitate group discussions, brainstorm issues, analyse information, and develop recommendations and strategies • Record responses

3.7 FORMALISING THE CONSENT AGREEMENT

Once project activities and project sites requiring FPIC agreement are identified, this will be formalised in a written form in English as well as in Kinyarwanda. The effective time the consent agreement would be formalised will be agreed upon during the consultation process and needs to be formalised before any investment is made.

The consent agreement will be prepared by the PSAC District Teams. The format for a consent agreement would, among others, include:

- Project activities on which consent is provided,
- Respective expectations,
- Proposed project duration, expected results and activities,
- Participatory monitoring and verification plan and procedures,
- Identification of grievances procedures and mechanisms,
- Terms of withdrawal of consent,
- Record of process through means and languages accessible to all stakeholders and parties involved.

The FPIC agreement and record of process will be made available through means and languages that are accessible to all stakeholders and parties involved.

3.8 DISCLOSURE

The FPIC Implementation Plan will be disclosed together with the Programme Design Report (PDR), Environmental, Social and Climate Management Framework (ESCMF), and other documents to be submitted to the Executive Board (and Evaluation Committee).

3.9 DOCUMENTING THE FPIC PROCESS

FPIC process will be documented through minutes of consultations, mapping documents prepared by the Cooperatives /Associations/communities, videos where feasible, and FPIC agreements/formalisation documents.

4. THE PSAC FPIC IMPLEMENTATION PLAN

4.1 PSAC FPIC IMPLEMENTATION PLAN

The following is a summary of the PSAC FPIC implementation Plan:

Table 4-1 Summarised PSAC FPIC Implementation Plan

No.	DESCRIPTION/ACTIVITY	RESPONSIBLE	TIMEFRAME
1.0	Conduct sociocultural and land tenure assessment:		
	<p>Identify:</p> <ul style="list-style-type: none"> Customary laws, informal rules and organizing practices on land ownership. Institutions and governance systems. Types of livelihoods. Mutual support and solidarity mechanisms. Cooperatives /Associations/Community stakeholders, land users and assess who has the right to give or withhold the consent. <p>Assess:</p> <ul style="list-style-type: none"> Consequences from the proposed project that may result in the change of the status of the lands, and resources 	District offices of the NAEB (who may hire consultants to carry out the sub-project specific socio-cultural/land tenure assessments.	At the beginning of programme implementation phase. This could be part of the participatory mapping exercise.
2.0	Identify decision-making institutions and representatives		
	<ul style="list-style-type: none"> Conduct preliminary consultations with the Cooperatives /Associations/community and explain the nature of the proposed project. Allow time for Cooperatives/Associations/communities to discuss and decide on their representatives for the consultation process leading to FPIC Clarify responsibilities of representatives Agree on the process leading to FPIC Identify signatory parties for the consent agreement. 	District offices of the NAEB, possibly through an independent facilitator, supported by IFAD as part of project implementation support, as required.	At the beginning of programme implementation phase (this could be done in tandem with the socio-cultural and land tenure assessment and mapping exercise)
3.0	Capacitate the implementors and the stakeholders		
	<p>Conduct various capacity building workshops for both the implementing partners and the stakeholders so that they are all on the same page and will make informed decisions (See Section 5 for Details):</p> <ul style="list-style-type: none"> Training of implementing partners on background of project: Environmental and Social Risks and Impacts of PSAC. Training of Extension staff on background of project: Environmental and Social Impact Assessment of the Projects; Cascading training to lower levels on background of project: Environmental and Social Impact Assessment of the Projects; Training of Stakeholder on Gender, HIV/AIDS awareness: Training of Stakeholder on land issues: <ul style="list-style-type: none"> Land Tenure and rights Land rights Use of land Pollution and degradation. 	<ul style="list-style-type: none"> MINAGRI National Aids Council (NAC) Ministry of Environment Private Consultant 	Programme implementation phase - before individual sub-projects start begins and throughout the project cycle

No.	Description/Activity	Responsible	Timeframe
4.0	Conduct consultation leading to FPIC on the proposed project/specific component/activities		
	<ul style="list-style-type: none"> Share objective and scope of the project with the representatives identified by the communities and identify project component(s) requiring FPIC. Inform them on the actors financing and implementing the project and their respective responsibilities. Provide clear and transparent information on the benefits and risks of the project. Share the findings of the sociocultural, land tenure and environmental assessment Formalize consent agreement. 	District offices of the NAEB possibly through an independent facilitator, supported by IFAD as part of project implementation support, as required.	At the beginning of programme implementation phase and before individual sub-projects start.
5.0	Formalize the consent agreement		
	<p>Formalize the consent agreement (written or in other form if so, requested by the community)</p> <p>The format for a consent agreement would include:</p> <ul style="list-style-type: none"> Respective expectations Proposed project duration, expected results and activities Participatory monitoring and verification plan and procedures Identification of grievances procedures and mechanisms Terms of withdrawal of consent <p>Record the process through means and languages accessible to all stakeholders and parties involved</p> <p>Annex the FPIC agreement and documented process to the PDR.</p>	District offices of the NAEB possibly through an independent facilitator, supported by IFAD as part of project implementation support, as required.	Programme implementation phase. Timing agreed upon during the consultation process and before individual sub-projects starts.
6.0	FPIC implementation		
	Implement the FPIC agreements throughout the project life.	MINAGRI, NAEB, IFAD implementation support and joint supervision missions	Programme implementation phase - before individual sub-projects start begins and throughout the project cycle
7.0	Monitoring the FPIC implementation		
	<p>Assess FPIC implementation as part of the M&E exercise during the project life.</p> <p>Appropriate indicators for measuring progress towards and/or attainment of agreed terms will be defined and linked with a timeframe in the FPIC agreement</p>	MINAGRI, NAEB, IFAD implementation support and joint supervision missions	Programme implementation phase - before individual sub-projects start begins and throughout the project cycle

5. CAPACITY SUPPORT

5.1 TRAINING REQUIREMENTS

The Successful implementation of the PSAC FPIC programme activities will require that the stakeholders and the implementing partners are on the same page. This entails a series of training workshops to sensitise both parties so that they will be able to make informed decisions through the FPIC process. The following (Table 5-1) is an outline of the regular short and tailor-made training courses and seminars that will be offered to reinforce the capacity and skills of the stakeholders and farmers during the entire project period:

Table 5-1 Capacity Building for FPIC Implementation.

No.	TRAINING ACTIVITY	TARGET GROUP / TRAINER	MEANS OF VERIFICATION	COST ESTIMATES
1.0	Training of implementing partners on background of project: Environmental and Social Risks and Impacts of PSAC. - PSAC and linkage to SECAP policies. - Typical issues. - Mitigation requirements. - Management plans. - Monitoring requirements. - Management review. - Budgeting for E&S risk management.	<ul style="list-style-type: none"> • 4 Ministries, • REMA, • NAEB coordinator and management • Sub-project management • Other collaborating institutions. <p>TRAINER: <u>REMA</u> OR <u>PRIVATE</u> <u>CONSULTANT</u></p>	<ul style="list-style-type: none"> • 30 high level decision makers, managers, coordinators trained 	(Two sessions during the entire project period) \$ 9,000.00 one session during the entire project period) Length: 1 day Total cost: \$ 18,000.00
2.0	Training of Extension staff on background of project: Environmental and Social Impact Assessment of the Projects: - Screening process. - Use of checklists. - Preparation of terms of reference. - Identification of Impacts. - ESIA report preparation and processing. - Policies and laws in Rwanda. - IFAD safeguard policies.	<ul style="list-style-type: none"> • District Agriculture Office Team. • District Environment Units. • Extension workers in project impact areas. <p>TRAINER: <u>REMA</u> OR <u>PRIVATE</u> <u>CONSULTANT</u></p>	<ul style="list-style-type: none"> • 10 members of District Forestry Office Team are trained. • 10 District Environment Units members are trained. • 10 Extension workers in project impact areas trained. 	(Three sessions during the entire project period) Length: 5 days per session Total cost: \$ 30,000.00
3.0	Cascading training to lower levels on background of project: Environmental and Social Impact Assessment of the Projects: - Screening process. - Use of checklists. - Preparation of terms of reference. - Identification of Impacts. - ESIA report preparation and processing. - Policies and laws in Rwanda. - IFAD SECAP policies.	<ul style="list-style-type: none"> ○ Tea Coffee and Horticulture Farmers/ ○ Tea Coffee and Horticulture Cooperatives/Association members ○ Farmers <p>TRAINER: <u>REMA</u></p>	<ul style="list-style-type: none"> • 30 members Tea Coffee and Horticulture Farmers committee • 30 Tea Coffee and Horticulture Cooperative/Association members • 10 Farmers 	(Four sessions during the entire project period) Venue: In project areas Length: 5 days per session Total cost: \$20,000.00

No.	TRAINING ACTIVITY	TARGET GROUP / TRAINER	MEANS OF VERIFICATION	COST ESTIMATES
4.0	Training of Stakeholder on Gender, HIV/AIDS awareness: <ul style="list-style-type: none"> • Impacts of HIV/AIDS on social wellbeing, livelihood, and projects • Mitigation measures • Care of victims 	<ul style="list-style-type: none"> • Extension workers in project impact areas • Cooperative members/Farmers. <p>TRAINER: <u>National Aids Council,</u></p>	<ul style="list-style-type: none"> • 10 Extension workers in project impact areas trained: <ul style="list-style-type: none"> ○ 30 Tea Coffee and Horticulture Farmers/ ○ 30 Tea Coffee and Horticulture Cooperative/Association members 	TO USE NAC RESOURCES (Two sessions during entire project period) Venue: Length: 5 days 15,000.00
5.0	Training of Stakeholder on land issues: <ul style="list-style-type: none"> • Land Tenure and rights: <ul style="list-style-type: none"> ○ Land Act ○ Land rights ○ Women and land ○ Communal lands, grazing areas and rangelands • For Agricultural activities - Pesticide Management <ul style="list-style-type: none"> - Pesticide Types and Use - Packaging, labelling, and Handling - Storage, Stacking and Release - Pesticides Record Maintenance • Pesticides Application and Disposal <ul style="list-style-type: none"> ○ Types and Handling of Equipment ○ Pesticides Toxicity ○ Safety of Applicators (OSHA) ○ First Aid ○ Care, Cleaning and Disposal of Pesticides and Equipment • Agro-facility Management: <ul style="list-style-type: none"> ○ disposal of wastes, ○ biosafety, ○ security, ○ emergency response. 	<ul style="list-style-type: none"> • Storekeepers • Pesticide Transporters • Pesticide Users • Agro dealers • All Farmers • Trial Farm Management Committee • Agro facilities, e.g., warehouses, etc. <p>TRAINER: <u>MINAGRI, Ministry of Local Government.</u></p>	<ul style="list-style-type: none"> • 10 members of sub-projects Procurement Committees Trained • 10 Extension Workers • 30 Cooperative members/Farmers trained 	(Three sessions for the entire project period) Venue: Farms Length: 5 days per session Total cost: \$30,000.00
6.0	TOTAL ESTIMATED BUDGET	113,000.00		

5.2 PROPOSED APPROACH IN EXECUTING THE CAPACITY BUILDING

PSAC will adopt a strategy of running workshops and refresher courses to disseminate the SECAP FPIC related studies and reports. It will also use the training of trainers and community exchange visits approach.

It will be important that key decision makers, the NAEB coordinator and management staff and other high-level persons are sensitized in the potential environmental and social risks and impacts due to the proposed PSAC activities. This training may be conducted by a private consultant or by the EIA Department of REMA.

5.3 FUNDING REQUIREMENTS FOR ENVIRONMENTAL AND SOCIAL TRAINING

The proposed FPIC related training activities for the programme will be funded directly by the programme resources in accordance with the proposed plan laid out in Table 5-1 above.

6. GRIEVANCE REDRESS

6.1 GRIEVANCE REDRESS MECHANISMS ON LAND ISSUES

In an agricultural project like PSAC the potential complaints and grievances that can be generated by the project include objections to the use of someone's land, encroachment on private land, theft of properties within the land, harassment of women, marginalization in distribution of material assistance, dissatisfaction with the amount of compensation and dissatisfaction with size and nature of land replacement.

Such complaints and grievances are likely to crop up in one way or another in the implementation of the agricultural activities to be funded from PSAC. It should be pointed out that since the implementation of the agricultural activities will be community based, negotiation and agreement by consensus will provide the first avenue to iron out and resolve any grievances expressed by the individuals, the landowners or households whose land and properties might be affected. The communities will ensure that resettlement related grievances should be addressed during the identification and appraisal of sites.

In this context, proper channels of grievance redress mechanisms will be put in place, and the project affected people sensitised to make use of them. Normally, the channels have to be in line with norms of the communities as well as laws of the country.

IFAD's Grievance Redress Mechanism allows affected complainants to have their concerns resolved in a fair and timely manner through an independent process. IFAD's GRM requires i) working proactively with the affected parties to resolve complaints; ii) ensuring that the complaints procedure is responsive and operates effectively; and iii) maintaining records of all complaints and their resolutions.

The principles of a good GRM are²:

- A mechanism scaled to risk and adverse impact on affected communities.
- Designed to take into account culturally appropriate ways of handling community concerns.
- A clear and understandable mechanism that is accessible to all segments of the affected communities at no cost.
- Transparency and accountability to all stakeholders.
- A mechanism that prevents retribution and does not impede access to other remedies.

The key steps for grievance management are³:

- i. Publicising grievance management procedures so that the mechanism is accessible to everyone.
- ii. Receiving (i.e., collecting, recording, and registering) and keeping track of grievances.

² IFC (2009); Good Practice Note – Addressing Grievances from Project-Affected Communities, Guidance for Projects and Companies on Designing Grievance Mechanisms

³ ibid

- iii. Reviewing and investigating grievances to assess the nature of the grievance, its severity and legitimacy.
- iv. Developing resolution options commensurate with the nature of grievances and preparing and communicating a clear response and closing out cases when agreement with the complainants is reached.
- v. Monitoring grievances through tracking to ascertain effectiveness, adapting the mechanism to correct inefficiencies, using the results of monitoring for feedback and lessons learned.

6.2 GRIEVANCE REDRESS MECHANISM FOR PSAC

Common disputes and disagreements may be related to land property boundaries, destruction of land resources following valuation processes including standing crops, amount of monies to be compensated and delay in disbursement of agreed compensation.

Mostly PSAC interventions will be delivered to community beneficiaries through cooperatives, who manage grievances and conflicts through internal committees. The communities have confidence in these cooperative grievance redress mechanisms. Once an aggrieved person is not satisfied at any level, there is room for escalating the grievance to higher levels.

Figure 6-1 depicts the pathways the grievance redress process may follow. It may follow either the Abunzi system if the aggrieved party is not a member of the cooperative concerned, or it would- follow the resolution mechanism typically used by the cooperatives as stipulated in the provisions of Law N° 48/2013 of 28/06/2013 establishing the Rwanda Cooperative Agency (RCA).

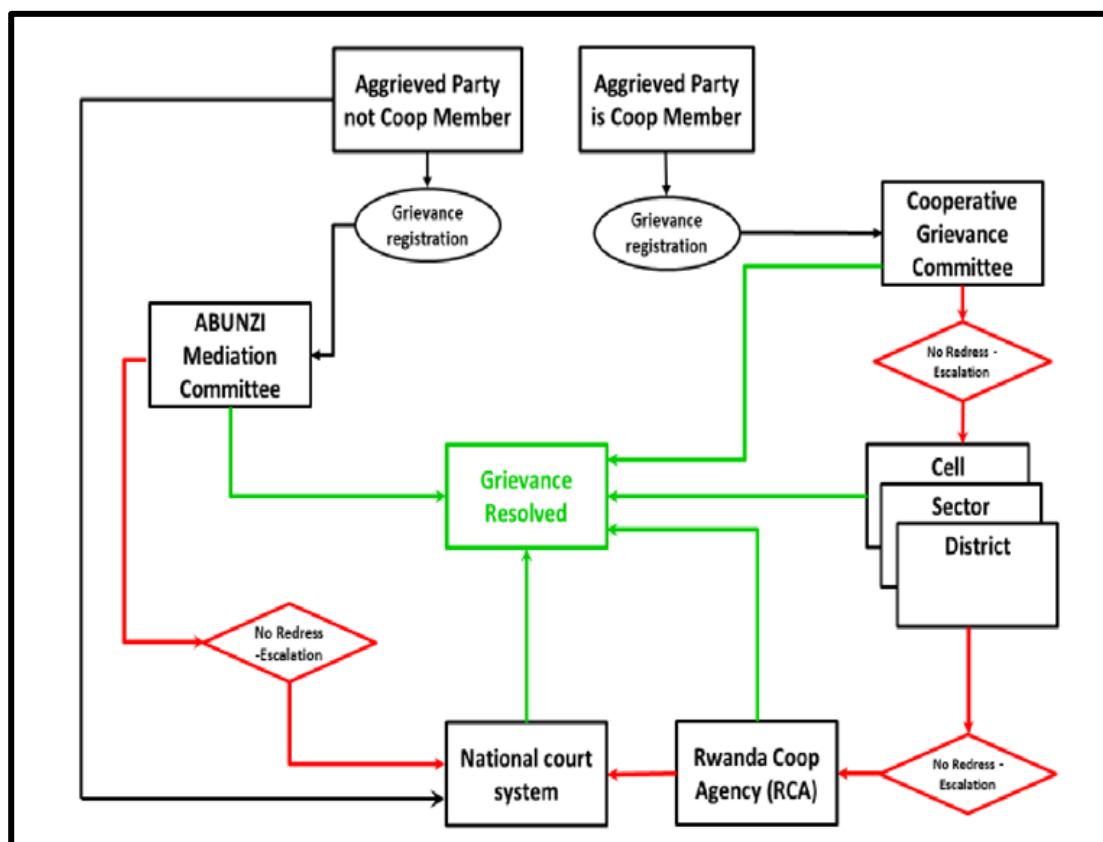


Figure 6-1 Grievance Redress Mechanism for PSAC.

The RCA requires that cooperatives request arbitration on unresolved grievances registered by their members. RCA evokes its grievance redress mechanism, failure at which the grievance is escalated to the national court system. Aggrieved parties who are not members of a cooperative would register grievances in the *Abunzi* system or directly in the national courts, depending on the gravity of the grievance as defined by the law. This mechanism is also proposed at Project operation level as the GRM for resettlement requirements before Project commencement is provided for by law.

6.2 OPERATION OF THE GRIEVANCE REDRESS MECHANISM

The GRM consists of a small number of components:

- The access point for impacted/concerned people
- Grievance log
- Acknowledgement stage
- Assessment stage
- Passing of resolution
- Response
- Room for appeal
- Case closure

The components are summarized in the process flow diagram in Figure 6-2.

6.2.1 The Process of the GRM

i) Receive, classify & log

All potential issues must be captured and classified for escalation, review and action as required.

a) Receiving the Grievance:

The access points will be as close to the users as possible. An easily accessible and well publicized focal point or user-facing ‘help desk’ is the first step. This will be established at each sub-project, and PSAC Offices so that it will be seen as credible and accessible. The main issues for the access point include the following:

- Uptake channels should include some or all of the following:
 - phone hotline,
 - email,
 - mail,
 - SMS,
 - webpage,
 - or face-to-face.
- The uptake channels will be publicized and advertised via local media and the implementing agency.
- Verbal complaints should be recorded by staff for them to be considered.
- Many complaints may be resolved ‘on the spot’ and informally by the PSAC staff but should also be logged in order to (i) encourage responsiveness; and (ii) ensure that repeated or low-level grievances are being noted in the system.
- The GRM should have the ability to handle anonymous complaints.

Typically, the complainant will be provided with a receipt and ‘roadmap’ telling him/her how the complaint process works and when to expect further information.

3.2.1 Process Overview

The following key steps must be followed for all complaints received by PSAC staff:

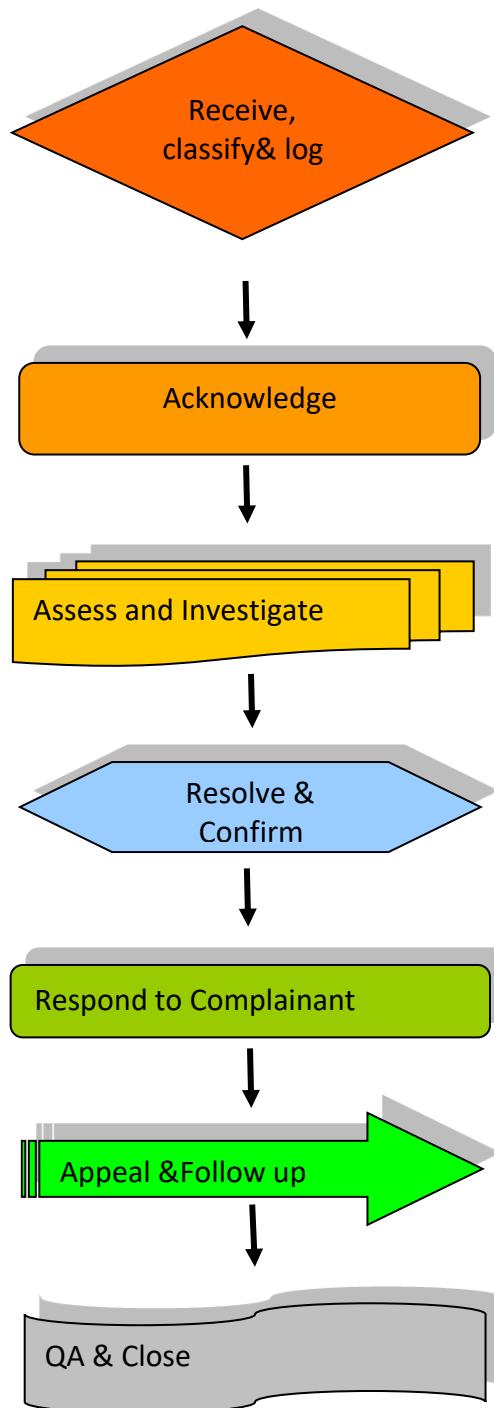


Figure 6-2 The GRM Process Overview.

The requirements for each of these steps is detailed below

b) Logging and classifying:

Any complaint, issue or negative stakeholder interaction (whether this is formally logged by the complainant or not), must be logged and classified for action.

All of these complaints must be formally logged using the standard forms and all complaints must be prioritized as follows:

- **Priority 1 – urgent**, potential high health and high business impact. **This requires a response to the Complainant within three (3) working days.**
 - This should be used (sparingly) for major health issues where the complaint may have disastrous impacts on either human, the environment or PSAC itself.
 - Also, this could be used in a situation where the complainant may be in a position to influence or make public statements that would impact upon the PSAC reputation.
- **Priority 2, - non-urgent**, lower health environmental and social impact. This requires a response to the complainant within 2 working weeks.
 - This should be used for most complaints with individual stakeholders, as this allows a reasonable time to collect information and produce a balanced response.
- Discretion and flexibility should be exercised in prioritizing all complaints
 - The staff member logging the complaint should review the complaint and its priority with the Sub-project/ PSAC Project Manager before proceeding to the next step.
 - The Sub-project/ PSAC Project Manager will decide on the appropriate person(s) to carry out subsequent steps, including the investigation.
 - **All Priority 1 complaints must be escalated immediately to the PSAC Project Manager.**

ii) Acknowledge

Ensure that every complaint receives a formal written acknowledgement, containing an expectation of when they will receive a response, and the person dealing with it.

- All complaints, regardless of priority, should receive a pro forma acknowledgement sent out 1st class mail on the day of receipt.

iii) Assess &Investigate

Follow up all aspects of the complaint, both internal and external, to ensure that the key facts are identified and clarified.

- The priority of the complaint will drive the timescale for completion (3 days for urgent or 2 weeks for non-urgent).
- All areas of interaction and communication should be established (who, what, where, when, why, etc.) and documented where possible.

iv) Resolve & Confirm

Ensure that the final resolution is clear and fair. Also confirm the proposed action and resolution with another senior person (PSAC Management).

- Ensure that the proposed resolution meets corporate guidelines and does not prejudice PSAC in any unnecessary legal or financial manner.
- Document the proposed action and discuss and agree with the PSAC Project Manager.
- Discuss and review the solution from both the corporate and complainant viewpoint to ensure fairness and clarity.

- The review should include recognition and documentation of any underlying issues that have contributed to the complaint and recommendations for actions to prevent further occurrence.
- This should then be reviewed as part of the bi-monthly quality assurance reviews.

v) Respond to Complainant

Provide the Complainant with the resolution within the timescales promised.

- The details of the findings and proposed resolution should be clearly explained (in written or verbal form as appropriate) to the complainant- within the agreed timescales.
- If this cannot be done on time the Complainant should be contacted by telephone to request further time.

vi) Appeal & Follow

Ensure that complaints are followed up to confirm that the complainants are satisfied with the response given. If not satisfied the Complainant is advised on the route for Appealing

- All Priority 1 complaints and 95% of priority 2 complaints must be followed up within a reasonable timescale.
- This will be carried out by PSAC Administration team / PSAC Project Manager's office.
- The follow-up should identify the following
 - Is the complainant satisfied with the response?
 - Did they feel that their complaint was properly and fairly handled?
- Any negative responses to these questions should be referred to PSAC Project Managers for action and direct follow up with the complainant.
- The complainant is given room for appealing to the MINAGRI or Courts of Law, if he is not satisfied.

vii) QA & Close

Ensure that the PSAC as a whole is aware of the complaints and any underlying issues. Plan actions to remove these and prevent future recurrence.

- All complaints should be reviewed monthly as part of the quality assurance review meetings.
- Any complaints where action can be taken to avoid recurrence must be acted upon and raised with the appropriate managers/teams across the PSAC.

7. IMPLEMENTATION ARRANGEMENTS

7.1 POSSIBLE IMPLEMENTATION ARRANGEMENTS

The following is a description of arrangement responsibilities and mechanisms for seeking FPIC, as well as the role of independent, impartial entities to monitor the the FPIC implementation process.

The lead implementing agency for the project is MINAGRI with the assistance of NAEB. NAEB will be tasked with the day-to-day coordination, planning and management of select project activities.

Due to the multifaced nature of PSAC, a project steering committee (PSC) will be established and will contribute to the project oversight.

The NAEB will spearhead the implementation of the FPIC process and will be assisted by several key implementation ministries who have staff down to district level. The structure of the implementation is outlined in figure 7-1 below.

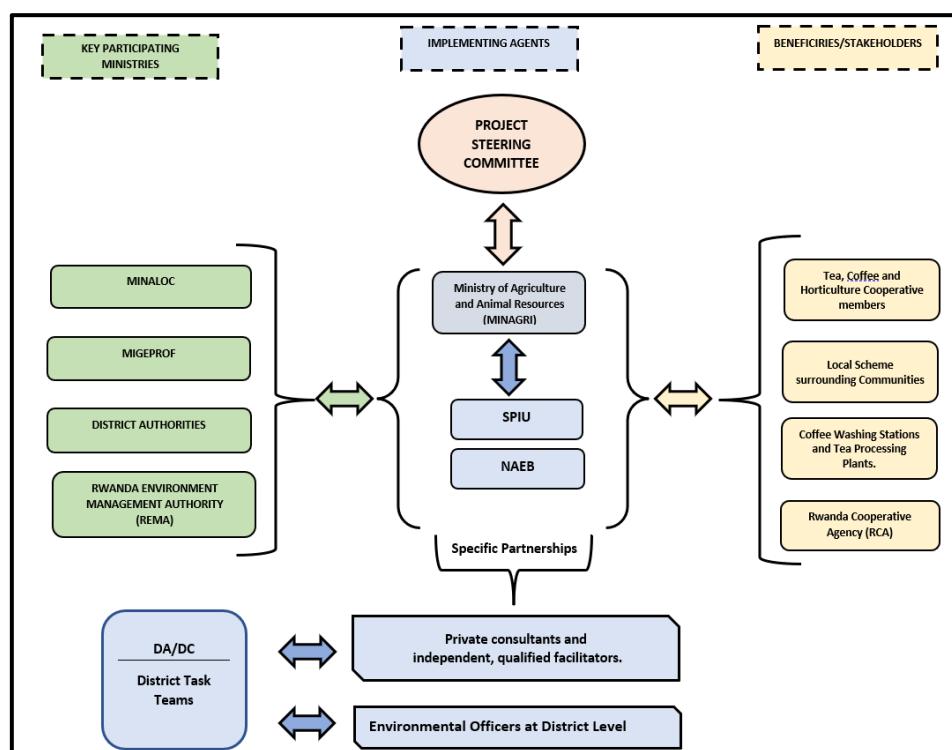


Figure 7-1 Implementation Arrangements for FPIC.

NAEB staff with their District teams comprised of the staff from the key implementing partners will be capacitated by undergoing training as explained in section 5 of this report. The target beneficiaries will similarly be capacitated. All the training will be conducted by designated Ministries or private consultants. Once capacitated the teams will start the consultation processes leading to FPIC. This process will also be assisted with private consultants.

7.2 ASSESS FPIC IMPLEMENTATION.

To assess FPIC implementation, the appropriate indicators for measuring progress towards and/or attainment of agreed terms will be defined and linked with a timeframe in the FPIC agreement. Subsequent workshops and stakeholders' reviews of the FPIC plan may also amend the various indicators to be established in the FPIC agreement. Joint supervision missions assessing project progress will also assess the implementation of FPIC agreements on a regular basis. Whenever possible, supervision and evaluation missions would include experts of relevance.

8. BUDGET AND FINANCING

The following is an itemized budget for undertaking the FPIC activities described in this report.

Table 8-1 Estimated Budget for FPIC Implementation (US\$)

No.	ACTIVITY	ESTIMATE (US \$)
1	Conduct sociocultural and land tenure assessment	50,000.00
2	Identify decision-making institutions and representatives	-
3	Capacitate the implementors and the stakeholders - Environmental and Social Training	113,000.00
4	Conduct consultation leading to FPIC on the proposed project/specific component/activities	50,000.00
5	Formalize the consent agreement	5,000.00
6	Assess FPIC implementation: - Monitoring and evaluation purposes (R&D, M&E, Field Visits)	40,000.00
7	TOTAL (US \$)	258,000.00