

Japan's Country Development Cooperation Policy for Rwanda

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1. Purpose of Development Cooperation

The Government of Rwanda has set forth Vision 2020 (formulated in 2000), a medium and long term national development vision, with an aspiration to transform Rwanda into a middle income country, by achieving its income per capita from 220 USD in 2000 to 1,240 USD by 2020. Aiming at this objective, the Government has actively engaged in the development including economic growth, poverty reduction and job creation, based on the Second Economic Development and Poverty Reduction Strategy (EDPRS 2), and has achieved impressive economic growth. However, 39.1% of the population is still obliged to live under the poverty line and around 40% of its revenue relies on foreign aids. For securing steady economic growth in the landlocked country Rwanda, it is essential to stimulate not only the domestic economy but also the regional economy within the EAC¹.

The Government of Rwanda has recovered from the conflict and has also achieved the remarkable accomplishment on MDGs. In fact, though Rwanda is regarded as one of the model countries of post-conflict recovery and economic growth, it is still important to support Rwanda from the perspectives of the stabilization of the Great Lakes Region and "Consolidation of Peace". Also, assistance to Rwanda, which aims to realize poverty reduction through economic growth, is consistent with Japan's Development Cooperation Charter and assistance policies expressed in the TICAD² process.

2. Basic Policy of Japanese ODA to Rwanda: Promotion of sustainable growth, poverty reduction and job creation

Taking into account the Sustainable Development Goals (SDGs), Vision 2020, which aims at becoming middle-income country and the Division of Labor (DoL) among development partners, Japan contributes to sustainable growth, poverty reduction and job creation in Rwanda through supporting "Economic Infrastructure Development (Transportation, Trade Facilitation and Energy)", "Agricultural Development (Promotion of Market Oriented and Value Added Agriculture)", "Social Service Improvement (Sustainable Safe Water Supply and Sanitation Service)", "Human Resources Development for Sustainable Growth and Job Creation (Science and Technology Education and Training)".

3. Priority Areas

(1) Economic Infrastructure Development (Transportation, Trade Facilitation and Energy)

¹ East African Community (EAC): Regional inter-governmental organization that is composed of Kenya, Tanzania, Uganda, Burundi, Rwanda and South Sudan.

² Tokyo International Conference on African Development: TICAD was launched in 1993 under the initiative of Japan. Among others, the U.N., UNDP and the World Bank are the co-organizers of TICAD. TICAD VI was held in Kenya, for the first time in Africa, in Aug. 2016.

In order to contribute to sustainable economic growth in the landlocked country of Rwanda, Japan supports economic infrastructure development through the trade facilitation on international corridors from the viewpoints of regional integration within the EAC. Specifically, Japan provides assistance in the hard infrastructure that includes rehabilitation of electricity facilities as well as construction of main roads, trade facilitation facilities such as custom houses. In addition, Japan effectively supports the soft aspects by strengthening the maintenance and management capacities of facilities, developing the EAC's standardizations for regional integration and introducing the OSBP³ and building capacities of customs.

(2) Agricultural Development (Promotion of Market Oriented and Value Added Agriculture)

While approximately 70 % of working population in Rwanda relies on the agriculture sector, the sector suffers from disadvantages deriving from the small-scale operations due to the high population density within the limited cultivable lands. In order to improve the productivity and profitability in agriculture which also contributes to the poverty reduction, Japan provides technological assistance that is needed by farmers on-site as well as policy development to support government officials. In concrete, Japan aims at enhancing the productivity in agriculture by encouraging the irrigation, promoting the market-oriented activities in agriculture and enhancing the whole food value chain which comprises overall production, postharvest treatment, distribution and sales that include the SHEP⁴ approach.

(3) Social Service Improvement (Sustainable Safe Water Supply and Sanitation Service)

The Government of Rwanda aims at providing all people with safe water and sanitation service. Japan provides comprehensive assistance in the water and sanitation sector including the development of operation and maintenance systems, and particularly targeting Eastern Province where the coverage of water supply is the lowest in the country. Japan enhances not only the rural water supply but also urban water supply including the capital city of Kigali that has growing demand of the water supply owing to the rapid urbanization. In addition, Japan promotes the quality of sanitation through the awareness-raising activities in that area.

(4) Human Resources Development for Sustainable Growth and Job Creation (Science and Technology Education and Training)

Human resources are important foundation for sustainable growth. "Knowledge-based Economy" is one of the pillars of Vision 2020, which places a strong emphasis on strengthening science and technology education, ICT, in particular. Japan supports Rwanda's science and technology education and training to enhance the economic growth and to promote job creation by providing both female and male youth

³ One Stop Border Post (OSBP): One of the operational styles at customs that is newly launched to enhance the efficiency of the custom clearance and administrative procedures.

⁴ Small Horticulture Empowerment Promotion (SHEP): One of the marketing strategies for farmers to enhance the income of farmers. It prioritizes to identify sellers before farming instead of the conventional concept that farmers strive to sell after farming.

opportunities to utilize Japanese funding schemes including the ABE initiative. In light of it, Japan also provides assistance to improve the quality of education that is the fundamental component of the human resource development and establish and disseminate the academic-industrial collaboration models.

4. Points to note

(1) Aid coordination has been advanced in Rwanda. Within the framework, Japan has been designated as the co-chair in the water and sanitation sector.

(2) VISION 2020 advocates active utilization of ICT as a catalytic tool in various sectors to transform the current industrial structure toward the “knowledge-based economy”. Through the implementation of ABE Initiative, Japanese private firms and local governments have increased their interests to partner with Rwanda in the ICT sector. In line with VISION 2020, Japan also promotes ICT applications in both public and private sectors as well as the afore-mentioned four priority areas.

(3) The Government of Rwanda is proactively working towards achieving SDGs. The establishment of SDGs Center for Africa in Kigali is one example that represents its strong commitment.