MINISITERI Y'UBUHINZI N'UBWOROZI



MINISTRY OF AGRICULTURE AND ANIMAL RESOURCES

OFFICE OF THE PERMANENT SECRETARY

Kigali,...**2.5**. JUL..**2018**.... N°. 13.84111.3=15P.

To,

The Permanent Secretary and Secretary to the Treasury Ministry of Finance and Economic Planning

KIGALI

Dear PS/ST,

Re: Submission of MINAGRI Forward Looking Joint Sector Review Report (2018/19 FY)

This is to officially submit the report of the Forward Looking Agriculture Joint Sector Review for FY 2018/19 held in June 2018. The report contains among other items:

- > Overview of PSTA 3: The Journey continues
- > Areas prioritized during the planning and budgeting process
- > The 2018/19 sector targets and related policy actions
- > Policy and Analytical Work
- > Linking Sector Outcomes Budget programme and sub-programmes
- > Targets and Policy Actions for the Sector Indicators Matrix
- > Targets and Policy Actions for NST 1 Indicators Matrix
- > Sector Priority Analytical Studies for 2018/19
- > Progress against 2017/18 Policy actions

Kindly find herewith attached the official full report and the annexes requested in the Terms of Reference issued by your office, for your consideration.

Thank you for your kind collaboration.

Jean Claude KAYISIN Permanent Secretary

Cc:

- Hon. Minister of Agriculture and Animal Resources
- Hon. Minister of Finance and Economic Planning
- Hon. Minister of State in Charge of Agriculture



MINISTRY OF AGRICULTURE AND ANIMAL RESOURCES

FORWARD LOOKING JOINT SECTOR REVIEW Fiscal Year 2018 - 2019

REPORT

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1. BACKGROUND AND RATIONALE

The Joint Sector Review forums bring together all Sector Working Group (SWG) stakeholders to engage in policy dialogue and to ensure ownership, accountability and transparency of the NST 1 implementation and monitoring process, operationalized through the fourth phase of Strategic Plan of Transformation of Agriculture (PSTA 4).

The 2018/19 Forward Looking Joint Sector Reviews coincide with the end of PSTA 3 and the beginning of PSTA 4 have four (4) main objectives:

- i. To present and discuss areas prioritized during the planning and budgeting process.
- ii. To discuss and validate the 2018/19 sector targets and related policy actions.
- iii. To select policy related studies to be conducted in 2018/19 fiscal year.
- iv. To assess progress towards implementation of the 2017/18 policy actions.

2. OPENING REMARKS

The Permanent Secretary of the Ministry of Agriculture and Animal Resources thanked the broader community of Development Partners (DPS), NGOs, Civil Societies, Private Sector and line Ministries for their support to the development of Agriculture Sector in Rwanda.

By highlighting the objectives of the Forward Looking Joint Sector Reviews for FY 2018/19; the Permanent Secretary pointed out the demanding agenda of the years ahead which will be under the new Strategic Plan for Agriculture Transformation (PSTA 4).

He pointed out to the lessons learned from the past strategy (PSTA 3) as follows:

- Ensuring that future policy actions are well-grounded in research and analysis.
- Attracting the necessary investments to back up our policy goals, whether that is coming from public or private sources;
- Active listening to those who grow, process, trade and export agriculture products;
- Creating an enabling environment and putting required resources to de-risk the sector

He also emphasized about the way forward in the implementation of PSTA 4, "We need continued support from our partners to build sectorial resilience against climatic shocks, and to increase the portfolio of agricultural finance by developing suitable products and bringing sector actors to invest massively in this sector, which should employ a big number of Rwandan population." The invitation was extended to all attendees to think strategically about how to bring more innovations towards agriculture sector development in Rwanda.

1. The Co-Chair (European Union) in his remarks, on behalf of the Development Partners, thanked the Ministry of Agriculture and Animal Resources for the progress achieved in the agriculture sector. He thanked for a clear budget with clear lines and praise for the parliament for its role in the budget revision supporting the Rwandan Agricultural Board (RAB) who were allocated an additional RWF 9.5 billion, taking their budget up to REF 85 billion and also for these budget priority actions closely linked to the PSTA4, DPs appreciate the important push for research including developing technologies integrating soil, water and agroforestry to increase Crop-livestock productivity, these topics are important and can generate complementary options to fruit trees.

He emphasizes the primordial role in focusing on Research, Technology, Crop productivity which will impact high yield in the Agriculture sector.

The development partners encouraged a more robust involvement in extension and Advisory services which is important for the sector. The Co-Chair ended his remarks by encouraging MINAGRI for promoting the growth of the Agriculture sector and committed to a renewed engagement throughout the implementation of the national agriculture strategy (PSTA 4).

3. THE JOURNEY CONTINUES

The Director General of Planning (MINAGRI) presented an overview of the PSTA 3 journey as well the way forward with the PSTA 4.

Timeline:

- PSTA 3 started in 2013 and will end in June 30, 2018
- During the implementation of PSTA 3, more than 30 SWG meetings and 10 JSRs were held. More than 120 members were actively involved throughout the implementation of PSTA 3.

Alignment:

- The PSTA 3 was in line with National strategies: Vision 2020, EDPRS II
- It was also in line with the International and Regional strategies: MDGs, Malabo declaration.

Strategic goals:

• The strategic goals of PSTA 3 was to shift from subsistence sector to market oriented sector and to achieve high growth by increasing rural income and poverty reduction.

The DG planning highlighted also the 4 priorities of PSTA 4. They include:

- Innovation and extension: The focus will be to accentuate partnership between the Ministry and academic institutions (Universities) and Private sectors. It will embolden the existing extension model.
- Productivity and Resilience: The emphasis will be to increase in land productivity through High-Tech intervention and the exploitation of aquaculture and Girinka to quote this few items.
- Inclusive markets & Value addition: This section will deal with market infrastructure and the needed support required by farmers to have negotiation power in the market (local and regional). The section also will underline the necessity to digitalize the sector to allow dissemination of markets information (via eSoko+)
- Enabling environment & Responsive institutions: This priority will put more focus on the promotion of the sector coordination, Public private dialogue and the establishment of ALIS to facilitate private sector investor access to land for rent or for purchase.

The DG planning also showed to the participants different National Targets to be achieved by 2024 in agriculture sector. They are summarized in the following table:

Table 1: Agriculture National Targets by 2024

Baseline (2016/17)	Target (2024)	
48,508	102,284	
25	50	
635,603	980,000	
52	75	
32	75	
184,814	260,052	
295,495	350,431	
5.2	10.4	
	48,508 25 635,603 52 32 184,814 295,495	

4. AREAS PRIORITIZED DURING THE PLANNING AND BUDGETING PROCESS

The 2016/17 backward looking JSRs held in November 2017 identified broad priority areas for consideration during the 2018/19 planning and budgeting process. In accordance with the Terms of Reference issued by the Ministry of Finance and Economic Planning /MINECOFIN, the Planning and Budgeting Specialist/MINAGRI made a presentation to demonstrate the linkages between the identified priorities and the sectorial plan and budget for FY 2018/19. The link between the Sector Outcomes, Budget programme and sub-programmes is summarized in **Annex1**.

Key point of discussion:

- Participants were informed that the budgetary allocation for FY 2018/2019 were made in order to emphasis the identified sectorial priorities and to focus on the growth drivers that would help the sector to meet NST 1 growth targets. The total budget allocated to the Ministry' plans and investments for FY 2018/2019 is Frw 119,990,068,802 including earmarked transfers (Annex 1).
- During the FL-JSR meeting, stakeholders requested to know the budget allocated to extension services. An additional concern of the DPs was linked to the sustainability of the advisory services: is the dedicated budget will be dedicate only on new services or the previous services will be also supported? If it is not the case could we consider continuing to support them?

MINAGRI informed meeting participants that the budget allocated to Extension Services and Technology Adaptation and Skills Development for 2018/19 was Frw 1,207,498,538 including the budget transferred to district as Earmarked Transfers. In addition, the Ministry informed the participants that there is a new project called "Customization of agriculture extension project" which will expand the extension services by creating more forum at farms level and involving the private sector through PPD coordination and Universities.

The current budget is dedicated to public extension services. In line with PSTA4, the first year of implementation shall be directed to public extension services at district level to catalyze commercial farmers to embrace the concept of private extension and advisory services.

 Question about budget allocated to aquaculture and fisheries was asked in order to clarify the exact amount allocated under this project.

MINAGRI in its response informed the participants that aquaculture (Fisheries) is a private investment business. However, the Government allocated Frw 200,000,000 to support the capacity building in this sector.

• In this fiscal year 2018/19, important budget allocations are planned for traditional export crop development (5 million euros) and export diversification (9 million euros), DPs expect that this activities will be based on a strong coordination between MINAGRI/NAEB and MINICOM, how this coordination will be put in place?

MINAGRI has a existing coordination mechanism between ministries and agencies related to the sector (e.g., MINECOFIN, MINICOM, RDB, MINIFRA, RCA, REG, EWSA and PSF) and the private companies where all the stakeholders participate in delivery of joint performance contract (Joint-Imihigo).

5. SECTORIAL TARGETS AND POLICY ACTIONS FOR 2018/2019 FY

• Partners asked if there are any mid-term strategy to make available local seed to farmers. Would these seeds also include resistant varieties?

In the response, MINAGRI informed that the strategy is under finalization and will be shared with DPs when published.

The Seed road map is currently finalized. It is a blue print for increasing local seed production and involves variety development through research, early generation and certified seed production. The latter shall be done by the local seed multipliers and seed companies.

Giving an example of maize, RAB breeders have developed high yielding hybrid maize varieties that include: RHM104, RHM1402, RHM1407, RHM1409, RHT132 and RHMM113 adapted to mid altitudes and RHMH1520 and RHMH1521 adapted to highlands. Hybrid maize varieties RHM1402, RHM1407 are tolerant to MLN disease while RHM1402 and RHM104 are drought tolerant.

Already, certified seeds of RHM104, RHM1402, and RHM1407 have been produced and shall be distributed during the coming Season 2019A. The seed road map also covers local production of other crops, such as beans, soybean, wheat, rice, cassava, Irish potatoes and bananas. There are new varieties are in the pipe-line for release for beans, soybean, cassava and wheat. Furthermore, the strategy emphasizes building the capacity of local seed multipliers and seed companies to produce early generation and certified seed.

• Development partners requested to know the availability, access & utilization of seeds by the farmers.

The participants were informed by MINAGRI that the Government of Rwanda (GoR) created demand by decentralizing subsidies schemes and by strengthening the demonstration in partnership with the private sector. The Decentralization of input will be applied during 2018/19 fiscal year and it will help the farmers to easy access inputs.

• Partners asked to know the role and contribution of private sector in irrigation development.

To address this question, MINAGRI has invited the private sector to invest in different strategic areas (marshland, hillside and small-scale irrigation).

• Participants requested to understand why the quantities of fertilizer is increasing while agroforestry was the mitigating factor for fertilizer increase.

To address this issue, The Ministry informed the participants that even if the fertilizer is planned to increase to 75kg per ha, it is not only a reflection of Agroforestry performance, for in many cases even Food secured country uses high quantities of fertilizers that exceed the projected quantities of PSTA 4. The relevant issue in increasing the fertilizer is more related to the correct fertilizer management and not the increased use of fertilizers.

• Partner ask to know if there is any additional intervention beside Radical Terraces to increase the area protected against soil erosion.

To answer this question, MINAGRI informed the participants that erosion control interventions also includes progressive terraces.

• DPs concern was also on priory No. 2 on eradicating malnutrition by promoting nutrition sensitive agriculture and food security where the focus has been mainly the strategic food reserve. While the strategic food reserve act as a backup in case production cereals and grains are not sufficient, there are probably more aspects to consider under nutrition sensitive agriculture Priority 2.

Priority Area 2: Eradicating Malnutrition: By promoting nutrition sensitive agriculture and food security							
MT of maize and beans stored as a strategic food reserve	10,000 MT of maize and 5,000 MT of beans (not cumulative)	10,000 MT of maize and 5,000 MT of beans (not cumulative)	Grains (maize and beans) stored by Districts and Private sector collected				
Enhanced food security and nutrition	Maize and beans stored as a strategic food reserve (EDPRS II)	101,456 MT stored (68,668 MT of Beans and 32,786 MT of Maize)	Validate guidelines to mainstream nutrition in agricultural activities				

The outcome indicators, baselines and policy actions are not coherent. The focus is on quantity of maize and bean store as strategic reserve while the policy action is on validation of guidelines to mainstream nutrition on agricultural activities. There is need for MINAGRI to review the details under Priority Area 2.

MINAGRI is not only supporting the reserve food but has also some programs which are focused on food-based approach to agricultural development that puts nutritionally rich foods, dietary diversity, and food fortification at the heart of overcoming malnutrition and micronutrient deficiencies. For the last fiscal year, MINAGRI in partnership Agri-TAF has developed the NSA guidelines which is aligned to the new PSTA 4 and the purpose was on how to mainstream nutritional considerations (e.g. nutrient-density, avoiding nutrient loss, ensuring nutritional outcomes) into existing and new agricultural policies, programmes, and plans.

In additional to this, MINAGRI has developed the Kitchen guidelines for helping the householders to improve dietary diversity and nutritional outcomes through on-farm consumption of vegetables and fruit. Finally, MINAGRI in partnership with Agri-TAF has also mapped stakeholders involved in NSA into PSTA 4 with the objective to increase the understanding of how NSA-type resources are currently included in programmes, identify gaps, and identify options for closing the programming gaps through coordination of the Nutrition Sub-sector Working Group (NSSWG) members.

6. POLICY RELATED ANALYTICAL WORKS FOR 2018/19

- Partners requested to know the timeline and budget for each and every presented policy related analytical works. In response, MINAGRI informed the participants that this will be captured in future presentation.
- They also asked to understand if there is any cost reduction study that was done on food crop in the past 6 years. MINAGRI informed the audience that the study was done by IFPRI titled, 'Comparative Analysis Assessment of Crop in Rwanda'.

7. MEETING CLOSING

The Permanent Secretary of the Ministry of Agriculture and Animal Resources repeated to the participants of the main objectives shared in the presentation, as well as briefly reminding them of the outlined plans of the next fiscal year 2018/19.

The PSTA 4 Business official launch of June 28, 2018 were hinted as a reminder to all who had registered for the events. All Agriculture Sector Working Group members were invited to participate in the 'Agrishow' activities scheduled in the last week of June 2018.

The Permanent Secretary reiterated his invitation to all stakeholders (DPs, University, NGO and Civil Society) to continuously partner with the Ministry of Agriculture and to be more engaged as it was the case during the implementation of the past strategic plan (PSTA 3).



8. SIGNATURES

Jean Claude KAYISINGA

Permanent Secretary

Ministry of Agriculture and Animal Resources

En Proprolique du Rwanda Rwanda

Arnaud DE VANSSAY

Team Leader Rural Development

European Union

Annex 1: Linking Sector Outcomes Budget programme and sub-programmes

PZ

2,617,050,000		111,000,000	90,575,000	6,941,610,414	100,104,629,802	19,885,439,000	119,990,068,802
1. Agriculture Sector Planning, Coordination, 2,617,050,000	r mancing and miormation systems	2. Animal Resources Policy, Strategies 111,000,000 Development	3. Crop Policy and Strategies Development	Administrative And Support Services			
ENABLING ENVIRONMENT AND 1.	KESPONSIVE INSTITUTIONS			Administrative And Support Services	Total	Earmarked Transfers	Grand Total
4							

Annex 2: Targets and Policy Actions for the Sector Indicators Matrix

Sector outcome	Sector outcome indicators (not exceeding 10 including NST1 Core indicators)	Baseline (2016/17)	2018/19 Targets	2018/19 Policy Actions / priority outputs (maximum of 2 per each indicator)
	Economic Transfo		AT STATE OF THE PARTY OF THE	
Pri	ority 6: Modernise and increase prod	luctivity of Agi	riculture and liv	estock
Increased productivity,	MT of yield/ha (key crops)	Maize: 5 Rice: 6.2	Maize: 5.7 Rice: 7.3	1. Ensure timely distribution of
quality and		Rice, 0.2		inputs (seeds & fertilizers)
sustainability of crop production		Bush Beans:1.7	Bush Beans: 2.3	2. Capacity building of farmers
		Climbing Beans: 3.2	Climbing Beans: 3.6	on good agriculture practices
		Irish potatoes: 30.7	Irish Potatoes: 33.3	praetices
		Wheat: 3.35	Wheat: 3.6	
		Soybeans: 2	Soya beans: 2.6	
		Banana: 18.6	Banana:20.6	
		Cassava: 25	Cassava: 27.6	
	Ha of land under irrigation (hillside and marshland)	M: 36,521.1 ha H:11,986.9 ha T: 48,508	M: 37,301.1 H: 14,645.9 51,947 (cumulative)	Finalize irrigation master plan
	Ha of land under mechanization	35,000	41,000 (cumulative)	Mechanization center at Rubilizi established
	Ha of consolidated land per season	794,267 (Season A) 543,990 (Season B)	818,667 (Season A) 671,023 (Season B)	Farmers are mobilized on season preparation(land use consolidation and inputs use)

Sector outcome	Sector outcome indicators (not exceeding 10 including NST1 Core indicators)	Baseline (2016/17)	2018/19 Targets	2018/19 Policy Actions / priority outputs (maximum of 2 per each indicator)				
	Ha of radical terraces constructed	110,041.4	115,041.4 (cumulative)	Develop and disseminate guidelines for the construction of radical terraces				
Improved post- harvest management and agro processing promotion	Number of warehouses constructed	218	223 (cumulative)	NSGR:1 warehouses PASP: 4 warehouses constructed				
Increased revenue from coffee, tea and horticulture	MT of green coffee produced	19,230	24,500	4,000 MT of mineral fertilizers and 8,500 liters of pesticides purchased and applied				
	MT of made tea produced	25,565	30,240	100 families resettled in Rugabano and 5,000 tea professional pluckers trained				
	MT of fruit, vegetables and fruit	20,200	33,600	Horticulture companies mobilized and supported to attend exhibition				
	Social Transform	mation Pillar						
Priority Area	Priority Area 2: Eradicating Malnutrition: By promoting nutrition sensitive agriculture and food security							
Enhanced food security and nutrition	MT of maize and beans stored as a strategic food reserve	10,000 MT of maize and 5,000 MT of beans (not cumulative)	10,000 MT of maize and 5,000 MT of beans (not cumulative)	beans) stored by				

Annex 3: Targets and Policy Actions for NST 1 Indicators Matrix

No	NST1	Indicators	Units	Baseline	Targets		Responsibility for reporting		
	Outcome			2016/17	2018/19	Policy Actions	for reporting		
Eco	nomic Transfort	nation Pillar							
K.	Prio	rity 6: Modernise	e and inc	rease produc	tivity of Agricu	lture and livestock			
14	Increased productivity,	Yield/ha (key crops – Maize,		Maize: 5	Maize: 5.7	Develop and validate			
	quality and sustainability	Beans, Irish potatoes)		Rice: 6.2	Rice: 7.3	multiannual implementation			
	of crop production	potatoes)		Bush Beans:1.7	Bush Beans: 2.3	plan for National Soil			
				Climbing Beans : 3.2	Climbing Beans: 3.6	Conservation & Land Husbandry 2. Agriculture Finance Service Strategy finalized			
			MT/ha	Irish potatoes: 30.7	Irish Potatoes: 33.3		Agriculture		
				Wheat: 3.35	Wheat: 3.6				
				Soybeans: 2	Soya beans: 2.6				
				Banana: 18.6	Banana:20.6	Finalize Irrigation Master Agricultu Plan			
				Cassava: 25	Cassava: 27.6				
		Land area under irrigation (hillside and marshland)	На	43,934	45,165.2 (cumulative)		Agriculture		
		Area under mechanization	На	35,000	41,000 (cumulative)		Agriculture		
		Area of consolidated land	На	794,267 (Season A) 543,990 (Season B)	818,667 (Season A) 671,023 (Season B)		Agriculture		

Annex 4: Sector Priority Analytical Studies for 2018/19

Sector outcome	Planned Analytical Work & Duration	Funding Source (GoR, if otherwise, specify, also state the status i.e. Secured/ Still under mobilization)
Increased productivity,	Revise Gender mainstreaming strategy	Agri-Taff
quality and sustainability	2. Customized Agriculture Extension Project (CAEP)	TECAN
of crop production	3. Agricultural Development Fund	TECAN
	4. Develop and validate multiannual implementation plan for National Soil	
	Conservation & Land Husbandry	TECAN
	5. Agriculture Finance Service Strategy	TECAN
	6. Irrigation Master Plan	RAB
	7. Development of Rwanda's agricultural biotechnology and biosafety capacity for food security and economic growth	RAB
	8. Enhancing Local Seed Production as an exit strategy from Seed imports for sustainable seed production systems in Rwanda	RAB
	9. Enhancement of safety and value addition of agricultural products (grains, fruits and vegetables, milk and meat) for loss reduction through technology development and scale up	RAB
	10. Western Province hillsides & Kivu belt- riparian land COFFEE & Tea, Macadamia Plantations	NAEB
	11. Green House for Vegetables production	NAEB

Annex 5: Progress against 2017/18 Policy actions (for the selected 10 sector indicators)

EDPRS2/sector outcome	Sector outcome indicators (not exceeding 10 including EDPRS2 Core indicators)	Baseline (2016/17)	2017/18 Policy Actions	Brief Description of Progress against implementation of 2017/18 Policy actions (This should be brief with focus on fast tracking progress since a detailed assessment will be captured in the Backward Looking JSRs)
	RU	RAL DEVEL	OPMENT	
Enhanced agribusiness environment for	Increase in agricultural finance lending	N/A	Develop National Agriculture Insurance Scheme	Achieved
agricultural enterprises			Develop National Agriculture Insurance Scheme	Diagnostic report in place It will continue in 2018/19 FY
Increased productivity and sustainability of agriculture	Area under irrigation (Marshland & Hillside); (EDPRS II)	M: 1,360.2ha H: 1,465ha T: 2,825.2ha	Update Irrigation Master Plan by end June 2018	1. Consultant hired to conduct the study 2. Inception report to be presented in the last week of June 2018 3. Draft report to be in place by August 2018
	Yield of priority crops (MT/ha)	Rice: 5.9 Wheat: 4.5 Maize: 4.7 Irish Potatoes: 26 Cassava: 13.9 Bush Beans: 2 Climbing Beans: 3.2	Validate the policy and strategy on National Soil Conservation & Land Husbandry	1. This policy action changed its name into Multiannual plan for Soil Conservation & Land Husbandry 2.ToRs to develop Multiannual plan presented and validated by the ASWG 3. It will continue in 2018/2019 FY
		Soybean: 1.3 Banana:	Validate the existing National Agricultural Policy	Achieved

EDPRS2/sector outcome	Sector outcome indicators (not exceeding 10 including EDPRS2 Core indicators)	Baseline (2016/17)	2017/18 Policy Actions	Brief Description of Progress against implementation of 2017/18 Policy actions (This should be brief with focus on fast tracking progress since a detailed assessment will be captured in the Backward Looking JSRs)
		N/A	(2004)	
Developed institutional capacity and mainstreamed Crosscutting issues	Updated gender- sensitive MIS Framework (FR) and Action Plan (AP) for the agriculture sector: Completed (C), Approved (A), Implementation initiated (II) and Fully Operational (FO). Crosscutting issues mainstreamed in agriculture	N/A	Finalize ALIS I and implement ALIS 2 Validate the environmental and social implementation manual for the Agriculture Sector	ALIS 1 finalized ALIS 2 to be developed and finalized next fiscal year Achieved
	FOUNDATION	AL AND CRO	SSCUTTING ISSU	ES.
Enhanced food security and nutrition	Maize and beans stored as a strategic food reserve (EDPRS II)	101,456 MT stored (68,668 MT of Beans and 32,786 MT of Maize)	Validate guidelines to mainstream nutrition in agricultural activities	Achieved