



AGRA

Sustainably Growing
Africa's Food Systems



Improving the
Competitiveness
of Agro-Industries in
Rwanda



Rwanda Strategic Plan:
2023 – 2027

Country context and priorities

Rwanda has a well-articulated policy framework to guide its developmental aspirations. Rwanda's Vision 2050 identifies the country's overarching objectives to transform its economy and modernize the lives of Rwandans, with the aim to reach upper-middle income status by 2035 and high-income status by 2050. Vision 2050 is anchored on five pillars: i) Human Development, ii) Competitiveness and Integration, iii) Agriculture for wealth creation, iv) Urbanization and Agglomeration and v) Accountable and Capable State Institutions.

Achievements and lessons learnt in strategy 2.0

AGRA invested over \$6 million between 2017 and 2021 with a focus on enhanced private sector involvement in seed production and distribution. The program built local capacity to train and mentor seed companies at the University of Rwanda and strengthened local markets by increased grain quality and reduced aflatoxin levels.

\$1,698,580

Policy and State Capability

Policy and State Capacity:

Memorandum of understanding was signed between Ministry of Agriculture and Private Sector Federation on liberalization of seed distribution and marketing.

65 private seeds inspectors trained among them 35 are currently authorized to inspect while waiting to be officially certified

The maize, potato, bean seed value chains were operationalized making 3 seed value chain chapters operational

Establishment and staffing of a Secretariat to support the coordination capacity of seed chapters were executed and equipped at PSF offices.

The national plant variety list of about 150 varieties was prepared ready for publication.

Development procedures for agrochemical council, procedures for registration of new agro-chemical was executed by RICA.

Regulations that promote safe use of agricultural machineries, 18 SOPs for seed testing were developed and these include the following: Sampling, Sample reception, Purity analysis, Germination tests, Handling of test results and issuance of certificates.

\$6,415,711

Farmer and Systems

Farmers and Systems Development:

Increased availability of quality seeds and substitution of seed import by locally produced hybrid maize and soybean seeds(10,341 of certified seeds of Hybrid maize, soybean and bean produced)

Increased utilization of quality seeds where the adoption of improved seeds increased 12-15% in 2016 and 35.3% in 2020(hybrid maize accounts only 52% of total improved seeds used)

Strengthened private led seed system and transfer of seed production and marketing authority to seed companies(local seed companies increased from 2 to 15 in 2020 and MINAGRI signed MOU with on PSF on liberalization of seed production and marketing)

Increased self reliance in improved hybrid varieties and other staple crops (8 hybrid of maize, 8 soybean, 10 bean released and under intensive production and commercialization)

Increased availability of agro inputs through strengthened agro dealership system where distance reduced 15 km(2006) and 1-2 km (2020)

Increased availability of EGS production to private (0% in 2017 and 70% in 2020 by local private)

Awareness of improved seeds and good agricultural practices increased.

\$933,749

Strategic Partnerships



Bank of Kigali

Worked together in digitizing the input distribution to small holder farmers and to introduce an e wallet to increase access to finance for smallholder farmers.



Africa Improved Foods

Work together on post harvest management and Aflatoxin Mitigation



Corteva

Supporting Corteva to start seed production in Rwanda



IITA

Worked together to introduce Aflasate to mitigate Aflatoxin



IBM

Develop an e logistic platform that is being used to show where maize farms are and how much maize production will be availed in a specific season in order to pre plan their logistics from farms to offtakers.

Strategy in Rwanda: 3.0



AGRA has been the trusted partner of the seed sector in Rwanda. AGRA can lead in building markets for seeds and to make sure seeds are produced according to market needs.



Private sector led crop intensification is key for the Government of Rwanda



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AGRA's convening capacity gives it a cutting-edge advantage to intervene through strengthening and scaling SMEs



AGRA has been instrumental and recognized for supporting the creation of a private led seed industry.

Overall goal

AGRA chooses to prioritize agricultural SMEs' competitiveness and sustainable access to support services as a key driver for the Inclusive Agricultural Transformation in Rwanda.

Strategic objectives

AGRA proposes to lead on investments that make maize, bean, soybean, and potato seed sector more competitive and contribute to the following 3 strategic objectives:



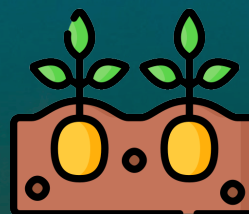
maize



bean



soybean



potato

Strategic Objective 1: Agricultural SMEs in staple crops are thriving because they sell to and buy from small scale producers in a competitive manner.

Activities under the various business lines (BL) will include but not be limited to:

- i. Strengthening the marketing and outreach strategies of seed companies to produce quality seeds.
- ii. Connect researchers and seed companies to millers and processors to understand the market requirements in terms of varieties and traits of agricultural crops.
- iii. Support new and existing aggregators, processors, and institutional markets to invest in reversed extension or backward integration models Strategic objective

Strategic Objective 2: Markets for financial and non-financial services delivery to staple crop related SMEs are private sector led, sustainable and less dependent on public funding.

Activities under the various business lines will include but not be limited to:

- i. Building the ecosystem for BDS and finance provision
- ii. Building a BDS services market that can improve the competitiveness and inclusivity of SMEs in a sustainable manner
- iii. Supporting financial institutions in reducing the cost and risk of agricultural finance
- iv. Investments in policy and advocacy work
- v. Matching grant support for business improvement and expansion.
- vi. Link SMEs with new technology, equipment, and funding mechanisms.

Strategic Objective 3: Government has enhanced capacity to coordinate and to create an enabling environment for staple crop SMEs

- i. Improve the coordination of the seed sector within Government.
- ii. Strengthen seed certification services to meet international standards and protocols.
- iii. Fill gaps and enforce Rwandan seed laws to protect and promote Rwanda seed companies
- iv. Improve the performance monitoring of farmer-based organizations through RCA assessments
- v. Support government to:
 - streamline policies on intellectual property and crop genetic material transfer from public to private
 - design and implement extension models
- vi. Create job opportunities for youth, women, and VBAs
- vii. Support the seed demand forecasting to facilitate stakeholder decision-making related to climate smart crops and varieties.

Proposed high level interventions for the country for the next 5 years

Activities	Years				
	2023	2024	2025	2026	2027
Business Line Specific Activities					
Inclusive Markets and Trade					
Build 4 strong sustainable SME in the four value chains over three consecutive years to implement reversed extension models and include farmers in structured markets.					
Facilitate formation and strengthening of industry associations to enhance value change transparency and trust in business practices, price and market discovery mechanics and to monitor and regulate SMEs in.					
Partner with SNS to develop the output market functionality of the platform as an opportunity					
Collaborate with industry membership organizations such as Private Sector Foundations and East Africa Exchange (EAX) to be a collective voice of SMEs and to facilitate End Market.					
Promote scope ecosystems and other innovations(AgrXcel, dealroom, Value4her) approach among BDS provider and FSPs to enhance bankability of SMEs.					
Support Rwanda Cooperative Agency to improve its cooperative database (qualitative information on performance) as support to SMEs that want to deal with them.					
Seed System					
Support seed companies in the 4 value chains to develop marketing and extension strategies(agrodealer)					
Create forums where researchers, seed companies and food processors, aggregators and exporters determine the varieties to be multiplied and promoted amongst farmers.					
Identify and socialize bankable investments in the seed sectors (assets and working capital)					
Support seed companies (or BDS providers) in quality improvement to allow local seed companies to support FSPs to develop seed or agrodealers finance products based on SNS platform data.					
Sustainable Farming					
Link farmers in input and output in beans, soya and potato value chains through digital.					
Enhance access to finance for commercial oriented cooperatives in the four value chains by improving their performance and to communicating that information to finance providers.					
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Support government to promote crop insurance (through link firms and extensions)					
Promote soil health and regenerative agricultural practices along the promotion of seeds through outreach activities of seed companies and aggregators.					
Policy and State Capability					
Invest in quality assurance, laboratory accreditation and inspection services.					
Promote embedded TA to improve coordination and planning for the seed sector and value chain.					
Support gap filling in seed legislation and enforcement of contract law.					
CROSS CUTTING AREAS- SPECIFIC ACTIVITIES					
Nutrition					
Promotion of iron beans and other nutrient rich crops.					
Link farmers to school feeding programs and other institutional markets					
Climate Change Adaptation					
Agro forestry promotion					
Water shed management, irrigation					
Zero fill mechanization					
Inclusivity					
MCF proposal activities					

Delivery Model

AGRA will deliver their strategy through

- i. Providing incentive grants, consultancy and technical assistance for 'seeds markets'
- ii. Investing in building a local expert network, developing cost sharing mechanisms and supporting banks with linkages for 'business development'

Conclusion

AGRA will continue to focus on the crops that are produced by most farmers, on the largest share of agricultural land and that are key to food security and crop intensification in Rwanda. These crops are maize, beans, soyabean and potato. Yields of these crops remain below their potential, hence the opportunity for AGRA to invest and ensure Rwanda makes the next step in the IAT where agriculture start to contribute to economic growth. These crops will be complemented by interventions in the fruit tree, vegetables, and poultry sectors as these offer the best employment and SME creation opportunities for women and youth. The below map indicates where each of these target crops are mostly produced