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ANNUAL BUDGET SUBMISSION

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FY 1984 ANNUAL BUDGET SUBMISSION - RWANDA

Table of Contents

	<u>Page</u>
1. Summary Strategy Statement	2
2. Table I - Long Range Plan and Narrative	8
3. Table IV - Project Budget Data and New Project Data Sheets	11
4. Table V - Proposed Program Ranking and Narrative	16
5. Table VIII - Operating Expense Summary	19
6. Table VIII, B - Obligations for WP Systems	24
7. PL 480 - Title II	
A. PL 480 Narrative	26
B. Table XIII - Catholic Relief Services (CRS) - 1984, 1985, 1986	30
C. CRS 1984 Operational Plan	36
D. Table XIII - Seventh-Day Adventist World Service (SAWS) - 1984, 1985, 1986	47
E. SAWS 1984 Operational Plan	50
F. Bellmon Amendment Certification	59
8. AID Nonbilateral-Funded Activities in Rwanda	60

SUMMARY STRATEGY STATEMENTA. Analysis

The principal causes of poverty and the leading constraints to accelerating development in Rwanda are (1) population pressure on productive land and lack of employment opportunities; (2) low level of agricultural technology and inability to extend known technology; (3) low absorptive capacity due to limited trained manpower; and (4) geographic isolation.

Rwanda is the most densely populated country in Africa and will probably be using all of its arable land before the end of the century. Rwanda does, however, possess certain resources which have enabled its predominantly rural, agricultural economy to maintain a growth rate equal to its population growth and to stave off massive food imports. Soils are relatively rich, rainfall is sufficient for two crops per year, variations in elevation and climate allow a wide range of crops, and there is a strong work ethic among the people.

1. The Rwandan Economy. The Rwandan economy continues to perform reasonably well with real GDP growth of 4.9% in 1980. The agricultural sector, which accounted for 46% of GDP in 1980, achieved an overall increase in output of almost 10%, mainly due to an increase in the production of export crops. Manufacturing and construction industries, whose share of GDP has risen to almost 20%, recorded a combined increase of almost 16%, while output in the services sector and mining industry remained relatively stable.

2. Balance of Payments. The favorable performance of the domestic economy, however, is not reflected in the internal or external financial situation of the country. On the external side, there was a trade deficit of FRw 6.6 billion¹ in 1980. However, with an increase in net capital inflows (donor-generated), the overall balance of payments recorded a surplus of FRw 1.2 billion, down from a surplus of FRw 6.5 billion in 1979. The trade deficit in 1980 can be attributed to a deterioration in the external terms of trade, as well as to a decline in the volume of coffee exports from the exceptionally high level of 39,000 tons in 1979 to 22,000 tons in 1980. The lower level of coffee exports was due to the imposition of export quotas in 1980, while import payments for the same period increased by 28%. Imports of gasoline, diesel and kerosene alone amounted to a value equivalent to 37.5% of Rwanda's total export earnings in 1980.

3. Government Budget. The decline in coffee exports also affected Rwanda's internal financial position, since export duties are one of the major sources of Government revenue. The resulting decline of 48% in export duties was, however, compensated for by higher revenues from import duties and beverage taxes, and by a doubling of non-tax revenue, mainly in the form of a large transfer of profits from the National Bank of Rwanda. Overall, total budgetary revenue increased by 8%.

Government spending for the same period increased by approximately 26%. The ordinary budget increased by 21% mainly due to costs associated with implementing an education reform and installing a newly-created and elected National Assembly. The development budget, which is largely counterpart funds for development projects, increased by 41%.

¹IMF Country Report, July 1981.

Future prospects for Rwanda's economic development are mixed. Performance in the subsistence agriculture sector continues to be disappointing, despite increases in the acreage cultivated. Of particular concern is Rwanda's external economic situation. Heavy dependence on coffee exports, with limited possibilities for diversification, combined with a steadily increasing import bill, particularly for fuels, is likely to cause continuing trade deficits. Additionally, debt financing is becoming an increasing burden. The debt-service ratio increased from 1.3% in 1979 to 3.8% in 1980, and a further increase of 4.0% is forecast for 1981. By 1990, it is forecast that debt servicing will account for between 8-10% of export earnings and could deplete Rwanda's official foreign reserves (which at the end of 1980 were a comfortable SDR 146 million--equivalent to eight months of projected 1981 imports).

4. Exchange and Trade Policies. Having weighed, with the help of IMF studies, the impact of exchange rate appreciation and other international financial conditions on the country's exports, balance of payments, national budget, and prices of imports and domestic consumption, the Government has decided to maintain the current dollar/FRw exchange rate.

The growing exchange rate spread between European currencies and the dollar has reduced the FRw return from exports sold in non-dollar markets (e.g., tea in sterling and cassiterite tin ore sold in Belgian francs) and from major non-dollar multilateral and bilateral foreign aid payments.

However, the potential balance of payments and domestic benefits of devaluing the FRw do not weigh in favor of such a move. Devaluation would not make the price of Rwanda's coffee, tea, and cassiterite cheaper and more attractive. In the case of coffee (which provides 70% of Rwandan foreign exchange earnings and significant Government revenue), Rwanda already sells all the coffee it can under international limitations which prevent a response to any change in price.

Since devaluation would not assure greater foreign exchange earnings, and it is doubtful that devaluation would lead to a significant decrease in domestic demand for imports, the major consequence of devaluation would be to make imports (capital equipment and raw materials) more expensive, thus fueling inflation. Furthermore, while foreign exchange transfers from Europe buy fewer FRw as European currencies weaken relative to the FRw and dollar, a significant portion of these funds is spent in Europe, and to this degree, their purchasing power would be unaffected by devaluation.

As long as Rwanda is able to attract sufficient foreign aid to cover its balance of trade deficit and maintain balance of payments equilibrium, its traditionally conservative management of financial affairs tends to guard against domestic inflation which would spread throughout the economy as a result of devaluation. Further, the Government's current decision to hold the line on exchange rates specifically does not rule out a later decision to devalue, should this be favorable to Rwandan interests.

5. Price Policy. Apart from a small number of foodstuffs, for which indicative prices are announced, the only regulation on prices is a maximum margin for wholesalers of 15% of the value c.i.f. of imports, and a margin of 25% of the purchase price for retailers. The Government's decision in mid-1981 to abandon a policy of fixed prices for food crops is discussed in Section 3 of this narrative.

6. Private versus Public Ownership. The GOR generally takes a pragmatic approach to the question of public versus private ownership. Government participation is mainly concentrated in sensitive areas, such as energy supply, communication and information services, some banking and credit institutions, and in areas strategic for reasons of foreign exchange, such as coffee and tea exporting and tourism, though these are exceptions. In the transport sector, the GOR recently undertook measures to encourage private investment to supplement the activity of the parastatals responsible for passenger road transport and provided credit to entrepreneurs to purchase minibuses to be used as taxis, reflecting a realization that public enterprises were, in some cases, unable to act as efficiently as private enterprises.

The Government of Rwanda recognizes that the parastatals face serious problems. The EEC has recently completed a study of these organizations, and a program to strengthen their financial management capabilities is being discussed in an effort to improve their efficiency. It has been stated that the Government will liquidate those which are not viable, as was done recently with a public construction company, though the Government is convinced that the parastatals can play a positive role in the country's development.

B. Strategy

The long-term objectives of the AID program in Rwanda are (a) to increase food availability, and (b) to reduce the high rate of infant mortality and, paradoxically, the exceedingly high population growth. To achieve these objectives, the AID strategy is to use project funding and PL 480 assistance to:

--Build the institutional capacity and provide the human resources to carry out rural economic and agronomic research in three areas: a) farm systems, b) food storage, and c) selected crop varieties.

--Reinforce local participatory organizations, such as cooperatives, to enable them to make and implement the vital decisions relative to rural production, particularly storage and marketing of their farm crops.

--Provide information, education and services for mother and child care and for child spacing.

To this strategy will be added another element--assistance to small Rwandan entrepreneurs, such as those small businesses and cooperatives which are engaged in foodcrop marketing and food processing. This program will build on AID support to the private bean trader and grain storage and marketing cooperatives (more fully described in Section II of this narrative).

These sectors of concentration have been chosen for the following reasons:

1. Our analysis of the Rwanda situation has identified the most serious constraints to development. Marketing and storage sector is one where, with limited resources and within a reasonably short time, a significant impact could be had on improving food availability. AID has been a major donor in this sector since 1975; our program has been successful and has built a substantial base for future collaboration, particularly with the strong cooperative movement in Rwanda.

Population pressure on limited agricultural land is intense. Our program to reduce infant mortality and improve the health of mothers is combined with an effort to reduce the population growth rate.

Finally, it has become apparent that years of stagnation in agricultural research in Rwanda must be reversed if the country is to maintain the relative food self-sufficiency it now enjoys.

2. The U.S. has particular expertise to offer in the strategy sectors--an expertise built both at home and in the third world.

3. The strategy has been defined within guidelines which have evolved in AID.

The strategy continues to be appropriate to Rwanda. The program meets basic economic and developmental constraints discussed in the Analysis Section and responds to the new emphases of AID. The program will reinforce the policy changes, described more fully in the next section, already brought about by AID support to the food storage and marketing sector, and will encourage other policy changes with regard to the autonomy and structuring of cooperatives. The role of the private trader is adequately dealt with in the program, and the program will permit more stress in the area in the future, as discrete projects are implemented. Moreover, the product of the AID program will be several viable institutions which, as AID assistance is phased out, will have the human resources, experience, and physical infrastructure to go forward.

The following section details the success that AID has had in effecting several policy changes, in facilitating the entry of the private trader into the bean marketing field, and beginning to build lasting institutions for development.

C. New Emphases

Rwanda pursues the kind of policies which the U.S. administration approves in developing countries: Westward-leaning non-alignment, economic liberalism (meaning encouragement of private enterprise), and cultivation of good relations with similarly inclined neighbors. ("The Economist Quarterly Economic Review of Rwanda," 2nd Quarter, 1982).

1. The Role of the Private Sector. In the design of the Phase II of the Food Storage and Marketing Project, we have insisted that the Government marketing agency assume a major role in aiding private traders of staple foodcrops by providing them an assembly point and fumigation services as well as storage expertise and information. A strong role for small private traders and farmer cooperatives has been adopted, and AID assistance will assure that it is maintained.

To support the cooperative movement, which is potentially the strongest segment of rural private action, AID will continue providing training to cooperatives, and will foster the establishment of a network of multifunctional cooperatives over the long term. Increased use of autonomous cooperative silos to store and market food products locally will also be encouraged.

Finally, AID is proposing a project of assistance to Rwandan entrepreneurs, to begin in FY 84, providing them assistance in strengthening their small businesses and in providing a line of credit through the Rwandan Development Bank.

2. Enhancement of Institutional Capacity. AID programs in Rwanda already are active in institution-building. This is particularly true of the primary sector of concentration--food storage and marketing--where our financing has established a national agency (GRENARWA) with expertise in food storage techniques and in marketing, and where the capacity of local (cooperative) organizations to store and market for themselves is being enhanced.

Over the coming years, AID will continue in this sector, assisting in the evolution of GRENARWA into an agency which can provide technical assistance to private traders and to nonspeculative food storage entities, which have the capacity for food security stock storage and which can provide regional food supply and price stability.

In three other areas, AID has recently assumed an important role in institution-building, including (1) establishment of an Office of Agricultural Statistics in the Ministry of Agriculture to conduct a survey of the agricultural sector, to analyze the data emanating from the survey, and to provide options to national planners, and (2) support to the Rwandan National Office of Population to enable them to carry out needed demographic studies, to train personnel in MCH/FP techniques, and to make available family planning information and services.

The major AID effort over the next three to five years will be in farming systems and specific crop research. A proposal is now being discussed with the Government. Assuming agreement on the focus of the program, AID will bring to the National Agronomic Research Institute (ISAR) the capacity to study the farm and to determine the reasons which underlie farmer crop production decisions, to provide an enhanced capacity to research one or two principal crops on a sustained basis, and to institute the transfer of research results to the farmers.

3. AID's Role in Policy Change. AID will emphasize policy changes in the following areas over the next several years:

(a) Use of private traders and reliance on market prices for major staple crops. In the course of a recent evaluation of the AID-financed Food Storage and Marketing Project (FSM), the evaluation team forcefully brought home to the Government the disadvantages of maintaining fixed prices for beans and sorghum. As a result, the Government renounced fixed prices in favor of a policy of relying on market forces to determine prices. This was a major policy move which was directly brought about through an AID project. The evaluation also emphasized the reliance of the country on the very small private trader for the commercialization of beans throughout the country, especially in moving them from excess to deficit production regions.

AID's objective over the next several years will be to use our assistance to ensure that these policy decisions are maintained and to use the resources of the Government storage agency to assist the private traders to store and market beans.

(b) Autonomy of cooperatives and the cooperative movement. AID supports the cooperative movement directly, through projects for training of cooperative personnel and assistance to fledgling cooperatives, and, indirectly, by encouraging the national grain marketing board to deal with cooperatives as autonomous and private institutions. Over the near term, we will continue to hold dialogue with the Government to achieve a policy of reasonable cooperative autonomy, reflected by an

independent Federation of Cooperatives.

(c) Agricultural Research. AID will be looking for a change in approach to agricultural research rather than a strict policy change--but a change in approach to a degree that quasi-policy changes will have to be made.

Our objective will be to steer the National Agronomic Research Institute toward a farm systems approach, incorporating farming systems research and a linkage between the research station and the farmer for greater productivity, as a major component of the agronomic research program. AID will agree to participate in a broad review of research objectives and research management in Rwanda which will be coordinated by the World Bank, and will be prepared to finance a major project in farming systems research, specific crop research and research delivery.

(d) Maternal Child Health and Family Planning. The Government of Rwanda recently announced a policy of reducing the population growth rate and established a National Population Office to conduct the relevant demographic studies and to formulate a national plan for family planning. AID has been assisting in this effort for the past several years and, as the major donor in Family Planning, will be assisting over the next five years. Objectives in this area will be a concrete and detailed policy, reinforced by a program that will give a free choice to all Rwandans on attaining the desired family size. A policy and program espousing both fertility and contraception, with education information and a full range of services available for both, will be encouraged.

FY 1984 ANNUAL BUDGET SUBMISSION

TABLE I - LONG RANGE PLAN BY APPROPRIATION ACCOUNT (\$ Thousands)

Country/Office RWANDA

DEVELOPMENT ASSISTANCE	FY 1982 EST	FY 1983 EST	FY 1984 REQUEST	PLANNING PERIOD		
				1985	1986	1987
Agriculture, Rural Development & Nutrition						
Grants	4,527	3,800	3,605	5,962	8,000	6,000
Loans						
Population						
Grants		1,700	2,500	1,038		1,000
Loans						
(of which centrally procured contraceptives)						
Health						
Grants					2,000	1,000
Loans						
Education						
Grants						
Loans						
Selected Dev. Activities						
Grants			1,895			
Loans				2,000		2,000
SUBTOTAL FUNC.ACCOUNTS						
Grants	4,527	5,500	8,000	7,000	10,000	8,000
Loans				2,000		2,000
Other DA ACCTS. (Specify)						
Grants						
Loans						
TOTAL DA ACCTS.						
Grants	4,527	5,500	8,000	7,000	10,000	8,000
Loans				2,000		2,000
<u>Economic Support Fund</u>						
Grants						
Loans						
TOTAL DA AND ESF	4,527	5,500	8,000	9,000	10,000	10,000
PL 480 (non-add)						
Title I						
(of which Title III)						
Title II	2,900	2,900	3,500	4,300	4,700	5,200
Housing Guaranties (non-add)						
TOTAL PERSONNEL						
USDH (workyears)	4.3	7.0	7.0	8.0	8.0	8.0
FNDH (workyears)	3.0	4.0	4.0	5.0	5.0	5.0

TABLE I - NARRATIVE

1. Discussion of Pipelines.

A. Agriculture Education 696-0109. There has been a two-year delay in contracting for technical assistance for the project, which accounts for the large pipeline. The school construction elements are proceeding on schedule. The technical assistance team is scheduled to arrive in September 1982. With this late arrival, it is evident that an extension of the project beyond the PACD of 9/31/84 will be required if all project objectives are to be achieved.

B. Local Crop Storage 696-0107. Normally large up-front costs for technical assistance were delayed when the Cooperative Grain Storage Project (CGS 696-0108) was extended to December 31, 1982, and technical assistance being provided by the Cooperative League of the U.S.A. to the CGS project continued for the Local Crop Storage Project. The latter did not begin to pick up contractor costs until February 1981.

Prior to construction of cooperative silos, which constitutes a major expenditure under the project, a good deal of cooperative formation and training was required. Drawdowns are now occurring at the projected rate. A PACD extension of one year will probably be required.

C. MCH/FP 696-0113. The pipeline shown (Table IV) for the MCH/FP Project (696-0113) is due to two factors: (1) the obligation of FY81 funds at the end of the FY for expenditure in FY82, which is the reason that no obligations were projected for this project in FY82, and (2) the slow project start-up. The delayed start is neither unexpected nor unusual since it is a new project in a country which only recently established a positive population policy. The project also is being administered by a newly-created National Population Office (ONAPO) which is still in an organizational development phase. In addition, an unexpected delay occurred when the long-term technician selected for this project accepted another job. The process of identifying and recruiting another candidate has taken several months.

In view of the slow project start-up, we have modified the forward funding approach indicated in the FY83 ABS. Instead of obligating the remainder of this project's funds in FY84, we have reduced the planned obligations to the level indicated and are planning a final project obligation of 1.038 million in FY85.

D. Agricultural Survey and Analysis 696-0115. The funds for the project were obligated by two agreements, signed in the third and fourth quarters of FY81. Expenditures in FY82 are ahead of projections.

2. The Mortgage Situation.

There are no significant mortgage problems in the ARDN account which will affect FY84 OYB. All ongoing projects in this account will be fully funded in

FY83 except the Ag Education Project, which will require \$1.105 million in FY84. The MCH/FP project will mortgage funds in the PH account through FY85. In sum, the mortgage obligation in FY83 amounts to \$5 million, in FY84 to \$3.6 million, and in FY85 to \$1 million--all below the projected OYB's for these years. This level of mortgage will permit one new start in FY83 (Area Development, 696-0110, costing \$7-10 million over five years), one new start in FY84 (Rwandan Private Enterprises Development, 696-0121, costing \$3-4 million over two years) without resulting in serious mortgage problems in future years.

3. Forward Funding Exceptions.

Five hundred thousand dollars are budgeted for the Area Development Project (696-0110) in FY83. The obligation will occur late in FY83, and few expenditures will occur in FY83. The \$500,000 in FY83, combined with the \$2,500,000 budgeted for obligation in early FY84, will constitute funding for approximately 20 months.

4. PL 480.

Estimates given for the Title II program do not include shipping costs.

5. Personnel.

Personnel projections include an IDI at the AAO, FY83 through FY87, and an increase in the authorized ceiling for one additional USDH position in FY85. The AID USDH assigned to the Embassy JAO is not included.

FY 1984 ANNUAL BUDGET SUBMISSION

Country/Office
RWANDA

TABLE IV PROJECT BUDGET DATA

NUMBER	PROJECT TITLE	GL	OBLIGATION DATE		LIFE OF PROJECT COST AUTH PLAN	CUM PIPELINE AS OF 9/30/81	FY 1982		FY 1983		ESTIMATED U.S. DOLLAR COST (\$000)				ITEM #		
			INITIAL	FINAL			OBL	EXP	OBL	EXP	1984 AAPL	FUNDED TO MO/YR	1985	1986		1987	FUTURE YEAR
696-0100	AGRICULTURE, RURAL DEV. AND NUTRITION																
696-0103	Food Storage & Marketing	G	75	79	29102910	273	250	23	700	1105	9/86	2500	1500				
696-0107	Farm Hand Tools	G	78	78	240240	42	34	8	700	2500	6/86	2500	1500				
696-0108	Local Crop Storage*	G	79	80	25732573	2316	500	700	700	1105	9/86	2500	1500				
696-0109	Cooperative Grain Storage (OPC)	G	78	78	327327	39	39	700	700	1105	9/86	2500	1500				
696-0110	Cooperative Grain Storage (OPC)	G	79	84	51265126	1861	648	1500	700	1105	9/86	2500	1500				
696-0112	Area Agricultural Production	G	83	86**	7000	0	0	500	500	2500	6/86	2500	1500				
696-0115	Fish Culture	G	81	83	24502450	500	1100	510	400	850	6/86	2500	1500				
696-0116	Rwanda Agriculture Survey and Analysis	G	81	83	87089708	1631	650	672	450	672							
696-0119	Food Storage and Marketing II	G	82	83	21002100	1000	80	1100	800	1100							
696-0119	Cooperative Training Center (OPC)	G	81	83	897897	200	264	300	300	247							
	APPROPRIATION TOTAL						3827	3800	3431	3605		2500					
	GRANT LOAN																
	POPULATION PLANNING																
696-0113	Maternal Child Health/ Family Planning	G	81	85**	62506250	1012	575	1700	1165	2500	9/85	1038					
	APPROPRIATION TOTAL																
	GRANT LOAN																
696-0121	SELECTED DEVELOPMENT ACTIVITIES																
	Rwandan Private Enterprises Dev.	G	84	85	3900												
	APPROPRIATION TOTAL																
	GRANT LOAN																
	COUNTRY TOTAL						4527	5500	4596	8000		2000	1500				
	GRANT LOAN																
	*PYO Component																
	**Final Obligations for both projected advanced one year to conform to forward funding requirements.																

PROJECT : Rwandan Private Enterprises Development
 PROJECT NUMBER : 696-0121
 APPROPRIATION ACCOUNT: Selected Development Activities
 FY 83 FUNDING :
 FY 84 FUNDING : \$1,895,000
 LOP FUNDING : \$3,895,000

Purpose: To make available technical assistance and a line of credit to Rwandan entrepreneurs in the agro-industrial sector, who wish to make their business more efficient and to expand and/or diversify.

Problem and Response: While there is a noticeable absence of reliable statistics on the private sector, what is evident, even without the support of concrete data, is the dichotomy between a very small number of modern, mostly foreign-owned and managed, manufacturing industries, tourist hotels, and fairly large trading, transport and construction companies, and a large number of small Rwandan entrepreneurs, engaged primarily in the retail, transport and craft trades.

1. Constraints on Private Enterprise Development. The Government of Rwanda pursues a policy to encourage private enterprise, particularly Rwandan. All entrepreneurs, for instance, can benefit from the Investment Code if they fulfill certain stipulated conditions, conditions which are slightly less stringent for Rwandan nationals. There exist, however, a number of obstacles to a more dynamic private sector, the most obvious of which are the following:

a. Lack of Capital. Although it is difficult to rank-order constraints, the results of a 1980 ILO survey of the informal sector in Kigali indicated that 58% of small entrepreneurs believe lack of capital to be their major problem. Lack of, and irregularity of, demand was claimed to be a major constraint by a further 21%. Secondary factors mentioned were lack of access to raw materials and their cost.

The result of the ILO survey, however, must be interpreted with caution. The expressed lack of capital as a major constraint may actually only reflect the fact that this is the major constraint that the entrepreneurs are aware of. Lack of basic management skills may be an equally serious constraint and make it impossible to obtain credit. For instance, only 6% of the entrepreneurs had even an elementary bookkeeping system, and 100% of those engaged in services and 72% of those engaged in production allocated no time to accounting activities, suggesting that there is much room for improvement in these areas. To determine more objectively the constraints faced by these small entrepreneurs, a more in-depth survey and analysis is required.

b. Market Limitation. The small population of Rwanda in combination with extremely low income levels limits the local demand for industrial goods.

There is an obvious and recognized need to cooperate with neighboring countries who face similar constraints, in order to extend markets, to specialize production and to take advantage of economies of scale. Actions to be undertaken include removal of tariff barriers and standardization of regulations regarding transportation.

Even where markets exist for goods, there is a general lack of information as to their extent. Studies are required to estimate both potential markets for new products and methods of extending the market for existing products by advertising, product adaptation or differentiation, etc.

c. License Tax (La Patente). The Government of Rwanda has recently (September 1981) initiated a new form of license tax on all existing enterprises. The amount of the tax varies according to the type of enterprise and location, and ranges from \$170 to \$900. For public corporations, the tax is 3% of estimated taxes on revenues. Although this tax has only been collected once to date, it has frequently been cited, by both entrepreneurs and financiers, as an unjustified financial burden on commerce and industry. The exact motive behind the establishment of the tax is unclear, but sources at the credit institutions feel that the government sees it as a necessary source of income to compensate for a poorly-administered and controlled revenue tax scheme.

d. Training. There is virtually unanimous agreement that lack of training is a major constraint on the private sector. Training needs would include those of the financial institutions as well as those of the entrepreneurs themselves, and, at least for entrepreneurs, should include numeracy, business skills and some technical training or access to technical advice.

e. Credit Institution Regulations. There are five institutions which provide credit to private enterprises: the Savings Bank, a government-owned bank; the People's Bank, which has a total of 61 branches located in rural areas throughout the country; the Rwandan Development Bank, located in Kigali; and two commercial banks--the Bank of Kigali and the Commercial Bank.

The most important of these to this proposal is the Rwandan Development Bank, which is virtually the only institution willing to participate in medium and long-term lending. At present, it does not grant credit of less than 500,000 Rwf (approximately \$5,000) which can be no more than 50% of the total project costs. Officials at the RDB have recently proposed to its Advisory Board that these limits of 500,000 Rwf be reduced to 200,000 Rwf, and that their authorized participation be increased to 70% of total project costs. Such a change would allow the RDB to expand their operations and to play a greater role in financing small as well as medium-scale private enterprises.

Interest rates in Rwanda currently range from 9% to 17.4%. Credits going to investments considered productive, such as agriculture, are granted at 9% interest, whereas those considered less productive are charged up to 17.4% interest. Loans for small industry and commerce usually fall within the range of 14-15% interest.

Guarantees required by the Bank, which include the investment itself, must be in the range of 120% of total project costs. In an economy where private investment and accumulated assets are limited to a very few, these strict requirements for guarantees represent major handicaps to the potential investor. Lack of adequate guarantees is most often accountable for refusal of loans, even when the project concept is sound. The RDB is in the process of studying alternatives to the requirements of such sizable guarantees.

2. Proposed Response. It is apparent that a number of procedural and policy questions have to be resolved before a project can begin. It is proposed that, during FY83, AID engage an experienced PVO to study the private sector, with the GOR and particularly the Rwandan Development Bank, to clearly identify the opportunities for expansion and the climate necessary to permit the expansion. This would include an evaluation of present policies contained in banking regulations, the Commercial Code, etc., as well as practices which may unwittingly be preventing easier access to credit. The study would assess the needs of the private sector in terms of training, project identification and assistance in conducting a business. It is proposed that this study be carried out with regional funds which are or may become available for this purpose, or to use Program Development and Support Funds. Depending on the extent to which policy and procedural changes are necessary and can be effected in Rwanda, a Project Identification Document can be prepared by the third quarter of FY83, with a Project Paper ready early in FY84.

From discussions with small business owners and with officials in the Development Bank, a project should provide (a) technical assistance in the Bank, in a department created specifically to promote small and medium-sized Rwandan businesses, which will help in the preparation of loan requests; (b) short-term technical assistance to entrepreneurs where technical advice or special training is necessary; (c) a fund for training of entrepreneurs, using local institutions to train in accounting and other business skills; and (d) a line of credit structured to encourage the bank to provide funds to small and medium-sized businesses.

Host Country Participation: In recent years, the GOR has created several institutions designed to provide support to the private sector. Within the Ministry of Economy and Commerce, an Office for Industrial Promotion has been established, with responsibility for researching the possibilities of new industrial investments, and for preparing studies, free of charge, at the request of entrepreneurs. They will assist businessmen, wishing to establish an enterprise, to prepare proposals for the purposes of obtaining authorization from the Minister of Economy to engage in business or to present to credit institutions. Unfortunately, this office is understaffed and underequipped, and has a portfolio of prefeasibility studies which are unlikely to see any action in the near future.

In 1978, the National Office for the Study of Projects (BUNEP) was founded. In addition to preparing tender documents and organizing training sessions on project preparation, its responsibility is to prepare the documentation necessary for submitting projects for outside financing.

A Chamber of Commerce has been in nonfunctional existence for a number of years, and talks of revitalizing this institution have been underway for several months.

Finally, the GOR is planning to develop a second industrial park, and extend an existing one, primarily with a view to providing land and services to local entrepreneurs.

Target Population: The potential recipients of the technical assistance and the line of credit to be provided by the project are Rwandan owners of small and medium-sized businesses, employing between five to twenty people. The entrepreneurs will be primarily engaged in agri-related business, such as foodcrop marketing and transportation, agricultural commodity supply, and providing other services to the rural population, though other kinds of businesses should not be excluded. The multiplier effect resulting from making local business more efficient from increasing employment and from expanding markets will benefit a substantially greater portion of the economy and of the population.

Issues: The final mix of the project between loan and grant financing will result from the study mission, though it is projected that approximately \$2.0 million will be made available in grant funds for technical assistance, and approximately \$2.0 million in loan funds for the line of credit.

TABLE V - FY 1984 PROPOSED PROGRAM RANKING		Country/Office		RWANDA		
RANK	PROGRAM ACTIVITY DESCRIPTION	EXISTING/ NEW	LOAN/ GRANT	APPROP. ACCT.	PROGRAM FUNDING (\$000)	
					INCR	CUM
	<u>NEW AND CONTINUING PROJECTS</u>					
1.	696-0110 Area Agricultural Production	0	G	ARDN	1,500	1,500
2.	PL 480 Title II - CRS				(2,800)	1,500
3.	PL 480 Title II - SAMS				(1,100)	1,500
4.	696-0121 Rwandan Private Enterprise Dev.	N	G	SD	1,895	3,395
5.	696-0113 Maternal and Child Health/Family Planning	0	G	PN	1,500	4,895
6.	696-0109 Agricultural Education	0	G	ARDN	1,105	6,000
7.	696-0110 Area Agricultural Production	0	G	ARDN	1,000	7,000
8.	696-0113 Maternal and Child Health/Family Planning	0	G	PN	1,000	8,000
9.	(L/C projects, excluding PL 480 funded: No. of projects - 4; \$value - 8,000. PL 480 estimates exclude transportation costs).					

TABLE V - NARRATIVE

The principal constraints to development in Rwanda and AID's strategy to help overcome those constraints are discussed in the Summary Strategy Statement at the beginning of this document.

Several of the most important elements of the AID strategy, particularly in food storage and support to cooperatives, and certain aspects of the agricultural research, will have been funded prior to FY84 and are not included in the Table V priority ranking. Three on-going projects, and a continuation of the PL 480 Title II programs will require FY84 funds, as will an important new initiative in private sector development.

The on-going projects include the Area Agricultural Development Project (696-0110), which will have received its initial tranche of funds late in FY83. The project is an important project in AID's effort to build agricultural research, particularly farming systems research, and a strong linkage between research and extension. Forming a comprehensive package of research assistance, the project will complement ongoing socioeconomic and crop storage research efforts including an agricultural sector survey and analysis. By bringing to the national agronomic research institute (ISAR) the capacity to study the farm and to determine the reasons which underlie farmer crop production decisions, research can be better oriented to the farmer's needs. The project will be a major effort in institution-building and in the development and transfer of agricultural technology. The project is given two priorities--the first for essential funding, the second for adequate forward funding.

Funding is requested to continue several elements of the AID program to reduce infant mortality and improve the health of both infants and mothers. Both the CRS and SAWS Title II programs include important mother and child feeding components which are tied to nutrition education and self-help development efforts. These are more fully described in the PL 480 narrative in this document. The MCH/FP Project (696-0113) is oriented toward the family planning aspect of the AID mother and child health care strategy, and includes nutrition and health education and rural health care assistance.

The Title II programs are high on the list of priorities, not only because of their developmental importance to AID strategy, but also because they cannot be abruptly terminated without causing serious disruption in the country's nutrition centers and primary schools. Given the nature of funding, that there are no pipelines, any serious reduction in the program must be phased.

Like the Area Agricultural Production Project (696-0110), the MCH/FP program is given two priorities--the first for essential funding to continue the project, the second for more forward funding.

The importance of private sector development has been highlighted in a number of cables from AID/W. As detailed in the Summary Strategy Statement, AID is already involved in private sector development through assistance to private traders of beans and sorghum and more importantly through important assistance to cooperatives.

Approximately 60% of Rwandan coops consist of less than 15 members. These are artisans, brickmakers, beekeepers, shoemakers, clothiers, etc., or general

cooperative stores. They can be looked upon in a pluralistic capitalist system as a small enterprise. They have "x" number of shareholders, holding so many stocks or "social parts" which are compensated by dividends after profit per annum, and after the necessary infrastructural needs of the coop are taken care of. The Administrative Council is a board of directors, which looks after the growth of the cooperative. The "commissaire du compte" is like an auditor of the company, and the "gerant" is like a general manager.

In the Rwandan context, cooperatives promote market forces; they contribute to a healthy, varied, competitive free-market system. They are promoting individual initiatives in this sense. Some are "family coops" of a few members with the same above-mentioned analogy of a family business. Individual initiatives are promised through cooperative structures.

More, of course, must be done to ease the way for cooperatives and other segments of the private sector to become more efficient, to create employment and to contribute to the expansion of the economy. AAO Rwanda completed an in-house study, "The Private Sector in Rwanda," in November 1981, which summarizes the status of the private sector development, the constraints which inhibit its growth and suggestions for meeting these constraints. A new project is proposed for initial funding in FY84, following the necessary in-depth sector study in 1983. This study will open a dialogue with the government on the role of the private sector, and market forces, in development in Rwanda. With approval of this approach by AID/W, AAO Rwanda proposes to engage an experienced PVO to place someone in Rwanda for nine to twelve months, working out of the AAO office, to conduct this dialogue and to formulate a program for AID private sector assistance.

FY 1984 ANNUAL BUDGET SUBMISSION

TABLE VIII

(\$000)

	FY 1982				FY 1983			
	TOTAL	TRUST FUNDS	AID/W FUNDED	UNITS	TOTAL	TRUST FUNDS	AID/W FUNDED	UNITS
U.S. DIRECT HIRE	495	-	280	5	469	-	332	7
F.N. DIRECT HIRE	15	-		3	23	-		4
CONTRACT PERSONNEL	40	-		XXXXX	62	-		XXXXX
HOUSING EXPENSES	105	-		5	115	-		5
OFFICE OPERATIONS	220	-	95	XXXXX	353	-	105	XXXXX
TOTAL	875	-	375	XXXXX	1022	-	437	XXXXX
RECONCILIATION	375	-	375	XXXXX	437	-	437	XXXXX
MISSION ALLOWANCE	500	-	0	XXXXX	585	-	0	XXXXX

FY 1983 dollar-funded local currency costs are \$205,000.
Exchange rate is 91.48 FRw = \$1.00.

FY 1984 ANNUAL BUDGET SUBMISSION

TABLE VIII
(\$000)

	FY 1984 MINIMUM				FY 1984 CURRENT			
	TOTAL	TRUST FUNDS	AID/W FUNDED	UNITS	TOTAL	TRUST FUNDS	AID/W FUNDED	UNITS
U.S. DIRECT HIRE	465	-	350	7	465	-	350	7
F.N. DIRECT HIRE	25	-		4	25	-		4
CONTRACT PERSONNEL	65	-		XXXXX	70	-		XXXXX
HOUSING EXPENSES	90	-		4	145	-		4
OFFICE OPERATIONS	305	-	100	XXXXX	350	-	115	XXXXX
TOTAL	950	-	450	XXXXX	1055	-	465	XXXXX
RECONCILIATION	450	-	450	XXXXX	465	-	465	XXXXX
MISSION ALLOWANCE	500	-	0	XXXXX	590	-	0	XXXXX

FY 1984 ANNUAL BUDGET SUBMISSION

TABLE VIII

(\$000)

FY 1984 PROPOSED

	TOTAL	TRUST FUNDS	AID/W FUNDED	UNITS
U.S. DIRECT HIRE	465	-	350	7
F.N. DIRECT HIRE	25	-		4
CONTRACT PERSONNEL	70	-		XXXXX
HOUSING EXPENSES	145	-		
OFFICE OPERATIONS	350	-	115	XXXXX
TOTAL	1055	-	465	XXXXX
RECONCILIATION	465	XXXXX	XXXXX	XXXXX
MISSION ALLOWANCE	590	XXXXX	XXXXX	XXXXX

OPERATING EXPENSE BUDGET

(Summary Explanations)

U.S. Direct Hire Personnel

By the end of FY82, we anticipate reaching our authorized ceiling of seven. This includes the AID Affairs Officer, Program Officer, Health Officer, Secretary, Project Development Officer, Agriculture Officer and Agriculture IDI. Personnel-related costs are slightly higher in FY82 than in FY83 and FY84 because of the number of home leaves, transfers and arrivals. The AAO personnel ceiling for FY84 per State 131758 is listed as 6. It does not include an IDI position. IDI assignments are for 2 years. Since the Rwandan IDI will not effectively arrive until the beginning of FY83, we will require the position through FY84 and have included it in our calculations.

Foreign National Direct Hire

We anticipate hiring two additional foreign national direct hire persons prior to the end of FY82. This will bring us up to our authorized ceiling of 4.

Contract Personnel

Contract personnel include two local hire Americans, two local hire guards, a local hire secretary, and local hire program and agriculture assistants.

Housing Expenses

AAO/Rwanda will continue its practice of renewing housing leases whenever possible. One house was purchased in FY81, and we are in the process of purchasing a second. We anticipated picking up the lease on an Embassy-occupied house in late FY82. These houses combined with three existing leased houses should mean we do not need to lease more than one additional residence for USDH personnel. Thus, our lease costs should be held within reason.

Purchasing of houses has been of benefit in keeping total housing costs down. Amortized over 10 years, the benefits to the USG are substantial. Thus, we recommend that additional houses be purchased in FY83 and FY84. Projected costs for such purchases are \$150,000 each. The total number of purchased houses would remain well within current staff size. Our projected housing costs for FY84 are based on the assumption of an additional house being purchased in FY83.

Office Operations

The purchase of the building used by the AAO for offices is resulting in minimum annual savings of \$20,000. We anticipate the building serving our needs for the immediate future.

The major purchase for office operations per Table VIII, B, is WP equipment. Minimal purchase of office replacement furniture is also anticipated.

In terms of travel, we are budgeting 10 trips per year within Africa, 4 trips per year to the U.S., and 3 trips per year from AID/W to Rwanda. The within-Africa trips are primarily to Nairobi for consultations with REDSO/EA and RFMC.

Domestic operational travel will show an increase of approximately 10% because of higher air fares and per diem. Emergency travel and medical evacuations are budgeted at 6 trips to Nairobi and 2 to the U.S. Since local doctors follow the practice of evacuating even semi-serious medical problems, this is the minimum prudent projection.

TABLE VIII (B)
OBLIGATIONS FOR WP SYSTEMS (\$000)

	FY 82	FY 83	FY 84
A. Capital Investments in WP Equipment	-	\$40	-
B. WP Equipment Rental and Supplies	-	4	\$ 5
C. Other WP Costs	-	<u>6</u>	<u>6</u>
TOTAL		\$50	\$11

NARRATIVE JUSTIFICATION

AAO/Rwanda has an approved level of seven (7) USDH employees, and this level will be met by September 1982. There is also one PIT position and one USPSC professional employee. The local staff includes three (3) semi-professionals. We anticipate hiring two additional Foreign National employees by the end of the fiscal year. In addition, we average ten (10) TDY personnel per month. All of these persons spend a significant amount of their time producing material that needs to be typed and ultimately filed.

To handle the typing load, there are three secretaries--one American and two Rwandans. Because of various other demands, they cannot spend full time on exclusively clerical functions. The US secretary is required to spend much of her time on administrative functions leaving relatively little time for clerical functions. The Local Hire secretaries are, in turn, required to spend significant amounts of time keeping the files in order and working as receptionists. They are also engaged in arranging appointments, placing phone calls, and occasionally translating. All of this reduces the amount of time available to perform essential clerical functions.

The requirements levied on AAO/Rwanda are essentially equal to those of larger posts. The primary difference is that there are fewer people available to meet those requirements. This work load is further increased by the problems of needing to work in English, French, and occasionally the local language of Kinyarwanda. At least 50 percent of the documents that are drafted in AAO/Rwanda need to be typed in both English and French versions for transmittal to the Government of Rwanda. Four originals (two in English and two in French) are required of documents for signature by both the GOR and USC, such as Grant Agreements, Implementation Letters, etc. Changes in one version inevitably mean changes in the other. Thus, the total work level for all employees is exceptionally high.

Acquisition of WP equipment will be of considerable assistance in meeting the work load. The time required for redrafting, editing, and retyping will be considerably reduced. Production of multiple originals will be considerably faster. The WP equipment will be especially valuable in handling the difficulties of producing documents in two languages. It will also be of great assistance in handling

the problems of proofreading. The local hire secretaries will especially benefit. Because of the unfamiliarity with English, they cannot type final copies directly from handwritten drafts, and thus all documents now go through a minimum of two complete typewritten drafts. With WP equipment, this process would be considerably speeded up.

In terms of WP equipment, we desire a machine with two work stations that will type, reproduce and collate. Advanced functions, such as data processing or alphabetization, are not required.

P.L. 480 TITLE IINARRATIVE

Title II of P.L. 480 is the only Food for Peace Program currently administered in Rwanda. The program is implemented by Catholic Relief Services (CRS) and Seventh-Day Adventist World Service (SAWS). CRS and SAWS combined will distribute approximately 7,200 MT of food commodities in FY82. Current projections call for minimal increase in both programs with an expected distribution of approximately 10,453 MT in fiscal 1986.

The P.L. 480 Title II programs fall directly in the USAID development strategy and the development priorities outlined in the GOR's Third Five-Year Plan, 1982-1986. Through the two programs, the U.S. makes a major contribution in bringing nutritional education and increased food resources to the rural population through the instruction and information disseminated. As presented in the Summary Strategy Statement, USAID/Rwanda has determined that increasing the per capita availability of food is of highest priority in Rwanda. The second priority is to improve maternal and child health.

Developmental objectives are met by encouraging local participation in the gardening, small-animal raising and resettlement activities required of CRS centers and SAWS recipients. By engaging in these exercises, the agencies promote the notion and practice of improving cultivation techniques so that agricultural output may be increased. They also introduce new varieties of food so that nutritional impact per unit will improve. The food distribution offered at the CRS nutrition centers is targeted at raising the nutritional status of the very young and pregnant and lactating mothers. The goals of this program are in line with the mission's second priority of improving maternal and child health in order to slow the rate of population growth. By improving child and infant health through better nutrition and thus decreasing the infant mortality rate, families are less inclined to seek the security of additional children. Both programs serve the humanitarian purposes of filling the critical food resources gap which exists in Rwanda.

In the recently developed Third Five-Year Plan, the GOR has stressed the importance of instructing the rural population in the urgency of accepting new methods of agricultural production. The Plan also urges the appropriate Ministries to try to raise nutritional levels in order to assure the rural population's effective involvement in development schemes throughout the country. The SAWS FFW activities are in line with the priorities put forth by the GOR to develop the rural sector by clearing new lands for cultivation to meet the present and future food needs.

Both of the programs administered under P.L. 480 Title II are aimed primarily at improving the nutritional status of the young. The largest program which CRS operates (approximately 70,000 recipients) is the Maternal and Child Health Program for 'pre-school' children. This program assures an increase in the nutritional status of the most vulnerable age group--children

between the ages of six months and five years. Another segment of the MCH program provides a food supplement to pregnant and lactating mothers. In addition to food intervention, the two programs provide participants with the opportunity for instruction in improved methods of food selection and preparation.

Although the CRS centers are operated with a mixture of private and public support, mothers do contribute a sum of 75 RWF (\$.82) per month to help defray the cost of food storage, transport and supervision of the centers. CRS has organized the program so as to assure maximum effect for the greatest number of recipients. CRS requires that the nutritional centers maintain growth charts on each child enrolled in the program. The charts of each child's progress are kept up-to-date by the center. The monitoring is meant to demonstrate to the mother the direct relationship between nutrition and growth. The GOR requests that the nutrition centers limit the enrollment to one child per family so that more families can be brought into the program. In this way the food preparation instruction, provided for the participants, reaches a greater number of families, resulting in a generally improved rural diet. The nutrition intervention offered by the centers is directed at children under six years of age; this assures that the weakest segment of the population is given highest priority in the distribution of additional food resources.

CRS has incorporated specific development-related activities as part of the programs followed by all nutrition centers. CRS requires that all centers undertake developmental activities in return for the food aid received. In an effort to assist the centers to maintain an acceptable financial position and in part to provide materials for the nutrition education and cooking lessons, the centers engage in small-animal raising activities and vegetable gardens. These local agricultural programs introduce new techniques and food resources to the rural population, increasing the long-term food variety and improving breeding and cultivation methods.

Except for a very small welfare program, the remaining recipients (24,000) are in other school feeding programs located throughout the country. The per student costs financed by the GOR amount to approximately 30% each year. The student contributes some 10% and CRS a further 20% in the form of food aid. The remaining 40% comes in the form of donations from other outside agencies. The Government is dedicated in its support of education in the country and strives to progressively realize high goals. The School Feeding program is a necessary contribution to the GOR's effort at providing secondary education and technical training to the young throughout rural Rwanda.

It is noted from CRS' policies and activities that they have incorporated the concept of self-help into their food distribution program. The fact that the participants pay the monthly sum and contribute to the center's garden activities assures that the nutrition centers are seen as something more than simply distribution centers. The families participating in the program are required to give a verbal commitment of their intention to follow the program conscientiously and to make the required contributions. In the event that these commitments are not kept, the family is asked to leave the program.

SAWS largest operation under P.L. 480 Title II is in the area of School Feeding (approximately 16,000 recipients). By implementing the program in the prefecture of Gikongoro, the poorest region of Rwanda, SAWS brings increased food resources to those of greatest need. The primary school feeding program has recently been evaluated by a SAWS medical team working in Rwanda. The team determined that a large portion of the recipients registered improvement of approximately 20% in their nutritional status over a five-month period. In addition, as intended, school records show that student attendance has never been so high; this is directly attributable to the school feeding program.

In an effort to incorporate greater developmental activities into the FFP Program, SAWS has recently initiated a school garden project in Gikongoro Prefecture.

SAWS also operates two segments of a FFW program. One FFW program is carried out in conjunction with the school feeding program in Gikongoro. It employs some 160 cooks to prepare the lunch for the participating children. The larger FFW program, with some 8,000 recipients, is in the easternmost region of Rwanda in the area of Rusumo. Here SAWS implements a resettlement program involving 1000 families. The project includes land clearing and planting of home gardens and subsistence crops.

Present production levels of the Rwandan agricultural sector remain critically low, and until agricultural practices are improved and output increased, the country will continue to require food imports. Agricultural production in Rwanda presently averages approximately 3.8 million metric tons annually, and in order to meet the minimum per capita food requirements, Rwanda would have to import an approximate 65,000 MT of food annually. In 1980, commercial basic foodstuff imports amounted to 27,000 MT, and grant assistance programs totaled about 10,000 MT, leaving a wide discrepancy between food needs and food availability. The importation of P.L. 480 commodities offers no disincentive to local production. The program provides nutrition supplements and supplies no commodities which are produced locally. Rwanda, a country of 5 million people, has found itself to be largely food self-sufficient and has not fallen into the practice of massive food imports as have many African countries of similar size or smaller populations.

Both agencies have been recipients of Outreach Grants. The CRS grant was terminated in December 1981, after reaching its objectives of increasing their program coverage by 20% over the life of the Grant and the increasing of warehouse facilities to enable the food program expansion. CRS has applied for a second Outreach Grant, covering the period January 1982 - December 1984, in order to increase their program coverage. This would allow CRS to expand their program to all communes and into the areas with the greatest nutritional and economic need.

SAWS has been granted the second tranche of the Outreach Grant approved in FY80 (AID/SOD/PDC-G-0388). The Grant has assisted SAWS in initiating the school feeding program, Food for Work and general relief activities in Rwanda. Through the Grant, SAWS has been able to rent adequate storage facilities until construction on their new warehouse is completed.

USAID/Rwanda carries out periodic visits to SAWS and CRS warehouse facilities to verify that storage facilities offer adequate protection. At intervals during the year, the AAO, Health Officer, and other staff members, accompanied by a SAWS or CRS representative, visit the school feeding and nutritional centers. In April 1982, the REDSO/EA Office of Food for Peace carried out a Program Review of the CRS and SAWS operations in Rwanda. The evaluation concluded that both programs were well-executed and operated according to the guidelines and regulations outlined for the P.L. 480 Title II program. The mission handles all contact between AID/W, REDSO/EA and the VOLAGS, submitting all reports and calls forward and arranging for evaluations and program reviews to be carried out.

Table XIII

PL 480 Title II

I. Country : Rwanda

Sponsor's name: Catholic Relief Services - USCC

A. Maternal and Child Health (Mother & Child) :

Total Recipients : 79,000

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS (Thousands)</u>	<u>Dollars</u>
79,000	Cornmeal	1,738	432.8
79,000	NFD Milk	1,738	191.2
79,000	Veg. Oil	869	716.9
Total MCH		4,345	1,340.9

B. School Feeding -Secondary

Total Recipients : 14,300

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS (Thousands)</u>	<u>Dollars</u>
14,300	Cornmeal	257.4	64.1
14,300	NFD Milk	128.7	14.2
14,300	Rice	193.1	78
14,300	Veg. Oil	64.4	53.1
14,300	Bread Flour	193.1	55.8
Total School Feeding-Secondary		836.7	265.2

C. School Feeding - Vocational

Total Recipients : 16,500

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS (Thousands)</u>	<u>Dollars</u>
16,500	Cornmeal	181.5	45.2
16,500	NFD Milk	136.1	15
16,500	Rice	181.5	73.3
16,500	Veg. Oil	90.8	75.8
16,500	Bread Flour	90.8	26.2
Total School Feeding-Vocational		680.7	235.5

D. Other Child Feeding

Total Recipients : 3,300

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>EGS (thousands)</u>	<u>Dollars</u>
3,300	Cornmeal	118.8	29.5
3,300	NFD Milk	39.6	4.4
3,300	Rice	39.6	16.0
3,300	Veg. Oil	19.8	16.3
3,300	Bread Flour	<u>39.6</u>	<u>11.4</u>

Total Other Child Feeding: 257.4

77.6

E. General Relief

Total Recipients : 5,000

<u>NO. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS(thousands)</u>	<u>Dollars</u>
5,000	Cornmeal	210	52.3
5,000	Rice	120	48.5
5,000	Veg. Oil	<u>30</u>	<u>24.6</u>
Total General Relief		360	125.4

II. Sponsor's Name : Catholic Relief Services-USCC

FY 1985 PROJECTION

PL 480 Title II

I. Country : Rwanda

Sponsor's name : Catholic Relief Services-USCC

A. Maternal and Child Health (Mother and Child) :

Total Recipients : 86,900

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS (Thousands)</u>	<u>Dollars</u>
86,900	Cornmeal	1,911.8	476
86,900	NFD Milk	1,911.8	210.3
86,900	Veg. Oil	955.9	788.6
Total MCH		4,779.5	1,474.9

B. School Feeding-Secondary

Total Recipients : 15,700

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS (Thousands)</u>	<u>Dollars</u>
15,700	Cornmeal	282.6	70.4
15,700	NFD Milk	141.3	15.5
15,700	Rice	212	85.7
15,700	Veg. Oil	70.7	58.3
15,700	Bread Flour	212	61.3
Total School Feeding Secondary		918.6	291.2

C. School Feeding-Vocational

Total Recipients : 15,000

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS (Thousands)</u>	<u>Dollars</u>
15,000	Cornmeal	165	41.1
15,000	NFD Milk	123.8	13.6
15,000	Rice	165	66.7
15,000	Veg. Oil	82.5	68.1
15,000	Bread Flour	82.5	23.8
Total School Feeding Vocational		618.8	213.3

D. Other Child Feeding		Total Recipients : <u>3,600</u>	
<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS (Thousands)</u>	<u>Dollars</u>
3,600	Cornmeal	129.6	32.3
3,600	NFD Milk	43.2	4.8
3,600	Rice	43.2	17.5
3,600	Veg. Oil	21.6	17.8
3,600	Bread Flour	43.2	12.5
Total Other Child Feeding		280.8	84.9

E. General Relief		Total Recipients : <u>5,500</u>	
<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS (Thousands)</u>	<u>Dollars</u>
5,500	Cornmeal	231	57.5
5,500	Rice	132	53.3
5,500	Veg. Oil	33	27.2
Total General Relief		396	138

II. Sponsor's Name : Catholic Relief Services-USCC

PL 480 Title II

I. Country : Rwanda

Sponsor's Name: Catholic Relief Services-USCC

A. Maternal and Child Health (Mother and Child) :

Total Recipients : 92,000

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS (Thousands)</u>	<u>Dollars</u>
92,000	Cornmeal	2,024	504
92,000	NFD Milk	2,024	222.6
92,000	Veg. Oil	<u>1,012</u>	<u>834.9</u>
Total MCH		5,060	1,561.5

B. School Feeding Secondary

Total Recipients : 16,500

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS (Thousands)</u>	<u>Dollars</u>
16,500	Cornmeal	297	74.0
16,500	NFD Milk	148.5	16.3
16,500	Rice	222.8	90.0
16,500	Veg. Oil	74.3	61.3
16,500	Bread Flour	<u>222.8</u>	<u>64.4</u>
Total School Feeding Secondary		965.4	806.0

C. School Feeding-Vocational

Total Recipients : 14,000

<u>No. Of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS (Thousands)</u>	<u>Dollars</u>
14,000	Cornmeal	154	38.4
14,000	NFD Milk	115.5	12.7
14,000	Rice	154	62.2
14,000	Veg. Oil	77	63.5
14,000	Bread Flour	<u>77</u>	<u>22.3</u>
Total School Feeding - Vocational		577.5	199.1

D. Other Child Feeding

Total Recipients : 3,900

<u>No. Of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS (Thousands)</u>	<u>Dollars</u>
3,900	Cornmeal	140.4	35
3,900	NFD Milk	46.8	5.2
3,900	Rice	46.8	18.9
3,900	Veg. Oil	23.4	19.3
3,900	Bread Flour	46.8	13.5
Total Other Child Feeding		304.2	91.9

E. General Relief

Total Recipients : 6,000

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS (Thousands)</u>	<u>Dollars</u>
6,000	Cornmeal	252	62.7
6,000	Rice	144	58.2
6,000	Veg. Oil	36	29.7
Total General Relief		432	150.6

II. Sponsor's Name : Catholic Relief Services - USCC.

CATHOLIC RELIEF SERVICES-USCCPL 480 TITLE II - OPERATIONAL PLANFISCAL YEAR 1984ELEMENTS OF OPERATIONSIDENTIFICATION :

Cooperating Sponsor : Catholic Relief Services-United States
Catholic Conference, 1011 First Ave.,
New York, N.Y. 10022.

Local Address : Catholic Relief Services-USCC, B.P. 65
Kigali, Rwanda.

Country : RWANDA

Date submitted : May 14, 1982

Counterparts : Ministry of Social Affairs and Community
Development, B.P. 60 Kigali, Rwanda.
Caritas/Rwanda, B.P. 124 Kigali, Rwanda.

Supervisory Staff : Mr. William E. McLaurin, *
Acting Program Director;
Mr. Alois Muhikire,
Administrative Assistant;
Miss Patrice A. Flynn,
National Pre-School Supervisor;
Miss Françoise Namba,
Asst. Pre-School Supervisor;
Miss Xaverine Niwemutoni,
Asst. Pre-School Supervisor;
Mr. Peter Gisimba,
Shipping Clerk;
Mr. Bernard Twagirimukiza,
End-Use Checker;
Mr. Zacharie Kemanzi,
End-Use Checker;
Mr. François Mutwewingabo,
College St. André Warehouse;
Mr. Alphonse Kalima;
College St André warehouse.

* The Acting Program Director is responsible for supervising the entire CRS/Rwanda Program, including various socio-economic development projects as well as the PL 480 Food Program.

AREA - SCOPE - CONDITIONS OF OPERATIONS :

The estimated population of Rwanda is 5.2 million persons. Current estimates place the growth rate at about 3.9 %. Total land area is estimated at 26,000 Km², of which about 30 % is considered arable. Primary (non-exporting) food crops are : beans, sorghum, yams, maize and bananas, with the latter covering 24 % of available arable acreage.

The program of Catholic Relief Services is country-wide, including all 10 prefectures.

Distribution of Title II PL 480 commodities is made from a central warehousing facility located in Kigali. A small fleet of 4 large trucks, each of different tonnage, is leased from a local transporter who provides the transportation at a lower-than-going-market price. Other trucks can be rented on short notice as they are needed. The normal distribution to all recipient categories, including pre-school centers, boarding schools, vocational centers, and the various other child feeding programs, is made in three-month allotments. In areas made inaccessible due to annual rains, it often becomes necessary to provide six months' worth of commodities at one time. Distribution is made on the basis of the monthly status reports submitted by the centers, referencing, among other things, the number of beneficiaries and the stocks on hand of each commodity.

All centers who request CRS to transport PL 480 commodities to their centers pay 3 francs per Kg. (about \$ 0.03) for this service. Starting in 1981, we have required all Nutrition centers and strongly encouraged all Secondary Schools to utilize this method in order to provide enough volume of business to our transporter to keep transport fees from increasing. In addition, all centers pay a small storage and handling fee to defray these costs. Nutrition centers pay 1.5 francs per Kg (1.5 C) while all others pay 2 francs per Kg. Some secondary schools which choose to provide their own transport pay 3 francs per Kg.

Under the terms of the agreement which was signed on October 22, 1963 between the Government of Rwanda and Catholic Relief Services, the Government of Rwanda agrees to admit free of all duties and taxes, all the relief supplies imported by Catholic Relief Services-USCC. Thus far, this agreement has been observed.

CRS personnel have all latitude to control the distribution of PL 480 Title II commodities. The GOR is not able to meet the costs of warehousing, handling and inland transport from Kigali to the different recipient centers. It agrees, however, to pay the 1 % Ad Valorem charge that must be paid to the bonded warehouse for each consignment. (This charge was lowered from 2 % in early 1978). The recipient centers have agreed to bear all the expenses involved in the receiving, handling, warehousing and transportation of the supplies intended for them, once they are delivered at Kigali.

At the present time, there is only one other American Voluntary Agency, SAMS, working with a PL 480 Title II Food distribution program in Rwanda.

According to present FAO estimates, the nutritional status of rural Rwandans has declined 16% between 1959 and 1975 - and Rwandans consume only 80-85 % of the minimum daily caloric intake necessary for maintenance of nutritional health. 60.5 % of nutritional deaths in the country occur in the 0 to 4 age group, 85 % of deaths occurring in the 0 to 15 age group are directly attributable to malnutrition. Of the AID-approved Food for Peace recipients for FY '82, 63 % are concentrated in the sector of Maternal Child Health, recognized as the highest priority in the nutrition sector by both the GOR and AID. 29 % of the approved recipients are students in secondary (boarding) schools and institutions engaged in vocational pursuits, including teaching improved agricultural methods. Proposed level for FY '84 will again emphasize MCH (64 %) and secondary/vocational education (30 %). These recipient groups do not participate in the market economy. Additionally, when considered in light of Rwanda's currently estimated population of more than 5 million, the FY '82 recipient levels is less than 2% of the population.

The proposed FY '84 Title II commodities, consisting of plain cornmeal, non fat dry milk, rice, edible oil and bread flour, are not produced or processed in Rwanda (except rice on an experimental basis). This provision of blended-fortified foods, in the MCH context, is meant to be a nutritional supplement to the diet being provided by participating mothers and as an economic assistance to the family.

In a view of the evidence above, which indicates wide discrepancy between food needs and food availability in Rwanda, and in view of the fact that CRS serves a portion of the population which lives at a subsistence level, but which is, nevertheless, according to nutrition bureau statistics, unable to produce enough food to maintain adequate nutritional levels, CRS believes that Title II imports represent no disincentive for food production in Rwanda.

Rwanda is listed by the United Nations as being among the six least developed countries of the world, with a per capita income of about \$ 150.

Malnutrition was recognized as the first health problem of the country in the first Five-year Plan. The second and Third Plans aim at "improving the feeding of the population". Certain steps have been taken to combat malnutrition but the problem of increasing food production and improving its availability to the poorer segments of the population, the vast majority, is so great that it will take time to overcome.

The steadily increasing population, coupled with a limited overall area, has resulted in the present use of all agriculturally productive land. Faced with this dilemma, the practice of "intensive farming" is being introduced to the rural population in an effort to make what little land each farmer has, more viable and productive. Although substantial attempts are being made toward this "outreach", results have been slow in coming.

The relatively unstable weather conditions, which vary from hillside to hillside, often cause either too much rain to fall or too little. If this should occur, or if the rains come at the wrong time during the planting cycle, entire harvests may be lost resulting in regional food shortages and famines. This has occurred several times in recent years, notably during the first two months of 1980, and has necessitated additional food being brought into the country as emergency aid.

Considering the overall situation in Rwanda, it does not seem realistic to forecast a phasing-out of the PL 480 Title II Food Program in the near future. It is felt by CRS/Rwanda that because of the above, Rwanda deserves special consideration in the granting of food aid.

The CRS PL 480 Title II Program for FY 1983 and 1984 is made up of 6 categories :

Maternal/Child Health - Child :

This program makes available food supplies and other forms of aid to agencies and institutions of the developing areas to assist families to improve the food consumption, primarily of the most vulnerable household members, against a commitment that, in return for the economic aid received and within the limits of their ability, these households will undertake an income generating activity, or will offer labour to the public sector. In particular, this program is aimed at children between the age of 6 months and 5 years, defined as the most nutritionally vulnerable group. A supplement of PL 480 foods, or its local equivalent, is designed to provide at least 1/3 of the child's daily requirement for normal growth (to be given along with the regular diets) is provided to the mothers of these children. The distribution of the food supplement is accompanied by a monthly health/nutrition class, as well as the weighing of the child and recording of the weight on a growth chart. In addition to the individual growth chart, a group chart (Master Chart) is kept to provide the overall nutritional status of the children attending the center. This chart is used by both the center personnel and CRS supervisory staff to monitor the progress or lack of progress longitudinally, to pinpoint problem areas and regions and generally for planning and programming.

Nutrition levels in Rwanda are inadequate and declining. The population receives an estimated 80-85 % of the minimum daily requirement of calories and 90-95 % of that of protein. The most recent World Bank Agricultural Sector Review, using 1973-75 figures, estimated adult nutritional availability at 75 % of the required level. High among the major causes of infant mortality in Rwanda are protein and caloric deficiency. The average Rwandan family gives birth to 4.1 children; of these an average of 3.1 survive. This means that 72 % survive the first four years of life and 28 % do not.

A new activity of the Pre-school Program has begun to be initiated in 1981. It consists of an intensive program on a weekly basis for children who fail to grow. If a child's individual chart shows that he is below the 75 % standard, and has not gained standard for three months or has lost standard last month, he is considered to be growing inadequately and his mother must bring him back weekly instead of monthly to the center.

The idea behind this is twofold:

- 1) Since the child is not growing adequately, giving small portions of the ration more frequently should make it easier for the mother to save some of the food for the child each week and to give him a better chance of getting the food he needs to grow adequately.
- 2) Since the mother, upon joining the program, made a commitment to feed her child adequately, bringing him back once a week is a reminder to her that she has not kept this commitment and that she must work harder to try and fulfil it.

Currently the program is carried out through 87 Nutrition Centers throughout the country which are operated with a mixture of private (mostly missions) and public support. Mothers contribute 75 Rwf (about \$.82) per month to help defray the cost of food storage and transport, and supervision of the centers. All centers are staffed by Government-trained nutrition teachers. The proper monitoring and control of the program is assured by four CRS supervisors who travel to centers regularly and frequently to ensure a constant contact with the center personnel. For FY 1983, the recipient level will be 65,000 children, and for FY 1984, 68,000.

Maternal/Child Health - Mother :

This is a relatively new program designed to provide pregnant and lactating women with the same ration as the MCH-child in order to ensure sufficient nutrition intake for the unborn child and for the breastfeeding mother. The projected recipient level for FY 83 will be 15,000 and for FY '84, 16,000.

School Feeding - Secondary :

In Rwanda, all secondary schools were founded, before independence in 1962, by private entities, mainly the Protestant and Catholic missions. Although a law was enacted in 1966, by which the government made known its intention of taking over all the secondary schools of the country, this was not the case, due in most part to the fact that the government was unable to provide an adequate budget to fully support them, even though education represented by far the largest expenditures of the GOR. The percentage of the costs of each student that is financed by the GOR amounts to approximately 30 % each year. The remaining cost of 70 % must be met by the student, the school and outside agencies. In past years, the student has provided approximately 10 % while CRS through its food aid program has provided 20 %.

The measures already adopted and/or being contemplated by the GOR indicate that it is conscientious in the effort to support education in the country and that it strives to progressively realize high goals. This is why CRS feels that, considering the food context of Rwanda, the continuation of food aid to this category is justified.

In FY 1981 this program was reduced from 14,500 to 10,000 as a result of new policies instituted under the GOR Scholastic Reform. A seventh and eighth year are being added to the present six years of primary school. Therefore, the students that normally would have entered secondary schools in 1980 have instead gone into the seventh year of primary school. For FY 1983 we anticipate an increase to 14,500 recipients with probable larger increase in the following years as more students enter secondary schools.

School Feeding - Vocational :

This category includes two previously separate categories : Girls Training Schools (Sections Familiales) and Boys Training Schools (CERAR's, and Centres de Formation). The girls and boys Training Schools have been combined under the Ministry of Primary and Secondary Education as the CERAI (Centre d'Enseignement Rural et Artisanal Intégrée) for boys and girls. The Centres de Formation remain separate under the Ministry of Youth and Sports. These schools aim at training rural youth in trades and improved agricultural methods, as well as domestic science for women. This field activity has been given ever increasing attention by GOR authorities and private and international organizations and has been recognized as a viable alternative educational system. As only about 10 % of primary school graduates can go on the normal secondary schools, these training centers are seen as a potential solution to the problem of idle youth. All centers use the food commodities to provide a daily noon meal. Thus, the distribution rations have been uniformized for the previously different three categories.

Other Child Feeding :

The category "other child" includes orphanages and homes for handicapped children.

Most of the orphanages are run by Protestant and Catholic missions. The orphans are kept in the orphanages until they are three years old. The lack of space and financial support compels the missions to reject the children after they reach that age.

The homes for handicapped children treat children who have been hit by polio, other disabling diseases, or who are deaf or mute. Besides following treatment, the children are, to the extent possible, trained in handicrafts, joinery, and the making of clothing for young polio victims.

General Relief (Welfare) :

This special category is not to exceed 5 % of total PL 480 recipients. It is intended to enable CRS to demonstrate the compassion of the American people by charitable distributions to the institutionalized helpless, lame and hungry. Examples of such institutions are leproseriums, and homes for the aged, which also house the abandoned, handicapped and mentally ill.

CONTROL AND RECEIPTING-RECORDS PROCEDURES AND AUDITS :

Upon receipt of the Bills of Lading, the CRS representative endorses them and forwards them to the appropriate Shipping Line Agent in Kigali and on the port of Mombasa.

An independent survey report is then conducted at the port of Mombasa, Kenya, for every shipment of PL 480 Title II commodities. This survey is then forwarded to the CRS headquarters in New York. It shows the actual quantity of commodities received and shortlanded, as well as losses and method of disposal of any food found unfit for human consumption.

From Mombasa, the commodities are sent via closed trucks through Uganda to the customs office outside the city of Kigali. After customs formalities are completed, the trucks are offloaded at the CRS warehouse where a receiving report is completed, noting any differences between actual receipt and the waybill listed amounts. This report later serves as the basis for an inland claim preparation. The report is signed and witnessed by :

- one representative from Catholic Relief Services (usually in exceptional situation only);
- one representative from the Shipping Agent (TRANSINTRA);
- the driver of the truck, and
- the warehouse foreman.

The distribution of the commodities to the recipient centers is made according to a distribution list established by CRS/Rwanda and revised each year.

A waybill (borderereau de transport) is prepared in four copies for each distribution. The original and two copies are sent with the commodities to the recipient centers where each is signed for receipt. The original copy is filed at the warehouse and the third stays at the recipient center. The fourth copy remains in the CRS Office. Each waybill is numbered sequentially.

The warehouse maintains, under the supervision of CRS/Rwanda, a daily inventory of the commodities. At the end of each month a physical inventory is taken by the warehousemen and a representative of the CRS/Office (usually the Shipping clerk).

Following audits of the CRS Title II food program in Rwanda by CRS/NY and AID, CRS/Rwanda has initiated several new procedures for the control and receipting of Title II food.

Stock control cards are now kept by individual shipment. These cards provide a record by stock in the warehouse of the quantity, date and shipment of each commodity received. They also provide a record of the actual distributions by date, waybill, quantity and shipment. The sum of the totals on all the current stock control cards always provides the actual stock on hand and assists in following the first-in-first-out inventory rotation system.

A new and more complete warehouse stock register has been put into use. This register identifies the shipments received, by ship's name, packing list number, and CDA (inland bill of lading) number.

In addition, the warehouse stock register shows the daily distribution, by commodity, to recipients. Therefore, by using the warehouse stock register in conjunction with the stock control cards, it is now possible to trace the receipt of all commodities, by shipment, from Mombasa to recipient centers in Rwanda.

Beginning with the 2nd Quarter of FY '81 a new system of preparing the waybills was instituted for centers doing their own transport. With this system all waybills for the entire quarter are prepared the month before the quarter begins. The quantities are prepared based on the most recent monthly report received from the center and forwarded directly to the warehouse. In the past two and three waybills were often required for one center pending the number of trips it took them to transport their food. Now only one waybill is prepared and the recipient can go directly to the warehouse without passing by the CRS Office. This has lessened the office workload, saved time and consequently allowed the end-use checkers to spend more time in the field.

At the end of each month, each recipient center is required to provide CRS/Rwanda with an inventory report. In this manner the movement of the food commodities is charted from the warehouse and arrival to the recipient center and destination.

The reviewing of the program at each level of operation, inspection of food commodities and storage, end-use checks, examination and control of records present no problem.

All these records are available in Rwanda for examination or audit.

Losses involving PL 480 Title II food commodities while en route to Mombasa, Kenya, and during the unloading of the ships, are covered by the survey reports and out-turn reports. Settlements of claims, made by the CRS headquarters in New York, are made on behalf of the Department of Agriculture.

Losses occurring in the transport of commodities from Mombasa to Kigali are processed against the freight forwarder, while those occurring from Kigali ~~to recipient centers are processed against the local carrier.~~

In addition to the above mentioned records, the following documents are maintained by CRS/Rwanda :

- shipping control ledger;
- shipping files;
- individual record/reconciliation of each shipment;
- shipping balance ledger;

PORT FACILITIES-PRACTICES :

Offloading facilities at Mombasa are adequate to handle foods required under the FY 83-FY 84 CRS PL 480 Title II programs.

Duty-free entry presents no problem at present.

Cargo surveys are performed at the port of Mombasa in Kenya. A survey is also made by CRS in conjunction with the shipping agent in Kigali.

Port charges are levied at Mombasa port by the East Africa Railways and Harbours (Kenya authorities).

IN COUNTRY STORAGE AND TRANSPORTATION :

CRS/Rwanda maintains permanent central warehouse facilities at the College St André, a secondary school located in Kigali. As of January 1981, with the assistance of an Outreach Grant, CRS was able to effectively double this warehouse capacity to approximately 2,000 MT with the construction of a second major storage facility, and a smaller building (to be used primarily for reconditioning of damaged commodities). These buildings are of fired-bricks and cement construction with concrete floors and corrugated metal roofs. These facilities are more than adequate to prevent spoilage and waste, since their capacity is more than one-fourth of the total annual tonnage expected. CRS maintains no other storage facilities in Rwanda. Each individual recipient center maintains its own storage facilities, usually large enough to hold three-months food supply. Before a new recipient center is added to the CRS distribution list, an end-use checker makes a visit to the center to insure, among other things, that the center maintains adequate storage facilities. During periodic visits by the end-use checkers, an examination of the storage facilities is made and appropriate recommendations are made as required.

Occasional inland transport problems are limited to difficulties in passage of roads during the two rainy seasons. Sometimes food shipment cannot be sent to certain centers because roads are impassable during certain times of the year. In these cases, usually a two-quarter supply of food is sent to these centers to avoid stock disruption.

CRS maintains effective control of the commodities until it is consumed by the recipients.

PROCESSING-REPROCESSING-REPACKAGING :

Schools bake bread from the flour on their premises. Those which are not able to do so have baking contracts which require :

- prohibition to pay for the making of the bread with flour;
- 15 % more weight in bread than in weight of flour that the baker receives;
- the return of the empty bags;
- representatives of USAID and CRS may inspect the baker's premises and the condition of the stored flour;
- both the bakery and the school will maintain records relating to the PL 480 flour for a period of three years after the close of the U.S. fiscal year in which food was delivered.

FINANCING :

The cost of the handling, storage and inland transportation of the commodities once they arrive in Kigali, is borne by the recipient centers.

The warehouse (College St André) pays the salaries of the warehouseman and the workers needed for the unloading, loading and general cleanliness of the warehouse, as well as the insurance on the building. These expenses are paid out of the per kilo charge paid by the recipient centers.

The Government of Rwanda is responsible for the payment of the transit fee, payable to the bonded warehouse, which amounts to 1% of the declared value of each CRS consignment of commodities.

Catholic Relief Services - USCC pays for its own administrative expenses, informative materials and its staff.

The recipient centers each pay the salaries of their staff including those personnel responsible for food preparation and serving.

The empty commodity containers are sold by the pre-school centers. 50 % of the proceeds from these sales are remitted to the CRS account (government transaction account) maintained at the Banque Commerciale du Rwanda.

ACCEPTABILITY OF AVAILABLE FOOD-COMPUTATION OF FOOD REQUIREMENTS :

The food commodity rates in kilos planned for Rwanda are as follows ; per person per month :

<u>CATEGORY</u>	<u>CORNMEAL</u>	<u>MILK</u>	<u>RICE</u>	<u>OIL</u>	<u>WHEAT FLOUR</u>
MCH - Mother	2	2	-	1	-
MCH - Child	2	2	-	1	-
Other Child	3	1	1	.5	1.5
School Feeding -Secondary	3	1	2	.5	2
General Relief	3.5	-	2	.5	-
School Feeding-Vocational	.75	.6	1.25	.5	.75

PROGRAM PUBLICITY :

When a new recipient center is added to the distribution list of CRS, an agreement between the center and CRS is signed. Among other things, this agreement states clearly the source of the food commodities, program requirements (i.e. monthly stock reports, etc...) and various preparations and uses of the food are discussed at the moment of signature. Also, when the end-use checkers make their periodic visits, all of the points are mentioned on their report forms.

Program publicity is carried in the above manner. All recipient center administrators are required to explain to their respective recipients the above points.

CONTRIBUTIONS TO THE PROGRAM :

During the Calendar Year 1981, the GOR, through the Ministry of Social Affairs and Community Development, contributed \$ 55,373 to pay the 1% service charge of the bonded warehouse "MAGERWA". During this same period the recipient centers contributed \$ 224,781.00 to the PL 480 program to cover the following charges :

- warehousing and handling costs;
- transportation costs from Kigali to recipient centers;
- personnel costs at St. André warehouse, and
- personnel and supervision costs relating directly to food at recipient centers.

A Belgian organization, "ESNAC" (Education Sanitaire et Nutritionnelle de l'Afrique Centrale), increased its aid to nutrition centers for salaries and operational costs from \$ 16,958 to \$ 26,110 in 1979 and \$32,952 in 1980. It is expected that this aid will continue in 1982 and 1983.

Also during 1981 the communes and GOR continued contributions to the salaries of nutrition teachers. In 1981 the amount was \$ 9,000.

During 1981 \$ 36,995 was received from AID under an Outreach Grant. Also CRS-USCC continued and raised funds in the amount of \$ 94,000 in connection with the PL 480 Title II program. This contribution consisted of the following :

- pre-school program administration costs;
- administrative support from the CRS country program;
- salary of an end-use checker; and
- a grant to provide subsidized local transport of food commodities to nutrition centers which could not meet these charges.



William E. McLaurin
Acting Program Director,
CRS/Rwanda.

FY 1984 ANNUAL BUDGET SUBMISSION

TABLE XIII

PL 480 TITLE II

I. Country: Rwanda

Sponsor's name: Seventh-Day Adventist World Service (SAWS)

A. School Feeding (Primary Schools)..... Total Recipients: 21,500
(Thousands)

<u>No. Of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS</u>	<u>Dollars</u>
21.5	Bulgur (SF)	860	245.9
21.5	Veg. Oil	43	35.4
21.5	NFD Milk	215	23.6
Total School Feeding		1,118	304.9

B. Food for Work.....Total Recipients: 10,000

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS</u>	<u>Dollars</u>
10.0	Rice	1,089	439.9
10.0	Veg. Oil	84	69.3
Total Food for Work		1,173	509.2

C. Other: General Relief..... Total Recipients: 1,400

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS</u>	<u>Dollars</u>
1.4	Rice	76	30.7
1.4	Veg. Oil	8	6.6
1.4	NFD Milk	17	1.8
Total Other: General Relief		101	39.1

II. Sponsor's Name: SAWS

TABLE XIII
 FY 1985 PROJECTION
PL 480 TITLE II

I. Country: Rwanda

Sponsor's Name: Seventh-Day Adventist World Service (SAWS)

A. School Feeding (Primary Schools).....Total Recipients: 26,000
 (Thousands)

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS</u>	<u>Dollars</u>
26.0	Bulgur (SF)	1,040	297.4
26.0	Veg. Oil	52	42.9
26.0	NFD Milk	260	28.6
Total School Feeding		<u>1,352</u>	<u>368.9</u>

B. Food for Work.....Total Recipients: 11,000

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS</u>	<u>Dollars</u>
11.0	Rice	1,198	483.9
11.0	Veg. Oil	92	75.9
Total Food for Work		<u>1,290</u>	<u>559.8</u>

C. Other: General Relief.....Total Recipients: 1,500

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS</u>	<u>Dollars</u>
1.5	Rice	81	32.7
1.5	Veg. Oil	9	7.4
1.5	NFD Milk	18	1.9
Total Other: General Relief		<u>108</u>	<u>42</u>

II. Sponsor's Name: SAWS

TABLE XIII

FY 1986 PROJECTION

PL 480 TITLE II

I. Country: Rwanda

Sponsor's Name: Seventh-Day Adventist World Service (SAWS)

A. School Feeding (Primary School)..... Total Recipients: 33,000
(Thousands)

<u>No. Of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS</u>	<u>Dollars</u>
33.0	Bulgur (SF)	1,320	377.5
33.0	Veg. Oil	66	54.4
33.0	NFD Milk	330	36.3
Total School Feeding		<u>1,716</u>	<u>468.2</u>

B. Food for Work..... Total Recipients: 11,000

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS</u>	(Thousands) <u>Dollars</u>
11.0	Rice	1,198	483.9
11.0	Veg. Oil	92	75.9
Total Food for Work		<u>1,290</u>	<u>559.8</u>

C. Other: General Relief..... Total Recipients: 1,500

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>KGS</u>	(Thousands) <u>Dollars</u>
1.5	Rice	81	32.7
1.5	Veg. Oil	9	7.4
1.5	NFD Milk	18	1.9
Total Other		<u>108</u>	<u>42</u>

II. Sponsor's Name: SAWS

PL 480 Title II Food for Peace

Operational Plan for SAWS-Rwanda

FY 1984

I. ELEMENTS OF OPERATIONS

A. Identification

Seventh-Day Adventist World Service (SAWS) is the philanthropical arm of the Seventh-Day Adventist Church. It is now operating in more than fifty-five countries, bringing relief to hundreds of thousands of the world's oppressed in the form of food, clothing and medical assistance.

The Seventh-Day Adventist World Service and the Government of Rwanda entered into an agreement, signed by the Minister of Plan and the SAWS representative in Rwanda, on January 23, 1979. The agreement, which is renewable after five years, extends duty-free entry of all goods of SAWS overseas personnel and all items such as PL 480 foods, medicine, hospital supplies, etc., which are pertinent to the operation of SAWS' humanitarian program. It is under this agreement that SAWS initiated a PL 480 Title II program beginning in CY 1980.

The operating board of SAWS Rwanda consists of the following persons:

President	Dr. Dewitt Williams (U.S. citizen)
Treasurer	Robert Patterson (U.S. citizen)
Secretary	Wallace Amundson, SAWS Director (U.S. citizen devoting full-time to SAWS activities)
Medical Advisor	Dr. Berry Wecker
Others	T. Rwamiheto Z. Rutwa A. Iyamuremye E. Sembeba

B. Area - Scope - Conditions of Operations

1. School Feeding

a) Background and justification. Most recent figures available from the Ministry of Plan (August 1978 census) gave Rwanda the questionable honor of being, with 192 inhabitants per square kilometer, the most densely

populated country in sub-saharan Africa. Based on arable land available, this figure jumps to 385 inhabitants per square kilometer, and at an estimated growth rate of 3.5%, the figure will have reached 467 inhabitants per square kilometer of arable land by August 1980.

Because of the high population growth rate and the limited amounts of arable land available for farming, Rwanda falls short of its estimated food need in energy and protein. Although energy needs are estimated to be around 2.1 K calories per inhabitant per day, the FAO and the Ministry of Plan have completed surveys showing that only about 1.8 K calories per day are actually available to the population.

SAWS believes that a nutritional impact can be realized by helping to address the food needs of the primary school children in Rwanda. In addition to improving nutritional levels, SAWS anticipates other benefits accruing from a Title II primary school feeding program. These include, among other things, increased and more regular class attendance, improved academic performance by students, and increased opportunity for authorities to disseminate nutritional information by example and by instruction.

SAWS has chosen to begin its primary school feeding program in Gikongoro prefecture, an area of extreme poverty and low food production. The area is below the national average per capita annual income of \$150 and, because of poor road conditions, rural services are very poor. Children in the prefecture are not presently receiving their estimated food needs, and delayed tissue maturation is noticeable.

b) Operating Procedures and Description of Program. Rural children generally walk long distances to school, and few have the benefit of an adequate breakfast. The PL 480 supplements to the mid-day meal, therefore, are of crucial importance. Lunch consists of rice fortified with veg-oil, non-fat dried milk, and foods, such as potatoes, onions, cabbage or other vegetables or legumes, which the participating children will be encouraged to bring from home gardens.

Food preparation facilities are provided by SAWS for each project school. To ensure proper preparation and to teach a balanced effective use of locally available foods, food utilization instructors are being trained in PL 480 food preparation and in the planting and care of school and home gardens. At regular intervals, mothers of school children will be asked to come to schools to receive instructions in home health, disease prevention and child care. Those preparing food are programmed under Food for Work.

A local governing committee comprised of a school director, teachers and parents has been formed at each center. This five-person committee has been organized to include president, treasurer, secretary and two members. The committee is responsible to the SAWS end-use checker for all documentation of food, including commodity inventories and recipient status reports.

All food containers are sold at project level or returned to the central office to be sold. Proceeds are used to improve conditions of food preparation and service. The committee treasurer furnishes reports of proceeds from all container sales.

The current phase of SAWS Rwanda school lunch project has programmed 12,000 primary school children in three communes, five days a week, ten months a year. School lunch foods include PL 480 Title II non-fat dried milk, soy bean oil and rice. There is no opportunity of duplication with other food programs since SAWS will be operating in an area in which this age group is not being served by other voluntary, government or private agencies or organizations. SAWS has worked closely with REDSO/Nairobi in the selection of commodities and ration levels.

<u>Primary School Ration:</u>	<u>Kilogram/child/month:</u>
Non-fat dry milk	1.0
Soy bean oil	0.2
Bulgur	4.0
	<hr/>
Total ration	5.2

Insect and rodent-free storage facilities provided under an Outreach Grant are closely supervised by SAWS personnel.

c) Evaluation. Appropriate evaluation procedures are built into the program through the use of charts which establish the nutritional status of children by age and weight. A Control Group has been established. Data from this group should indicate, within a reasonably short time, whether the SAWS program is having a desired impact.

d) End-use Checking. SAWS has engaged a full-time end-use checker, initially with Title II Outreach funds, whose duties are to ensure that U.S. Government guidelines are adhered to, and that any misuse of PL 480 Title II foods is held to a minimum. The end-use checker takes inventories at every visit, and reports on storage conditions and quality of food preparation. This report is signed by the person responsible at project level and the end-use inspector. Every precaution has been taken to ensure that PL 480 foods will reach their ultimate goal at project level.

The acceptance and support of the primary school feeding program in Rwanda by local government officials, teachers, and parents indicate the projected recipient level of 21,500 during FY 1984 to be appropriate.

2. Food for Work (FFW)

Because of the extremely low average income in the area in which the school lunch program will be implemented, about 210 cooks will be engaged with FFW

contracts (see FFW ration below) to prepare school lunch food for 21,000 primary school children. In addition, guards will be employed to assure the security of commodities. The five-person school committee will be responsible for implementation of these FFW distributions.

In the commune of Rusumo, SAWS utilizes Title II food for work to help implement a resettlement program involving 1,000 families. This project includes land clearing and planting of home gardens and subsistence crops. Construction of homes, latrines and various other projects will be carried out in exchange for PL 480 food rations. The ration levels used are in accordance with PL 480 Commodity Reference Guide, and are comparable to ration levels being used by other voluntary agencies in Rwanda.

<u>Food for Work Ration:</u>	<u>Kilograms/family/month:</u>
Soy bean oil	1.5
Rice	37.83
	<hr/>
Total ration	39.33

Supervision and control of this project is the responsibility of SAWS which will execute its responsibilities through a five-person committee directly responsible to an end-use checker. All recipients will be required to sign for food received at each distribution. These signatures and inventory records will be maintained at the SAWS Central Office.

Food utilization personnel visit this program to counsel recipients on food preparation and use, and to lecture on planting of crops of a balanced variety to ensure best nutrition values.

3. General Relief

This category is to allow a margin of food for charitable activities involving the poor, handicapped and aged, and for cases of emergency.

<u>General Relief Ration:</u>	<u>Kilograms/person/month:</u>
Non-fat dry milk	1.0
Soy bean oil	0.5
Rice	4.5
	<hr/>
Total ration	6.0

C. Storage, Inventories and Logistics

SAWS will maintain storage facilities at three different levels and locations central warehouse, Kigali; prefecture warehouse, Gikongoro; and project-level warehouses.

A suitable central storage facility has been rented on a two-year lease with option to renew. The lease contains clauses permitting SAWS to break the lease with three months' notice anytime after the first year. Lease payments are covered by a Title II Outreach Grant. SAWS expects to have completed construction of an Outreach Grant-funded 500 MT warehouse during the second year of operation. The currently leased facility is new construction with excellent security. It is well-ventilated and conducive to rodent and insect control measures. It accommodates 300 MT, with ample space for food rotation and aisles to permit easy in and out loading and unloading. It satisfies Bellmon Amendment requirements for levels of food imports planned during the first two years of the SAWS program. Insect sprays of the fogging type, and rodent control and fumigation materials are available to ensure proper care of stored foods. A warehouseman, under direct supervision of a food control officer, is responsible for regulating and documenting commodity movements. The warehouseman is also responsible for cleanliness of the warehouse and rotation of foods.

A prefecture-level warehouse is available from GREARWA on a rental basis. Some schools are located in isolated areas where large delivery vehicles cannot go. A four-wheel drive vehicle is available for transport of commodities to these schools.

Current storage capacity at each level is as follows:

- (1) The central warehouse in Kigali has a 300-MT capacity with a projected continuous inventory of 150-200 tons. Since food deliveries to Rwanda are made irregularly by long and difficult supply lines, warehousing problems are predictable. SAWS facilities, however, can provide storage even under the most difficult conditions we can foresee.
- (2) The prefecture-level warehouse can accommodate 50-100 tons per month. Food will be delivered to these facilities by 10-ton truck.
- (3) School storage facilities will be small, with a capacity of approximately two tons each, necessitating monthly deliveries.

D. Bellmon Amendment/Storage Capacity

The storage and distribution system described above meets requirements of the Bellmon Amendment. These facilities will prove adequate to store and protect PL 480 Title II foods in the amounts planned for import and distribution by SAWS through FY 1984.

E. Control and Receipting - Records, Procedures and Audits

Receipt. Upon receipt of original shipping invoices, the SAWS' Director signs and forwards them to the shipping agent for processing. A copy is also forwarded to an independent surveyor in Mombasa. Survey reports are forwarded to SAWS headquarters in Washington, D.C. for adjustments of claims or losses. Inland loss reports, or reports of damage due to infestations, are filed by the SAWS central office in Rwanda. Any foods damaged in transport or through infestation are reported to the AID office in Kigali, and are disposed of according to that office's instructions. All commodity records are kept at the central office and will be available for inspection and audit at all times.

Worksheets are utilized to maintain daily inventories. Food stacks are marked with placards to indicate arrivals in order that rotation of foods may be made to ensure that oldest foods are used first.

Withdrawal. The food controller provides papers to the warehouse to be signed by receivers and warehouseman. Documents are prepared, in triplicate, indicating numbers of sacks or cans of food of each category which have been delivered to drivers. These are signed by the driver upon receipt of food and by responsible persons at project level upon delivery. These records are delivered to and maintained at the central office. Project administrators also maintain and regularly forward recipient status reports to the central office.

Every effort is made both by word and use of visual materials at each project site to inform recipients that PL 480 foods are a gift of the people of the United States.

F. Port Facilities - Practices

Off-loading facilities at Mombasa are adequate to handle foods for FY 83-84 under Title II program.

Port charges are levied at Mombasa port by East African Railway and Harbours (Kenya Government).

No problem exists as to duty or port charges by the host government. There is, however, a one percent fee levied on landed values of commodities by MAGERWA, the Rwanda port of entry authorities. This fee is for storage and documentation during liberation. The fee is not a tax.

G. Processing - Reprocessing - Repackaging

SAWS will not enter into a program of processing, reprocessing or repackaging.

H. Financing

Administrative costs are funded by SAWS. Normal costs for warehousing, transportation, materials for construction of project-level storage facilities (except those materials to be supplied by communes at project-level and, initially, by an Outreach Grant from the U.S. Government) are the direct responsibility of SAWS. Costs of food preparation and service will be borne by Food for Work contracts negotiated with local Rwandans.

I. Acceptability of Available Foods

SAWS will import only those foods which have been used by other voluntary agencies and found acceptable.

J. Bellmon Amendment/Possible Disincentives

Current and proposed SAWS Title II imports are made up of foods which are, with the exception of rice which is grown on an experimental basis, not locally grown in Rwanda. These are distributed to a portion of the population which lives by subsistence farming, is undernourished, poor and not normally actively engaged in the market economy. Since the food program is designed to provide a supplement to recipients who would not, even in the absence of PL 480 foods, be able or be inclined to purchase locally marketed foods, there is little possibility that the Title II foods serve as any disincentive to local production or marketing.

While the average Rwandan receives only about 85% of nutritional requirements, total U.S. Title II imports serve as a food supplement to only 1.5 to 1.8 % of Rwanda's more than five million people. The disparity between that portion of the population which the 85% figure would indicate is undernourished and that portion which receives U.S. food assistance is so great that this relatively small amount of food clearly cannot be a major disincentive factor to Rwandan agricultural production or commercial markets. If there are factors preventing increased production and marketing of agricultural goods in Rwanda, these may be attributable to the cycle of poverty and ignorance which the Title II program is attempting to address.

II. CONTRIBUTIONS TO PROGRAM

A. SAWS. Per Outreach Grant requirements, SAWS provides financial assistance to the program equal to at least 10% of Outreach Grant outlays, and provides continuing support in the following manner:

1. Administrative personnel (Director) \$15,000 per year;
2. Travel budget for Director;
3. Medicine and hospital supplies (approximately \$75,000);
4. Clothing, shoes and baby foodstuffs (approximately \$50,000).

SAWS also imports garden seeds which are adaptable to the local environment, and assists in planting and cultivation of vegetables in both the school gardening and resettlement programs. Emphasis is placed on growing a combination of foods which will assure highest possible nutritional levels.

B. Local Rwandan Contribution. Despite extreme poverty in the area of Gikongoro, where the school feeding program is initially being carried out, the parents of participating children and commune leaders have expressed a willingness to contribute much of their own time and resources. The initial contribution is labor in the making of bricks for kitchens and storage warehouses at school level. Poles for roofing and stones for foundations are also furnished by the commune inhabitants. In addition, each child furnishes his own eating utensils and is required to bring a few sticks of fuel wood each day to be used at each school food preparation center. This contribution amounts to approximately \$6,000 per annum. Where conditions permit, children are asked to bring a potato, onion, carrot or some product from the home garden to supplement PL 480 foods. Value of this contribution is difficult to ascertain but significant worth is certain.

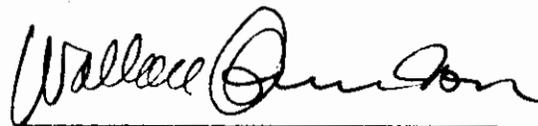
The burgomaster of each commune is providing a parcel of land near each school site where parents of participating school children and the children themselves combine their efforts to produce vegetables for the school feeding program. Excess vegetables can be sold to purchase such supplemental foods as salt, sugar, beans, etc. to use in the feeding program.

Developmental Impact of Title II Activities

SAWS realizes it can broaden the impact of Title II activities in Rwanda by encouraging community development in exchange for commodities distributed. Given the relatively low cash flow in the rural areas of Rwanda, Food for Work projects have been highly successful in the Gikongoro and Rusumo (Kibungo) Prefectures. In Gikongoro SAWS is completing a FFW project consisting of rural roads which link small commercial centers and schools. Bricks for several community buildings have been made and fired on a FFW basis. In Rusumo families arriving from other prefectures are no longer forced to work for established farmers far from the resettlement area. Title II commodities permit the farmers and their families to maintain a minimum nutritional level while developing their plot to produce the first crop cycle, which is a step in the direction of self sufficiency.

Effort to make more efficient use of commodities has not been limited to FFW projects. Local participation has been considerable in the S.F. project in Gikongoro. The primary school children under the supervision of the headmaster have made sundried bricks for the kitchens, and continue to bring firewood and water from their homes on a daily basis. Community labor provided stones for foundation and small wood poles for rafters for the school kitchens. Vegetable seeds are distributed by SAWS to each primary school in the SF project through the agriculture officer in the area. The communes have taken an active interest

in promoting the school garden concept which, in turn, has introduced new food varieties. In general, community involvement and support has been readily volunteered by commune leaders and local citizens when Title II activities have been suggested to address a specific need in the community. SAWS will continue to pursue more effective use of food commodities in the community development sector.

A handwritten signature in cursive script, reading "Wallace Amundson". The signature is written in black ink and is positioned above a horizontal line.

Wallace Amundson
SAWS Director

UNITED STATES OF AMERICA
AGENCY FOR INTERNATIONAL DEVELOPMENT

B. P. 28
Kigali, Rwanda
Tél : 5746

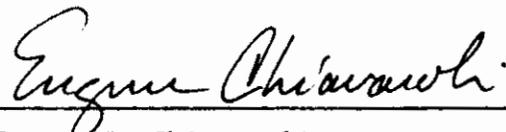
Kigali (ID)
Department of State
Washington, DC 20523

17 May 1982

BELLMON AMENDMENT CERTIFICATION

Recently completed warehouse facilities for Catholic Relief Services and on-going warehouse construction together with current warehouse leases for Seventh Day Adventist World Services assure sufficient storage facilities for the currently projected needs of both CRS and SAWS, at least through 1984. The transport and distribution systems provided by these organizations are adequate and easily augmented. Arguments presented in the FY 1984 CRS and SAWS Operational Plans and in the PL 480 Title II Narrative, which appears earlier in this section of the AID/Rwanda FY 1984 Annual Budget Submission, indicate the magnitude of the food deficit and the comparatively limited size and nature of the PL 480 import program in Rwanda.

Based upon these facts and all related information currently available to me, I certify that storage facilities are adequate to handle the foods which are being requested for the Title II program in Rwanda, and that the Title II program, including components proposed by CRS and SAWS, will not result in a substantial disincentive to production in Rwanda.



Eugene R. Chiavaroli
AID Affairs Officer/Rwanda

AID NON-BILATERAL FUNDED ACTIVITIES IN RWANDA

PROJECT TITLE AND NUMBER	DATE STARTED	TERMINAL DATE	RESPONSIBLE AID/W OFFICE	LOP COST	PRIORITY
Project 698-0384.23 African Manpower Development	06/21/79	Continuing	AFR/RA	\$150,000 per year estimate	High
Project 698-0407.19 IRT--Scout Technology Training and Outreach	04/02/81	10/31/82	AFR/RA	50,000	Medium
Project 698-0407.25 IRT--Giciye Commune Water Supply	08/04/81	03/31/83	AFR/RA	60,000	Medium
Project 698-0410.22 Rwanda Renewable and Improved Traditional Energy	05/10/79	12/31/82	AFR/RA	487,000	Medium
Project 698-0410.29 Expanded Program for Immunization	08/26/80	08/30/83	AFR/RA	495,000	High
Project 698-0413.10 Support to Regional Organizations: Organization for the Management and Development of the Kagera River Basin	11/20/81	12/31/85	AFR/RA	578,000	Medium
Project 698-0413.20 Support to Regional Organizations: Economic Community of the Great Lakes	06/29/79	06/30/84	AFR/RA	422,000	Low
*Project 698-0662.01 Rwanda Family Health Initiatives	03/03/80	12/31/82	AFR/RA	500,000	Medium
Project 698-0135.08 P.D.S.	10/01/77	Continuing	AFR/RA	50,000 per year	High
*Project 698-0662.01 (Rwanda Family Health Initiatives) has been assigned a lesser priority now because it was designed to be a preliminary project needed to plan for the current MCH/FP Project 696-0113. The Rwanda Family Health Initiatives project was a high priority at its inception, but now that the current MCH/FP project is in place, some of the Rwanda Family Health Initiatives planned activities have been superseded. There are, however, some training activities still planned under this project, and these activities will complement those activities planned under the MCH/FP Project.					
Project 938-1306-3803010 Mugonero Hospital	08/12/80	09/30/83	FVA/ASHA	750,000	Medium