RWANDA, A SMALL AND LANDLOCKED COUNTRY WITH THE HIGHEST POPULATION DENSITY IN SUB-SAHARAN AFRICA, REMAINS ONE OF THE WORLD’S POOREST COUNTRIES.

Agriculture is the foundation of the Rwandan economy, accounting for one third of GDP and employing nearly 90 percent of the labor force. However, agricultural productivity is extremely low which results in nearly half of all agricultural households experiencing food insecurity.

IFC and GAFSP will invest $9.2 million in a program with KCB Bank Rwanda to help Rwandan farmers’ cooperatives gain access to the financing and training they need to expand food production. The GAFSP share of the investment is $3.8 million.

KCB will offer affordable financing to 11 farmer cooperatives in Eastern Rwanda, helping more than 12,000 small-holder farmers gain access to improved seeds and fertilizer and to training in better farming practices. The cooperatives will then supply maize and soybeans to a food processing plant that aims to produce fortified cereals for people suffering from malnutrition – particularly babies and children.

EXPECTED RESULTS:

By expanding access to finance to farmer cooperatives in Rwanda, this project expects to reach over 12,000 farmers across Eastern Rwanda.

In addition, the project aims to improve maize and soybean productivity, which will enhance rural incomes and support rural communities in Eastern Rwanda that are stricken with poverty.

The project will also support the production of fortified cereals, which will be made available to populations suffering from malnutrition.

IFC and GAFSP hopes that this project will work as a pilot for larger GAFSP initiatives to provide input financing specifically targeted towards smallholders.