



Rwanda Country Plan

Executive Summary

Published July 2023



Development issues

Economically thriving tea sector



In Rwanda, tea is the third largest employer and one of the country's main export crops, with 97% exported.¹ However, smallholders' annual income remains extremely low.² Conventional farming techniques mean that yields are 12.5% lower in smallholder farms than on estates.³ Workers' bargaining power is also weak due to a lack of alternative income sources and the limited negotiating capacity of workers' unions. Cash transactions currently account for significant loss and inefficiency in the tea sector.



Equality for everyone in tea



The Rwandan Constitution commits to gender equality.⁴ However, social norms continue to reinforce the substantial differences in the roles and responsibilities of men and women in both the tea sector and the domestic sphere. According to the 2021 Global Gender Gap Report, 83.4% of women in the informal sector earn just 60% of men's income.⁵ These differences often constrain women's representation in leadership positions and decision-making structures, and their access to and use of assets, inputs, and services. This results in high-prevalence of gender-based violence, lower productivity, and lower income compared to male farmers.

Environmentally sustainable tea production



Rwanda has experienced a 1.4°C temperature increase since 1970.⁶ This trend is expected to continue and will impact both tea quality and production levels unless adaptation measures are put in place. Rwanda also faces competing demands between forestry, land, and water resources, particularly in tea-growing regions. Fuelwood consumption stands at 83% nationally, which puts pressure on natural resources.⁷ The adoption of Good Agricultural Practices (GAP) is limited by the increasing cost of inputs and a lack of coordination of capacity development. Poor practices also exacerbate land degradation.

ETP's Strategic Plan in Rwanda

Projects



ETP's priorities will build on the previous Improving Livelihoods Strategic Alliance programme and will include uplifting productivity and quality management by facilitating farmers' access to inputs and capacity building. This will contribute to increased well-being and improving people's lives. ETP will strengthen the provision of extension services through improved cooperative operations.

Policy



ETP aims to influence Rwanda's policy landscape through regular engagements with key industry stakeholders, such as NAEB, the Rwanda Tea Association, and FERWACOTHE, to ensure it supports social and environmental progress in the tea sector. In 2025, ETP will conduct a review of national policies, laws, and government programmes to identify policy gaps and guide ETP's policy activities.

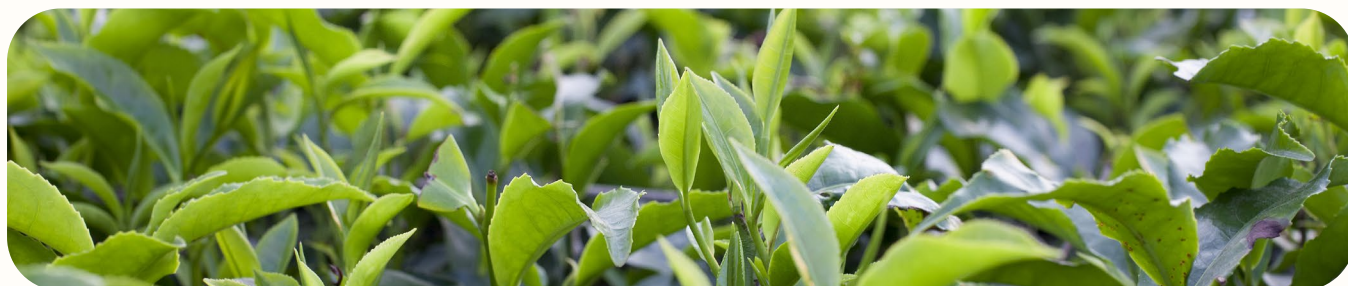
Private sector change



ETP will develop a business pilot on responsible digital payments through our partnership with Better Than Cash Alliance (BTCA) and the National Agricultural Export Development Board (NAEB). Switching to digital payments will address the lack of women's control of financial resources and could potentially save more than \$8 million over 10 years.⁸

Resources required

Achieving ETP's Country Plan in Rwanda over the next three years will require £1,391,000, of which £770,000 is already secured. The additional funding required to implement proposed activities is £621,000. The total budget includes current and planned staff costs, programme activity costs, project communications, admin costs, roundtables, conferences, and local and international travel. For the first time, ETP staff costs are included in country budgets.



ETP's current programme in Rwanda

Our Tea, Our Voice

Impact area

- Economics
- Equality
- Environment

Approach

- Project
- Private sector change
- Policy

Outcome

- Living wage
- Living income
- Good livelihoods
- Equal opportunities
- Empowered, safe communities
- Net zero tea
- Climate resilient agriculture
- Zero deforestation

Location

To be confirmed

Expected reach

5,000 farmers, leaders, and youth members (direct)

Project overview

The project will promote transformative leadership by ensuring that local women and Women's Rights Organisations lead the design process as they identify the change pathways that will be most meaningful within their contexts.

Aims, objectives, and activities

The project aims to enhance the capacity of women (including young women, informal workers, and migrants) so that they are confident in their ability to hold leadership positions. The project will also mainstream the leadership role and capabilities of women to be valued in all spheres of their lives by all community members. Finally, the project aims to normalise the inclusion of women leaders in decision making.



ETP's planned programme in Rwanda

Scaling up Responsible Digital Payments in the Rwandan Tea Sector

Impact area

- Economics
- Equality
- Environment

Approach

- Project
- Private sector change
- Policy

Outcome

- Living wage
- Living income
- Good livelihoods
- Equal opportunities
- Empowered, safe communities
- Net zero tea
- Climate resilient agriculture
- Zero deforestation

Location

To be confirmed

Expected reach

To be confirmed

Project overview

The pilot aims to increase financial inclusion for women through the use of digital payments, while creating savings for companies as well as time and cost savings for farmers.

Aims, objectives, and activities

A report co-written by BTCA and ETP demonstrated that by using digital payments, farmers can receive payments 87% faster, productivity can increase by 30%, and the tea sector can save \$8 million over ten years. ETP proposes a pilot to promote cashless transactions through integrated financial institutions and mobile money platforms and create a digital database for the tea sector. Finally, the pilot will enable and standardise reporting across the entire value chain through a fully digital standardised platform.

Platform for Positive Change in Tea in Rwanda

Impact area

- Economics
- Equality
- Environment

Approach

- Project
- Private sector change
- Policy

Outcome

- Living wage
- Living income
- Good livelihoods
- Equal opportunities
- Empowered, safe communities
- Net zero tea
- Climate resilient agriculture
- Zero deforestation

Location

To be confirmed

Project overview

ETP will implement local and government stakeholder engagement to advocate for and influence policies, interventions, and practices, with an aim to make progress on key issues in the tea sector across economics, equality, and the environment.

Aims, objectives, and activities

ETP will continue engagement with tea stakeholders on making progress towards fairer wages. This will include a roundtable in September 2023 co-hosted by ETP and NAEB. Additionally, ETP will collaborate with NAEB and tea estates to study plucking systems, aiming to inform a policy change on plucking. ETP's policy work will influence policies to benefit farmers and the entire tea sector for minimum tea farmer sizes and equitable value distribution.

Transforming Extension Services Through Improved Cooperative Operations

Impact area

- Economics
- Equality
- Environment

Approach

- Project
- Private sector change
- Policy

Outcome

- Living wage
- Living income
- Good livelihoods
- Equal opportunities
- Empowered, safe communities
- Net zero tea
- Climate resilient agriculture
- Zero deforestation

Location

To be confirmed

Expected reach

5,000 farmers (direct)

Project overview

This project will strengthen the provision of extension services through improved cooperative operations for increased income and diversified sources of livelihoods.

Aims, objectives, and activities

Building on the Improving Livelihoods – Strategic Alliance Project, this project will invest in improving cooperatives' performance by:

- providing technical support to FERWACOTHE, the coalition of smallholder cooperatives in Rwanda, to embed farmer field schools as a means of improving productivity and quality.
- leading initiatives to improve cooperative management, reorganise key production duties, and remove inefficiencies from their operational models; and
- building capacity in cooperatives and with farmers for increased productions through effective extension of GAPs and climate adaptive approaches.

Additional current programme

- Improving Livelihoods – Strategic Alliance (ended April 2023)

- [1] "Tea production in Rwanda." 4 May 2023, <https://naeb.gov.rw/index.php?id=45>; "Rwandan tea sector." 4 May 2023, <https://www.gatsby.org.uk/uploads/africa/reports/pdf/2020-rwandan-tea-highlights.pdf>.
- [2] ETP and GIZ (2021): Actual and Living Income (and Other Benchmarks) of Tea Smallholder Farmers and Tea Workers in Rwanda Based on a Model Farm and Household Approach; Working Paper for the Strategic Alliance on Decent Livelihoods for Tea Workers and Farmers in Rwanda and Malawi.
- [3] "NAEB Strategic Plan 2019-24." 4 May 2023, <https://naeb.gov.rw/fileadmin/documents/STRATEGIC%20PLAN.pdf>.
- [4] "Rwanda's Constitution 2003." 4 May 2023, https://www.constituteproject.org/constitution/Rwanda_2015?lang=en.
- [5] "Global Gender Gap Report 2021." 4 May 2023, https://www3.weforum.org/docs/WEF_GGGR_2021.pdf.
- [6] "Rwanda Climate Change Portal." <https://www.climatechange.gov.rw/index.php?id=23>.
- [7] "Generation." May 2023. Biomass Rwandan Energy Group. <https://www.reg.rw/what-we-do/generation/>.
- [8] "Scaling up Responsible Digital Payments in the Rwandan Tea Sector." n.d. Better than Cash Alliance. Accessed May 2023. <https://www.betterthancash.org/alliance-reports/scaling-up-responsible-digital-payments-in-the-rwandan-tea-sector>.





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