REPUBLIC OF RWANDA

Kigali, <u>11 JUN 2010</u> No. <u>2433/10/10/</u>MIN



MINISTRY OF FINANCE AND ECONOMIC PLANNING P.O. Box 158 Kigali Tel: +250-577994 Fax: +250-577581 E-mail : mfin@rwandal.com

Mr. Christopher Delgado Head of GAFSP Coordination Unit The World Bank Mailstop MC5-510 Washington, D.C. USA

Dear Sir,

I refer to your letter of 17 May 2010 and am pleased to submit Rwanda's proposal for funding support under the Global Agriculture and Food Security Program (GAFSP). If approved, the proposal would contribute significantly to closing the financing gap which currently exists in connection with the planned implementation of the programs and sub-programs of Rwanda's CAADP-reviewed Second Strategic Plan for Agricultural Transformation (PSTA II), and it's associated Agricultural Support Investment Plan (ASIP).

Rwanda's GAFSP proposal seeks to support a scale up of the Government's existing Land Husbandry, Water Harvesting and Hillside Irrigation (LWH) Program. LWH underpins a transformation of agricultural intensification on hillsides, where almost 90% of Rwanda's arable land is found with a view to increasing productivity for food and export crops in an environmentally sustainable manner. LWH as presented here is the Government's key vehicle for delivering on agriculture sector strategic objectives. The LWH exists in the ministry as a project approved and partially funded by the World Bank. The World Bank however finances a small portion 5 out of 101 earmarked locations for intensification. In the GAFSP proposal we are requesting for funds to scale up the LWH in two alternative scenarios. In the first scenario (priority scenario) we are requesting for funding to scale up activities to 11 additional sites which would allow us to reach 40,000 more households. In the second scenario (less preferred) we are requesting for funding to scale up activities to 8 additional sites taking intensified crop production to 27.000-30,000 more households.

The proposal to scale up the LWH Project was presented to and endorsed by the Agricultural Sector Working Group (ASWG) on 27 May 2010. I submit here attached with endorsement from the Minister of Agriculture and Animal Resources and the World Bank Country Manager, co-chair of the ASWG alongside

We thank you in advance for your consideration of our proposal and would like to reassure you that your support would significantly contribute to Rwanda's vision for food security and smallholder-led agricultural growth.



CC:

- Hon. Minister of Agriculture and Animal Resources
- World Bank, Country Manager