Country Plan Rwanda

This is a summary of the ETP plan for our work in Rwanda and it describes how we will bring to life the ETP strategy in this country. The details relate to the period 2021 – 2022 and there is some flexibility within these plans, to accommodate unforeseen disruptions and urgent needs.

The COVID-19 pandemic has disrupted ETP’s plans in all countries to some extent, and we regularly review and update our priorities given the constraints of the pandemic.

1. Context

ETP supports work in seven very different tea-producing origins. It is essential that we consider the local context when we plan our work for each country. The following sections summarise the contextual priorities in Rwanda.

Rwanda produces less than 1% of tea globally, making it one of the smaller tea-producing countries by volume.1 28 ETP members source tea from Rwanda. Nearly all tea is produced for export, although domestic consumption has grown slightly in recent years. Tea is one of the key export earners, and the sector is the third largest employer in Rwanda. Over the last decade, the Rwandan Government has focused on expanding tea production with three new greenfields under development and two more in the pipeline. Expansion is contentious as it is often done on land acquired through the expropriation of smallholder farmers’ land, whilst new tea planting can also threaten forested areas. The emphasis is on producing quality tea where, according to government assessment, the market continues to grow and will not result in oversupply and lower prices. The target is to increase exports from 35,810 MT in 2019/20 to 65,099 MT in 2023/24.

The tea produced in Rwanda is very high quality, fetching high prices. Historically, smallholders received only a small share of the made tea price, but restructuring the pricing model has ensured farmers now receive 50% of the sale price, both for direct sales and at the Mombasa auction. This is up from 40%; however, it is still much lower than the 70-80% going to farmers in Kenya under the KTDA structure, where farmers own the factories instead of private companies. Cooperatives also take significant deductions for transport and other services from this. As a result, most of the 45,000 farmers, who account for 60% of the tea produced in Rwanda and often cultivate very small plots, live in poverty.

1 ITC
The current minimum wage was set in the 1974 Labour Law but at RWF100 (£0.072)/day is completely out of touch with current economic realities and international poverty lines and is therefore deemed irrelevant. The process for setting a new national minimum wage has been ongoing for many years, but there has been little progress. Living wage reference price assessments show that the living wage is approximately 2.5 times the prevailing wages; 45% of the population in Rwanda lives below the international poverty line of $1.90; and 73% earns under $3.20. Sensitivities around wages mean that attempts to progress this agenda with key stakeholders have not been successful, but working towards a living wage and living income remains a high priority.

The Government of Rwanda is very supportive of digitising the tea industry. They have an ongoing programme to automate all cooperatives with digital scales, which would lead to better transparency. The Government is also interested in digitising information and training as part of a broader drive towards a digital economy.

At 61%, Rwanda has one of the highest proportions of seats held by women globally, however, progress against some of the other SDG 5 targets, such as Gender Based Violence by an intimate partner, is lagging behind global averages at just 34%. Gender needs assessments conducted by ETP show that participation of women in decision-making, both at the household level and in leadership positions is lacking. Supporting women into leadership positions in tea is also one of the priorities identified by the National Agricultural Export-development Board (NAEB).
2. Priorities and Activities

Based on the county context, the priorities for ETP in the period up to the end of 2022 are to:

- Strengthen stakeholder engagement to make progress on living wage/income and gender.
- Successfully complete the current Strategic Alliance with GIZ to improve smallholder livelihoods and resilience and capture and share impact and learning.
- Complete Participatory Rural Appraisals in tea communities to inform programme development (post-Strategic Alliance), focusing on developing safe and empowered tea communities and addressing the impacts of climate change.
- Identify opportunities to scale up climate change programmes and closely collaborate with organisations already implementing large-scale climate change programmes in Rwanda.
- Develop action-oriented recommendations with UN-platform Better Than Cash Alliance to increase access to and quality of digital salary payments in tea value chains in Rwanda.
- Pilot the digitisation of agricultural extension services.

Figure 1. Diagram summary of all project proposals for Rwanda country plan.
Overview of new programmes

Economics
Our partnership with Better Than Cash Alliance (BTCA) will initially identify opportunities to promote inclusive growth, boost productivity, and improve livelihoods through digital wage payments by developing action-orientated recommendations. ETP’s role will be to support and shape the research, ensuring it remains relevant to priority issues. The programme also offers an opportunity to build ETP’s reputation as an expert voice in tea and as a trusted partner to support the Government’s Rwanda Smart Master plan, which is working towards a cashless society. BTCA has agreed to fully fund the initial research phase, but more funding will be needed to implement recommendations and fund ETP team time.

ETP is also proposing to collaborate with NAEB (National Agricultural Export Board) on digitising tea extension services, in line with their plans to digitise the tea value chain. Since the outset of the pandemic, ETP has been exploring opportunities to digitise its training content. This would support farmers with extension services when group meetings are prohibited and provide more cost-efficient extension services and training on climate smart farming. NAEB hosting the platform will ensure long-term sustainability and support sector-wide rollout. A funding proposal has been put forward; however, additional funding will be needed if unsuccessful. As with the BTCA partnership, this will develop our relationship with NAEB and pave the way to working on more sensitive areas.

Environment
Several different environmental programmes are taking place in Rwanda:
• The current Strategic Alliance (“STA”) includes a training component on climate smart agriculture and agroforestry - supporting farmers’ resilience.
• Energy efficiency audits will be completed under FONERWA (Rwanda Green Energy Fund) at all Rwandan tea factories.
• The Government of Rwanda is leading a landscape approach in the Northern Province which is considered as a pilot to be scaled up.

The role of ETP will be to share learning from the energy efficiency audits in Rwanda and Kenya and stay close to the Government’s landscape programme.

In addition, once the STA partnership ends, ETP proposes to scale up the climate change components of the existing programme with an enhanced focus on soil erosion to protect livelihoods. As part of the extension services digitisation programme, components on climate smart agriculture will be also incorporated.

To fulfil our environment objectives in Rwanda, ETP will need to nurture relationships with funders and environmental stakeholders and continue to identify opportunities to work with partners to improve the sustainability of tea and the resilience of tea farmers.
Equality
Phase I of the Strategic Alliance (2015-2018) conducted gender assessments were and developed action plans and this work will continue. Gender committees will drive the workstream in their communities.

ETP proposes conducting a Participatory Rural Appraisal in the tea communities (including estates and smallholder communities) to build a picture of the key issues in tea post-covid and routes to addressing these. This will feed into the development of a programme with NAEB to support women in tea communities. Conducting a PRA would establish community platforms that can build on our existing network of VSLAs. It will also assess the environmental issues in tea communities and provide ETP with a well informed record of needs and approaches to adopt.
3. Supporting activities

3.1 Partnerships
The approach in Rwanda is to develop diverse partnerships that allow ETP to work at multiple levels, both to keep understanding issues impacting workers and farmers in the tea communities, but also to take steps towards changes at the policy level. These partnerships include Better Than Cash Alliance, NAEB, tea producers and cooperatives, FONERWA and the smallholder umbrella organisation FERWACOTHE. Sufficient resourcing in-country to maintain these relationships and expand ETP’s network and profile in Rwanda will be crucial.

3.2 Shared learning
The priority in Rwanda will be to share learning to support the implementation of the FONERWA partnership on energy efficiency, which will enable us to raise ETP’s profile as an expert organisation. Once the recommendations from the BTCA research are ready, there will be an opportunity to share these in Rwanda and beyond. Learning from PRAs will be shared with key stakeholders and will inform the engagement and influencing strategy and development of gender action plan with NAEB. As part of the STA, the consolidated Farmer Field School (FFS) approach will be documented, and its impact shared among stakeholders in Rwanda and other ETP regional programmes. The country programme will continue learning from other regions on living wage and incomes as we progress with stakeholders engagements.

3.3 Communications
Support provided during the COVID pandemic with funding from ETP members and GIZ raised ETP’s profile with key stakeholders such as tea producers, cooperatives, NAEB and FERWACOTHE. It is important that we continue to build on this by supporting programmes that deliver the ETP strategy but also support local priorities. The critical stakeholder to continue engagement with is NAEB. Their support is vital for any new projects or programmes and to tackle complex issues. Some of the proposed activities such as the Better Than Cash Alliance partnership and supporting digitising extension services, will build our reputation as a trusted partner and offer opportunities to have conversations about living wage and living income.

ETP members will be encouraged to support progress with the living wage and incomes agenda through direct engagement with key stakeholders in-country. If appropriate, joint engagement can be considered with other commodity platforms later.

As both ETP and NAEB are prioritising providing opportunities for women, our proposal is also to develop a joint action plan to support safety and opportunities for women in the Rwandan tea sector.
NAEB hosts a tea stakeholders’ forum, attended mainly by NAEB and Rwandan tea producers, and has recently offered ETP a seat at the table, providing a new route to stakeholder engagement in-country. Currently, meetings have been delayed due to the pandemic. However, over the next 18 months, ETP will also develop a more detailed stakeholder engagement and influencing strategy focusing on priority issues in Rwanda.

We will identify a pool of local freelancers to support story gathering, which will support member communications and ETP’s communications strategy in-country.

The objectives of the ETP Rwanda in-country communications over the next 18 months are to:
• Develop a robust influencing and engagement plan.
• Strengthen the position of ETP as the Tea expert and trusted partner.
• Share learning and best practice widely, in particular to support the rollout of FONERWA energy efficiency programme and build on recommendations from the BTCA study.
4. Background materials

A budget, workplan and monitoring and evaluation plan have been developed to support the implementation of the priorities outlined above.