





## **Press Release**

July 23rd, 2020

## Japan disbursed 28 million USD to assist nutrition improvement in Rwanda through agriculture transformation

On July 21<sup>st</sup>, JICA disbursed the second tranche of 30% equivalent to 28 million USD as a result of achievements of the second set of policy actions by the Government of Rwanda (GoR) in its continuous efforts to improve nutrition through agriculture transformation.

On August 16, 2019, the Governments of Japan and Rwanda agreed on Sector Policy Loan for Nutrition Improvement through Agricultural Transformation of 10 billion yen (approximately USD 93 million) to assist Rwanda's effort to tackle stunting. In the Loan Agreement signed between Japan International Cooperation Agency (JICA) and the Ministry of Finance and Economic Planning (MINECOFIN), the trigger -based disbursement of the loan has been subdivided into three tranches of 40 %, 30% and 30% to be received over three years. The 1st tranche equivalent to 40% (36 Million USD) has been subsequently disbursed in December 2019.

Mr. MARUO Shin, Chief Representative of JICA Rwanda Office, appreciated the concerned ministries and agencies of the GoR in achieving the agreed policy actions related to the above disbursement in timely manner, despite challenges faced in the course of implementation, posed by COVID-19 global pandemic. This disbursement is timely because it would assist the GoR in mainstreaming "Nutrition" during the COVID-19 pandemic period when many urban and rural households are suffering from malnutrition.

Despite substantial growth in agricultural production over the past 10 years, food security and nutrition remain concerns, especially looking at the vulnerability to shocks at the household level. A large share of the population remains dependent on rain-fed and subsistence agriculture. Some staple food production remains below the targeted demand for domestic consumption and is substituted by importation. Maintaining a healthy diet is vital during the COVID-19 pandemic. According to FAO, a healthy diet supports a strong immune system, while good nutrition is very important before, during and after an infection<sup>1</sup>.

The Program targets 12 Districts with highest stunting rates; namely Rutsiro, Rubavu, Burera, Nyaruguru, Ngororero, Nyamagabe, Nyamasheke, Gakenke, Gisagara, Gicumbi, Musanze and

<sup>&</sup>lt;sup>1</sup> FAO, Maintaining a healthy diet during the COVID-19 pandemic (March 2020)

Ngoma District. At a decentralized level, the program has started to fill food nutrient gap in each target district and suitable nutritious crop has been identified and are being promoted for production. Other components include making crop calendars for irrigation schemes, and nutrition public awareness campaigns. The program is expected to have a big impact in eradicating undernutrition and fighting against stunting.

## **Basic information on the Project**

| Project<br>Title               | Sector Policy Loan for Nutrition Improvement through Agriculture<br>Transformation   |
|--------------------------------|--|
| Executing<br>Agency            | <ul> <li>Ministry of Agriculture and Animal Resources (MINAGRI),</li> <li>National Early Childhood Development Program (NECDP),</li> <li>Rwanda Agriculture and Animal Resources Development Board (RAB), and</li> <li>Rwanda Biomedical Centre (RBC)</li> </ul> |
| Specific<br>Project<br>Details | (1) Project Period: 2019 to 2021 (2) Total Amount: 10 billion Japanese Yen (approximately USD 93 million) (3) Annual Interest Rate: 0.01 % (4) Repayment Period: 40 years (5) Grace period: 10 years   |

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