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REPORT AND RECOMMENDATION
OF THE
PRESIDENT OF THE
INTERNATIONAL DEVELOPMENT ASSOCIATION
TO THE
EXECUTIVE DIRECTORS
ON A
PROPOSED CREDIT
TO THE
RWANDESE REPUBLIC
FOR A
TECHNICAL ASSISTANCE PROJECT

February 18, 1982

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CURRENCY EQUIVALENTS

US\$1.00	=	Rwandese Franc (RF) 91.91
RF 100	=	US\$1.09

FISCAL YEAR

January 1 - December 31

GLOSSARY OF ABBREVIATIONS

BUNEP	-	Bureau National d'Etudes de Projets (National Bureau for the Study of Projects)
ISAR	-	Institut des Sciences Agronomiques du Rwanda (Agricultural Research Institute of Rwanda)
MINIPLAN	-	Ministere du Plan (Ministry of Planning)
MINITRAPE	-	Ministere des Travaux Publics et de l'Equipement (Ministry of Public Works and Equipment)
OPROVIA	-	Office National pour le Developpement et la Commercialisa- tion des Produits Vivriers et de la Production Animale (National Agency for the Development and Marketing of Foodcrops and Animal Products)

WEIGHTS AND MEASURES

Metric System

<u>Metric</u>		<u>British/US Equivalents</u>
1 meter (m)	=	3.3 feet
1 hectare (ha)	=	2.47 acre
1 are (100 m ²)	=	0.02 acres
1 kilometer (km)	=	0.62 miles
1 square kilometer (km ²)	=	0.39 square mile (sq. mi.)
1 kilogram (kg)	=	2.2 pounds (lb)
1 liter (l)	=	0.26 US gallon (gal)
	=	0.22 British gallon (imp gal)
1 metric ton (m ton)	=	2,204 pounds (lb)

(i)

RWANDA

TECHNICAL ASSISTANCE PROJECT

Credit and Project Summary

Borrower: Rwandese Republic

Amount: SDRs 4.3 million (US\$5.0 million equivalent)

Terms: Standard

Project Description: (i) Objectives: To increase Rwanda's absorptive capacity, improve interministerial coordination in project preparation and monitoring, and strengthen the Ministry of Planning (MINIPLAN).

(ii) Components: The project would provide:

- (a) a Study Fund to finance prefeasibility, feasibility, and detailed engineering studies (for a total of about 545 staff-months, of which about 70 percent are expatriate);
- (b) training Seminars in Rwanda on project preparation and implementation (about 8 staff-months of instructors);
- (c) a project economist, in MINIPLAN, to provide technical assistance in managing the Study Fund (4 years);
- (d) a financial analyst to strengthen the National Bureau for the Study of Projects (4 years);
- (e) building and equipping of a Documentation Center, attached to MINIPLAN;
- (f) a documentalist to organize and start up the Documentation Center; and
- (g) vehicles.

(ii)

(iii) Benefits: The project would increase the number and improve the quality of projects submitted for outside financing; it would strengthen local project preparation capabilities; and it would improve coordination between technical ministries and MINIPLAN, thus strengthening the links between investment planning, programming and budgeting.

(iv) Risks: The major risks are linked to the quality of MINIPLAN's performance in administering the Study Fund and to the amount of cooperation it would receive from technical ministries. Delays might also occur in the recruitment of suitably qualified experts. Close supervision by the Association should help alleviate these risks.

Estimated costs:

	<u>Local</u> (US\$ thousands equivalent)	<u>Foreign</u> (US\$ thousands equivalent)	<u>Total</u> (US\$ thousands equivalent)	<u>Foreign Exchange Component</u> (percent)
Long-term Advisers	140	550	690	80
Study fund	1,000	3,250	4,250	76
Training Seminars	80	80	160	50
Documentation Center	70	180	250	72
Vehicles	20	60	80	75
Contingencies	230	720	950	76
Total <u>1/</u>	<u>1,540</u>	<u>4,840</u>	<u>6,380</u>	<u>76</u>

Financing Plan

	<u>Local</u> (US\$ thousands equivalent)	<u>Foreign</u> (US\$ thousands equivalent)	<u>Total</u> (US\$ thousands equivalent)	<u>Percent</u>
IDA	1,000	4,000	5,000	78
UNDP	160	840	1,000	16
Government	380	-	380	6
TOTAL	<u>1,540</u>	<u>4,840</u>	<u>6,380</u>	<u>100</u>

1/ Taxes included in project costs are negligible as all items would be exempt from import duties and local taxes.

Estimated disbursements:

IDA Fiscal Year
(US\$ thousands equivalent)

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
<u>Annual:</u>	100	500	1,500	1,700	1,200
<u>Cumulative:</u>	100	600	2,100	3,800	5,000

Appraisal Report: There is no appraisal report on this project.

Rate of Return: N.A.

Map: IBRD 14634

INTERNATIONAL DEVELOPMENT ASSOCIATION

REPORT AND RECOMMENDATION OF THE PRESIDENT
TO THE EXECUTIVE DIRECTORS
ON A PROPOSED CREDIT
TO THE RWANDESE REPUBLIC
FOR A
TECHNICAL ASSISTANCE PROJECT

1. I submit the following report and recommendation on a proposed credit to the Rwandese Republic for the equivalent of SDRs 4,300,000 (US\$5.0 million) on standard IDA terms, to finance a Technical Assistance Project. The project would be cofinanced with UNDP (about US\$1.0 million) on a parallel basis. The Bank would serve as executing agency for the UNDP-financed components of the project.

PART I - THE ECONOMY

2. A report, "Memorandum on the Economy of Rwanda" (No. 1108-RW), was distributed to the Executive Directors on July 27, 1976. Rwanda was visited by an economic mission in February 1979 and again in November/December 1981. The major findings of this recent mission are reflected below. Country data are provided in Annex I.

3. Rwanda became independent in 1962. Since the present Government came to power in 1973, the country has enjoyed considerable political stability. This has been partly facilitated by the unity and relative homogeneity of the population and the absence of serious inequalities in the distribution of income and wealth. With an estimated per capita income of US\$220 in 1980, Rwanda is among the poorest countries in the world. Its population density of around 210 persons per square kilometer is about ten times the average density for all of sub-Saharan Africa. The population remains predominantly rural, with only 4 percent estimated to be in urban areas in 1980. Although agriculture provides more than half of Rwanda's export receipts, predominantly from coffee, the expansion of export crops is constrained by the need to expand, at the same time, the production of foodcrops for domestic consumption and by the limited availability of arable land. Rwanda's manufacturing base is narrow, and its growth is hampered by the limited size of the market and the lack of raw materials, marketing facilities, entrepreneurial skills and skilled manpower. In addition, Rwanda's landlocked situation hampers merchandise trade because of high transportation costs and dependence on neighboring countries.

4. Deficiencies in the statistical data base make it exceedingly difficult to assess the macroeconomic performance of Rwanda. The national

accounts data available are neither comprehensive nor reliable, at current or constant market prices. Available estimates of the national accounts indicate that during the period 1977-79 the rate of growth of GDP averaged 5 percent, but declined to 4 percent in 1980. The recent performance of the agricultural sector (which represented some 46 percent of GDP in 1980) has been disappointing. While agricultural output has sometimes been adversely affected by unfavorable weather conditions, there also appears to be a more fundamental problem -- an underlying trend of declining yields related to the rapid deterioration of soil fertility. Among the most important foodcrops, only the production of sweet potatoes and cassava has increased, while the production of other foodcrops has been stagnant. The overall decline in per capita agricultural production constitutes a major weakness in this predominantly agrarian economy with its rapidly expanding population. The other sectors of the economy, particularly manufacturing and transport, have exhibited some significant real growth over recent years. The importance of these sectors, however, remains quite limited in terms of their contribution to GDP (15 and 2 percent, respectively, in 1980).

5. The Government has traditionally followed prudent fiscal policies. In the period 1977-1979, current budgetary surpluses averaged 3 percent of GDP and overall Treasury surpluses averaged 1 percent of GDP. Fiscal policies have generally been conditioned by international developments with regard to Rwanda's main export product, coffee, which is its most important source of budget revenue. Rwanda's vulnerability to external events is illustrated by developments in 1979-80: as the Uganda border was closed in early 1979, revenue from coffee exports declined, thus also the budgetary surplus, and supply disruptions fueled inflation. In order to face this situation, the Government adopted a stabilization program, beginning on July 1, 1979, supported by a one-year stand-by arrangement with the IMF. Although the performance criteria set by the IMF were met, purchases were never made under this arrangement: the route through Uganda was reopened and coffee prices rose. The Government has endeavored to reduce its dependence on revenue from coffee: efforts have been made to improve the collection of taxes on income and profits, and tax rates on real estate and vehicles have been increased. In 1980, increases in revenue from these sources and from taxes on beverages, plus transfers of profits from public enterprises, mainly the National Bank of Rwanda, helped stem what otherwise would have been the Government's first deficit in years, as the coffee market plummeted (there were significant declines in both volume exported and prices).

6. Monetary and credit developments over the past few years reflect the prudent and conservative policy of the Central Bank and the effects of generally favorable conditions for coffee exports. As a result of Central Government surpluses but also because of increased nonbank borrowing, the Treasury has steadily improved its net creditor position with the banking system. In 1980, this limited the expansion of domestic credit to 12 percent, in spite of a rapid expansion in credit to the private sector mainly due to the need to finance coffee stocks. As net foreign assets rose moderately, the increase in the money supply was only 8 percent. In addition to these developments, improvements in supply conditions also contributed to bringing the inflation rate down from 16 percent in 1979 to about 7 percent in 1980.

7. Rwanda's balance of payments performance in 1980 weakened considerably relative to 1979. This was due to a decline in the terms of trade and to a marked deterioration of the trade balance from a surplus of US\$43.4 million equivalent in 1979, when coffee receipts had trebled, to a deficit of US\$70.8 million equivalent in 1980, as both the volume and the price of coffee declined significantly. Imports, mainly of petroleum products and foodstuffs, increased markedly. The deficit in the current account, at US\$54.3 million equivalent, was only slightly smaller than the trade balance, as reduced net service payments were offset by a decline in net transfers. However, net official long-term capital increased from US\$17.6 million equivalent in 1979 to US\$33.2 million equivalent in 1980. Moreover, there was a significant inflow of short-term capital, largely attributable to the liquidation of outstanding coffee credits. These developments compensated for the deterioration in the current account so that the overall balance of payments registered a surplus of US\$13.3 million equivalent in 1980, whereas the surplus in 1979 was US\$69.7 million equivalent. Rwanda's gross official foreign reserves, at the end of 1980, still stood at the fairly comfortable level of about US\$204 million, equivalent to seven months of estimated 1981 imports of goods and nonfactor services.

8. The outlook for the near future is of a continued deterioration in Rwanda's external position. Coffee prices are expected to remain depressed through 1984-1985 while the volume exported is not likely to exceed the average of the last three years. In addition, Rwanda does not have a viable alternative to coffee, as the volume of its other major exports (tea, cassiterite and wolfram) cannot be increased significantly in the short term and their prices are also forecast to fall. Export receipts in 1981 are estimated to have declined for the second consecutive year, to US\$125 million equivalent. As import payments declined (in view of the accumulated stocks of imported goods at end-1980), the trade deficit is estimated to have been slightly smaller than in 1980, at US\$68.7 million equivalent. Net service payments increased to US\$121.7 million equivalent and net transfers recovered from their decline in 1980; thus, the current account deficit is estimated at US\$62.6 million equivalent. Although the net inflow of capital continued at a high level, this was not sufficient to prevent Rwanda from suffering its first reserve loss - US\$11.6 million equivalent - in many years.

9. Rwanda's need for external assistance will thus increase. The country's external debt is low. At end 1980, the public and publicly guaranteed external debt amounted to US\$170 million, or 14 percent of GDP, which suggests ample scope for further borrowing, although the poverty of the country and the instability of its export earnings require highly concessional terms. So far, virtually all funds have been received in the form of grants and loans at concessionary terms. Consequently, the estimated debt service ratio in 1980 was equivalent to only 3.2 percent of exports of goods and non-factor services.

10. Under the present Government there has been a marked reorientation in the focus of development towards agriculture and rural development.

Increased food production is recognized as the cardinal priority, and major emphasis is also placed on human resources development and on improving infrastructure in transport and communications. The Five-Year Plan 1977-81 identified four broad priority objectives: (i) satisfying the population's food needs; (ii) increasing employment and improving utilization of the country's human resources; (iii) increasing living standards by more widespread access to improved health care and basic social services; and (iv) improving Rwanda's external position through a better trade balance, improved transport links, and more effective and increased use of external financial and technical assistance. The Plan also made the first official acknowledgement of the need for effective population planning as an indispensable complement to the other priority objectives.

11. With regard to the first objective of satisfying food needs, overall growth in agriculture has barely reached 3 percent yearly, as compared to the Plan's target of 3.8 percent. While some improved cultivation practices are reported, the overall picture in a situation of rapidly growing population is one of stagnating or declining yields. The coordinated approach to foodcrop, export crop and livestock production envisioned by the Plan has not yet materialized.

12. Progress towards the second objective, increasing employment and improving utilization of human resources, has also been limited. The 5.8 percent per annum increase in wage employment projected by the Plan has not been realized, and the only significant increases have occurred in the public administration and construction sectors.

13. Regarding the third objective, improving living standards, overall progress has been slow. The food supply remains inadequate, population is increasing rapidly, and educational efforts to reduce illiteracy (77 percent) will take time to produce results. While there has been a gradual increase in the number of health/nutrition centers and hospital beds, health services in rural areas are still sparse, and rural water supply has tended even to deteriorate in some regions. Recent Government actions addressed to population planning will take time to produce tangible results, not only because the organization and implementation of family planning services require time and financial and human resources, but also because of religious (50 percent of the Rwandese is Roman Catholic) and sociological considerations.

14. Considering the fourth objective of the Plan, improving the country's external position, the Government's efforts to limit Rwanda's vulnerability to external factors have, thus far, been addressed mainly to (i) development of appropriate infrastructure and, in particular, transportation (to stimulate agricultural specialization and diversification by eliminating bottlenecks affecting distribution and to support programs aimed at improving Rwanda's external position by making commodities exported more cost competitive internationally and imports more affordable through lower transport cost) and (ii) improving coffee production and exports. A policy of diversifying agricultural exports has also been pursued. This, however, can only be done in a very limited way, given Rwanda's shortage of arable land and the country's urgent need to increase food production. Furthermore, as the scope for

diversification is limited to only a few primary commodities (tea, pyrethrum and quinine bark), Rwanda will remain vulnerable to the international price fluctuations of these commodities.

15. For the longer term, other options for diversification need to be identified and pursued. The mining sector appears to hold some promise for future investment in the light of the Government's plans to increase the domestic processing capacity for mineral raw materials. Potential for IDA or IFC investment in this sector deserves further investigation.

PART II - BANK GROUP OPERATIONS IN RWANDA 1/

16. Bank Group assistance started in 1970 and initially focused on the improvement of the road network and the strengthening of agricultural production. Rwanda has received fourteen IDA credits totalling US\$130.5 million, of which four (totalling US\$43.1 million) were for roads, six (US\$64.3 million) for agriculture, two (US\$9.2 million) for DFC projects, one (US\$6.4 million) for education and one (US\$7.5 million) for telecommunications. There have been no Bank loans. An IFC loan of US\$535,000 for a tea factory was signed in 1976; a second IFC loan of US\$226,000 and contingent equity commitment of up to US\$60,000 to expand the tea factory were signed in September 1980. Annex II contains a summary statement of IDA credits, IFC investments and notes on the execution of ongoing projects.

17. The first three highway projects are completed and totally disbursed. A fourth credit for a highway maintenance project (Credit 769-RW), which became effective in August 1978, is three-quarters completed and is progressing satisfactorily.

18. The first agricultural development (Mutara) project was completed in July 1979 and funds have now been completely disbursed. 2/ A second credit of US\$8.8 million, which supports the second phase of a long-term development for the Mutara region, was declared effective on May 30, 1980, but has experienced start-up problems due to difficulties in recruiting technical assistance.

1/ Part II of this report is substantially the same as that in Report No. P-2987-RW on the Lake Kivu Coffee Improvement and Foodcrop Project, considered by the Executive Directors on March 31, 1981.

2/ A Project Completion Report (August 1980) concluded that even though the increases in agricultural production were less than originally expected, substantial achievements had been realized under the project in the areas of infrastructure development and in experience acquired by Rwandese staff in project management. In addition, the project had served as a positive instrument for IDA and the Government in developing a sectoral dialogue for the Mutara area.

The credit agreement for a cinchona project (US\$1.8 million) and the credit agreement for the Bugesera/Gisaka/Migongo (BGM) mixed farming and rural development project (US\$14.0 million) were signed in August 1976 and in March 1977, respectively. Construction, procurement and budgeting are proceeding satisfactorily under the BGM project, though the results of foodcrop and plant improvement components are below appraisal estimates due to a failure to come up with appropriate technical packages for the relatively dry project area. The Cinchona project is progressing satisfactorily. A project to support reforestation programs in Kigali, Butare and Gisenyi Prefectures (IDA Credit 1039-RW for US\$21.0 million) was signed July 2, 1980; the project also includes a study of renewable energy sources for Rwanda. A US\$15.0 million credit for a coffee improvement/foodcrops project in the Lake Kivu region was signed April 29, 1981. A credit for an education project (US\$7.9 million) became effective in 1975; physical implementation has been slow and complicated by procurement problems. The first credit of US\$4.0 million to the Development Finance Company (BRD) has now been fully committed. BRD's performance under the credit has been highly satisfactory. A second credit of US\$5.2 million to BRD was signed on July 13, 1979, and became effective on January 4, 1980. A credit for a telecommunications project (US\$7.5 million) which aims at reducing Rwanda's geographic isolation from other countries and at improving internal telecommunications facilities, was signed on August 13, 1980.

19. One of the major constraints on Rwanda's development is the shortage of technical/managerial capacity. This affects all sectors and inhibits project preparation and implementation. Intensive technical assistance is therefore justified as a salient feature of the Bank Group's program for Rwanda and would be provided under the proposed project (para. 34).

20. For the future, the primary emphasis of Bank operations will remain on rural development, the main objective being to increase food production as well as export crops, while maintaining soil fertility. A major emphasis will also be placed on the development of human resources, focusing on population control and support to basic education and skills training to improve agricultural productivity, provide skilled manpower, and influence attitudes on the population issue. Further investment is also justified for infrastructure and, in particular, transportation to reduce the country's isolation and provide incentives to more intensive agricultural activity and diversification through better marketing. Another area requiring our special attention includes renewable sources of energy to lessen the demand for fuel imports and mitigate their impact on the balance of payments. A study of renewable energy sources is being financed under IDA credit 1039-RW (para. 18). Preparation of a second Bugesera rural development project is underway and will include a population/nutrition component, the Association's first operational effort in the critical area of population education and control. In highways, the Government has asked the Bank Group to participate in the financing of the Butare-Ntendezi road. This project, expected to be presented to the Board in June, 1982, would open up the southern region of Rwanda towards Zaire and Burundi and support both the forestry (FY80) and the coffee improvement/foodcrops (FY81) projects. A second education project, appraised during

June/July 1981, would address clearcut manpower needs and support the training of middle level technicians and managers; the project will also include selective support for basic education through pre-service and inservice training of teachers. It is expected that the Bank Group will continue to support industrial development through the Rwandese Development Bank (BRD).

PART III - SECTOR BACKGROUND: THE NEED FOR TECHNICAL ASSISTANCE

The Planning Function

21. The main responsibility for designing and coordinating Rwanda's development strategy rests with the Ministry of Planning (MINIPLAN). With a total staff of about 120, MINIPLAN is subdivided into three Directorates General: planning; statistics; and inspection and control. Briefly summarized, their respective functions are as follows:

- (i) the Directorate General for Planning is responsible for preparing the Development Plan and for translating it into investment programs. It comprises two directorates: the Directorate of Studies, which conducts the macroeconomic and sector work necessary to elaborate the Plan, and the Programs Directorate, which is responsible for identifying specific projects fitting within planned priorities, for programming their implementation over time, and for preparing the investment budget. The Director General is responsible for integrating the contributions of the two directorates, but, so far, only macroeconomic and sector work has been strengthened, with UNDP assistance (paras. 22-23). The Programs Directorate's work is too weak to contribute to the necessary iterations between macroeconomic and project work and to be meaningfully integrated into the planning process. Consequently, investment lags behind targeted goals, and planning, programming and budgeting activities are poorly coordinated;
- (ii) the Directorate General for Statistics is responsible for collection and analysis of data and for documentation services. Statistical work, however, is scattered among various governmental agencies (ministries of Economy and Trade, Finance, customs agency, National Bank). This leads to waste of scarce talent and reduces the reliability of available data. Documentation is not collected systematically and existing information is hard to retrieve. The lack of reliable statistics and of documentation leads to duplication in project preparation work, as basic economic and social facts must be reestablished for most new projects; and

- (iii) the Directorate General for Inspection and Control of the Plan is in charge of monitoring project implementation against the Plan's objectives and the execution of the investment budget. To date, this Directorate has not, however, established a central monitoring system and lacks a comprehensive view of development efforts in the country.

22. Many of MINIPLAN's weaknesses result from a lack of skilled manpower and from the high turnover rate of competent personnel at higher levels. Aware of the situation, Government has taken steps to strengthen the planning function with UNDP's assistance. At present, UNDP finances five advisers assigned to MINIPLAN's Directorate of Studies (UNDP Project RWA/78/007: "Technical Assistance to Planning" executed by the UN Department of Technical Cooperation for Development). They are mainly responsible for macroeconomic work, for sector planning (agriculture, human resources, infrastructure, industry), and for maintaining contact with the study units of the Ministries of Economy, Agriculture, and Public Works. A sixth expert, financed by French technical cooperation, works on macroeconomic planning and provides statistical assistance. He collaborates closely with the UNDP advisers, but is not formally integrated into the team.

23. The UNDP team has contributed to a better identification of priorities in the Second Five-Year Plan (1977-1981) and to an improvement of MINIPLAN's internal workings. The presence of these advisers, however, has also led to demands for them to provide assistance in project preparation work, for which they do not always have the appropriate skills or the necessary time. Such demands conflict with the main functions of the Directorate of Studies and detract the experts from assisting the Directorate in exercising proper quality control over sector work submitted by line ministries.

24. The centralization of new project ideas, the coordination of pre-investment studies, and the preparation of the investment budget fall under the responsibility of the Programs Directorate. This weak unit has received no assistance to date and Government now wishes to strengthen it. This would require technical and financial assistance to help develop capabilities for preinvestment studies and coordination of the preparation of coherent programs of new projects. Strengthening the Programs Directorate would contribute to establish a balance within the Directorate General of Planning, which would be in a better position to integrate the various components of its work.

The Project Preparation Function

25. The lack of well prepared projects impedes the country's absorptive capacity and explains partly why investment goals targeted in the Second Five-Year Plan have been only partially met (paras. 11-14). The current situation is reflected in the preparatory work done for the UNCTAD conference on the least developed countries which produced a list of 118 projects to be financed at an estimated total cost of US\$2.5 billion over the next ten years. For 31 percent of these projects (representing 12.2 percent of the total estimated cost) no study had been done; 41 percent of the projects (60 percent of total estimated cost) had been identified through studies of varying depth; only 28

percent were backed by feasibility studies, technical notes, marketing studies, etc. All necessary studies had been completed for only one project (estimated cost: US\$21.8 million).

26. As a result of Rwanda's difficulties in submitting well structured projects, many donors and suppliers prepare their own projects, reducing further local capabilities and the Government's decisional autonomy. Removing this source of dependency is one of the Second Plan's priorities and Government has taken a series of steps to strengthen local project preparation capabilities by creating the National Bureau for the Study of Projects (BUNEP).

27. Created by Presidential decree on September 5, 1978, BUNEP is a state enterprise, with administrative and financial autonomy, placed under the control and supervision of MINIPLAN. BUNEP is responsible for:

- (i) preparing the documentation (technical, economic, financial) necessary for submitting projects for outside financing;
- (ii) preparing tender documents;
- (iii) training national experts in the field of project preparation; and
- (iv) carrying out ad hoc tasks (study of social and economic reforms, monitoring of projects) at Government's request.

28. In November 1981, BUNEP employed a total of 40 people: 14 were conducting studies, and 26 were performing support functions. The staff is distributed into four sections with different responsibilities (agriculture; economic studies; infrastructure; social studies). BUNEP has completed studies which include a prefeasibility study for an industrial brick making factory, a small springs survey, an identification study for an oil factory, an economic analysis of the Bugeresa/Gisaka/Migongo II project which has been proposed for Bank financing, an economic study of warehouses in Mombasa, a market survey for an office building in Kigali, and a preliminary study for the Kigali hospital. Available studies show the efforts made to design and implement a uniform evaluation methodology, but BUNEP's work suffers from the absence of any reliable statistics and from the relative lack of professional experience among its national staff. Moreover, the studies cover a wide range of topics, and BUNEP runs the risk of spreading its resources too thinly. It would seem advisable for BUNEP to concentrate on the development of a narrower field of expertise in areas identified as national priorities in the Plan.

29. Government attaches great importance to strengthening BUNEP and to complementing the assistance already provided by UNDP to the Bureau. UNDP currently provides three advisers (the team leader, an infrastructure expert, and an agricultural development expert) under its Project RWA/77/009: "Assistance to BUNEP," executed by the UN Department of Technical Cooperation for

Development. UNDP's assistance will be extended to 1986, but it will remain concentrated on technical aspects of project preparation work. It would have to be complemented by assistance covering the financial and economic aspects of project preparation.

30. Outside of BUNEP, local project preparation work is conducted by study units attached to three ministries (Agriculture, Economy, and Public Works). These study units receive technical assistance, but they remain understaffed and weak. In November 1981, the following technical assistance was available:

- (i) Ministry of Agriculture: two Belgian and one French agricultural economists in the study unit; one Belgian animal husbandry specialist in the Agricultural Research Institute of Rwanda (ISAR); one Belgian Rural Engineer and one Belgian adviser for the National Agency for the Development and Marketing of Foodcrop and Animal Products (OPROVIA); and one Swiss forester in ISAR;
- (ii) Industry Directorate of the Ministry of Economy: two UNIDO experts;
- (iii) Economic Policy Directorate of the Ministry of Economy: two German economists in charge of industrial policy and defining procedures for project preparation;
- (iv) Ministry of Public Works: five German civil engineers responsible for studies; twelve road maintenance technicians, including three training instructors financed by IDA; IDA's next highway project is likely to include financing of a transportation planner and a civil engineer.

The Need for Further Assistance

31. Though current technical assistance addresses some of Rwanda's major weaknesses in planning and project preparation, MINIPLAN's coordinating and programming functions still need strengthening. UNDP's assistance covers macroeconomic and sector planning at one end of the project cycle (MINIPLAN's Directorate of Studies), and individual project preparation at the other (BUNEP). The intermediate phase of translating inter- and intra-sectoral priorities into well-studied projects (Programs Directorate) currently receives no assistance. The proposed project is designed to strengthen this intermediate phase and to complement the assistance already provided by UNDP. Besides project preparation, Rwanda's absorptive capacity could also be increased by improving the performance of public enterprises in the implementation of projects for which financing has been secured. A review of the parastatal sector is included under the proposed Study Fund.

PART IV - THE PROJECT

Background

32. During his visit to the Bank on September 25, 1980, the President of the Rwandese Republic, Major-General Habyarimana, expressed the concern of his Government about the scarcity of project preparation and implementation resources in his country. He requested Bank Group support to help improve project preparation and implementation. Following his visit, the Bank contacted bilateral and multilateral sources and obtained UNDP's agreement to contribute US\$1.0 million towards the financing of the proposed project, which is in response to the President's request. The project was identified and prepared in February 1981 and appraised in May 1981. Negotiations were held in Washington from January 11 to 15, 1982. The Rwandese Delegation was led by H.E. Ambroise Mulindangabo, Minister of Planning. A Credit and Project Summary is provided at the beginning of this report. Supplementary data on the project are contained in Annex III.

Project Objectives

33. The project would increase the number and improve the quality of projects submitted for outside financing; it would strengthen local project preparation capabilities; and it would establish better coordination between technical ministries and MINIPLAN, thus improving linkages between investment planning, programming and budgeting.

Project Description

34. The proposed project would include the following major elements:

- (i) a Study Fund managed by MINIPLAN, which would finance prefeasibility, feasibility, and detailed engineering studies (about 545 staff-months, of which about 70 percent for expatriate services);
- (ii) training seminars in Rwanda on project preparation and implementation (8 staff-months for instructors);
- (iii) a project economist assigned to MINIPLAN, financed by UNDP, with the Bank serving as executing agency; the contract with this adviser would be for an initial period of two years, renewable for another two on the basis of the adviser's performance;
- (iv) a financial analyst assigned to BUNEP, financed by UNDP, with the Bank serving as executing agency; the contract with this adviser would be for an initial period of two years, renewable for another two on the basis of the adviser's performance;

- (v) construction and equipment of a Documentation Center, placed under the authority of MINIPLAN;
- (vi) a documentalist assigned to the Documentation Center for two years, financed by UNDP, with the Bank serving as executing agency; and
- (vi) two vehicles for MINIPLAN and one vehicle for BUNEP.

Detailed Features

35. Study Fund. The Study Fund would finance prefeasibility, feasibility, and detailed engineering studies. The sectoral composition and distribution of these studies would reflect the priorities of the Five-Year Plan. Special emphasis would be put on productive sectors, especially agriculture. An indicative sectoral distribution of the Study Fund proceeds would be as follows: 35 percent for agriculture and rural development, 25 percent for industry and crafts, 15 percent for human resources development, 15 percent for transport and communications, and 10 percent for other sectors. The Fund would encourage preparation of small and medium-size projects. Specifically, unless the Association otherwise agrees, a ceiling of about US\$250,000 (1981 prices) would serve as a guideline for approving the cost of individual studies. (Schedule 4, para. (f) of the Development Credit Agreement.) This would encourage coverage of as broad a range of projects as possible within each sector. In addition, because of Government's concern with improving the performance of public sector enterprises, the Fund would finance a review and analysis of the parastatal sector, with a view to designing a program of technical assistance to this sector.

36. The Study Fund would be a focal point for coordinating the preparation of new projects and would be used to finance local and foreign consultants. The Fund would be administered by the Programs Directorate, with the assistance of the project economist. Procedures for administering the Study Fund (see Schedule 4 of the Development Credit Agreement) would be as follows:

- (i) twice yearly, at MINIPLAN's request, all ministries would submit study proposals;
- (ii) the Programs Directorate would review these proposals, in consultation with the Directorate of Studies, and submit them to an advisory commission, chaired by the Minister of Planning and composed of MINIPLAN's correspondents in each ministry; these correspondents would be designated by the Minister of Planning in agreement with each concerned department;
- (iii) the advisory commission would be convened as often as necessary, but at least twice a year, to consider the proposals submitted by the Programs Directorate; BUNEP would attend the meetings;

- (iv) after receiving the commission's advice, the Minister of Planning would select the proposals to be included in a yearly program of studies; selection would be in accordance with criteria in para. 35;
- (v) the Programs Directorate would be responsible for implementing the agreed program of studies and would, inter alia, prepare terms of reference for the studies, approve the agencies selected to carry out the studies, approve the contracts with such agencies for signature by the concerned ministry, and, finally, report to the advisory commission on the implementation of the agreed studies;
- (vi) necessary services (preparation of detailed terms of reference; and conduct of studies) would be provided by BUNEP (para. 37), study units of technical ministries, and foreign consultants; and
- (vii) in all activities related to the administration of the Study Fund, the Programs Directorate would act as technical secretariat to the advisory commission; all activities financed by the Fund would require the Association's prior approval (para. 41).

37. Role of BUNEP. In order to strengthen local capabilities to prepare and monitor projects, a special role would be reserved for BUNEP in carrying out studies financed by the Study Fund. Guidelines to be issued by MINIPLAN for BUNEP's participation would stipulate (see Schedule 6, Development Credit Agreement) that:

- (i) BUNEP would conduct studies financed by the Study Fund without, however, having the exclusive right to conduct such studies; 1/
- (ii) after elaboration of the program of studies as described in para. 36, BUNEP would communicate to the advisory commission a list of studies that BUNEP deems to be within its capabilities, given its technical competence and work load;
- (iii) for such studies BUNEP would submit technical and financial proposals to MINIPLAN and the technical ministry concerned;
- (iv) if BUNEP's proposal is accepted by the advisory commission and approved by the Association, BUNEP would be given responsibility to conduct the study; and
- (v) if not, the choice of consultants would follow the same procedures as for all other studies (para 36-v).

1/ BUNEP, it has been estimated, would carry out about 30 percent of all studies.

38. Training Seminars in Rwanda. The seminars would be addressed to officials responsible for project work in MINIPLAN and in technical ministries. Currently, these officials lack the necessary background for project identification, preparation, and monitoring. Designed to remedy this situation, the seminars would provide basic skills for project work. They would facilitate the application of uniform criteria for project preparation and implementation, thus contributing to better interministerial coordination. Sequentially organized over a twelve-month period, each seminar cycle would cover: (a) sector planning and project identification; (b) project outline and preparation of specific items; (c) costing and evaluation of projects; and (d) project implementation. Each topic would be covered in two-week sessions. The cycle would be given twice during the Project period. The seminars would be given by two instructors to about 20 participants. To improve attendance, efforts would be made to organize the seminars outside Kigali, thus relieving officials of their daily work load. Travel and subsistence costs of the participants would be financed by the proposed project, up to US\$80,000 equivalent.

39. Documentation Center. The project would also finance the construction and equipping of a Documentation Center with a usable area of about 360 m². Small documentation units exist in the Industrial Directorate of the Ministry of Economy and also in MINIPLAN. Neither unit is well organized, however, and available documents are hard to retrieve. No cataloging systems exist, which hinders the Government's capability to build on previous experience, and thus leads to duplication in the work of national staff and outside consultants. The need for a Documentation Center is felt particularly in the Ministries of Economy and Planning. Construction and equipping of new facilities would strengthen the documentation unit in MINIPLAN and enable it to fulfill its intended role at the national level.

40. The Documentation Center would serve the needs of all government agencies and would collect, on an on-going basis, relevant social and economic documentation on Rwanda's development. In addition to such standard documentation, the center would maintain a complete file of feasibility and sector studies. The project would provide for the services of a documentalist to help organize and put into operation the Documentation Center, after completion of the new facilities.

Project Implementation

41. The Programs Directorate of MINIPLAN would be responsible for administering the Study Fund. Assurances were received during negotiations that procedures for administering the Fund (para. 36) would be communicated to all ministries. The Development Credit Agreement specifies MINIPLAN's role (Schedule 4). Once ratified, it would provide the Minister of Planning with the legal authority to organize the advisory commission. The project economist financed by UNDP would provide technical assistance for all activities related to the Study Fund (paras. 35-36) and would work in close collaboration with the Programs Director and the Director General of Planning. A national counterpart would be assigned to the financial analyst. Terms of reference for the studies and experts to be financed by the Study Fund would be established in

consultation with IDA and subject to the Association's prior approval (Sections 3.02, 3.03 and 3.04 of the Development Credit Agreement). Because information on qualified consultant firms or experts is not readily available in Rwanda, the Association would consider assisting the Government, at its request, in identifying suitable experts and firms. Final selection would be made by the Government.

42. The Documentation Center would be under the responsibility of MINIPLAN's Directorate General for Statistics. A national counterpart would be assigned to the UNDP-financed documentalist (para. 34-vi), and appropriate staff would be appointed to operate the center (Section 3.05 of the Development Credit Agreement). The construction of the Documentation Center would be carried out under the supervision of the Directorate of Public Buildings (Direction des Batiments Civils) of the Ministry of Public Works (MINITRAPE). Architectural drawings have been prepared by MINITRAPE.

43. The project would finance two cars and a four-wheel drive vehicle. The cars would be assigned to MINIPLAN's Programs Directorate and BUNEP. The four-wheel drive vehicle would be assigned to the Programs Directorate of MINIPLAN and be available to facilitate the conduct of studies financed by the Study Fund (such as site visits).

Project Cost

44. Total cost of the project has been estimated at US\$6.38 million, of which about US\$4.8 million or 76 percent is foreign exchange. The costs are summarized in the cost table provided in the Credit and Project Summary.

45. The Study Fund would finance expatriate and local experts and firms. Costs have been estimated as follows:

(i) Base costs for expatriate experts have been estimated at US\$10,000 per staff-month (including compensation, international travel, and subsistence). The Study Fund would finance about 395 expatriate staff-months. An indicative distribution would be as follows: 65 staff-months the first year, 100 the second, 110 the third, and 120 the fourth. Price contingencies have been added (8.5 percent for 1982 and 7.5 percent for 1983-5).

(ii) Base costs for local experts have been estimated at US\$2,000 per staff-month. The Study Fund would finance about 150 local staff-months. An indicative distribution would be as follows: 20 staff-months the first year, 30 the second, 40 the third, and 60 the fourth. Price contingencies of 15 percent have been added.

46. Detailed costs of the Documentation Center have been estimated by MINITRAPE. Price contingencies of 8.5 percent and physical contingencies of 15 percent have been added.

Financing Plan

47. The financing plan proposed for the project is summarized in the Credit and Project Summary. IDA would finance about US\$4.0 million equivalent of foreign costs and, given the poor, medium-term balance-of-payments prospects (para. 8), US\$1.0 million equivalent of local costs for a total of US\$5.0 million equivalent; UNDP would finance about US\$800,000 equivalent of foreign costs and about US\$200,000 equivalent of local costs for a total of \$1.0 million equivalent. The Government would provide the remaining US\$380,000 equivalent in local currency. A detailed financing plan, by component, is provided below:

	<u>UNDP</u> (US\$ thousands equivalent)	<u>IDA</u>	<u>Government</u>	<u>Total</u>
Long-term Advisers	690	-	-	690
Study fund	200	3,800	250	4,250
Training Seminars	-	160	-	160
Documentation Center	-	180	70	250
Vehicles	-	65	15	80
Contingencies	<u>110</u>	<u>795</u>	<u>45</u>	<u>950</u>
Total	<u>1,000</u> (16%)	<u>5,000</u> (78%)	<u>380</u> (6%)	<u>6,380</u> (100%)

Procurement

48. The employment of consultants would be in accordance with the Association's Guidelines (August 1981) on the use of consultants (Section 3.02 (c) of the Development Credit Agreement). Vehicles and equipment would be purchased after quotations had been obtained from at least two suppliers represented in Rwanda who offer adequate guarantees of service and spare parts. Contracts for civil works for the Documentation Center would be awarded in accordance with local competitive bidding procedures, which are satisfactory. These procedures allow participation of foreign firms, though only locally established firms are expected to compete.

Disbursements

49. Funds from the IDA credit would be disbursed over four years, as follows:

- (i) 100 percent of foreign and 75 percent of local expenditures for the Study Fund (IDA funds would be disbursed before UNDP's);
- (ii) 100 percent of expenditures for seminars;
- (iii) (a) 100 percent of foreign and 70 percent of local expenditures for construction of the Documentation Center;
- (b) 100 percent of foreign and 80 percent of local expenditures for equipment of the Documentation Center;
- and

- (iv) 100 percent of foreign and 80 percent of local expenditures for vehicles.

Work Plans and Project Reviews

50. The UNDP-financed long-term advisers would prepare work plans every six months, to be reviewed with the Minister of Planning, the Programs Director (MINIPLAN) and the Director of BUNEP during IDA supervision missions.

Project Implementation Schedule

51. The recruitment process for the long-term advisers financed by UNDP began in the Fall of 1981 under the UNDP preparatory assistance procedure. The first list of studies to be financed by the Fund would be ready in January 1983. Facilities for the Documentation Center would be completed by September 1983. The documentalist would arrive in October 1983. Training seminars on project preparation and monitoring (para. 38) would start in January 1983. The project is expected to be completed by June 30, 1986.

Benefits and Risks

52. Benefits would include a portfolio of well prepared projects ready for submission to financing sources. The project would improve local capabilities for the preparation of investment projects. Specifically, on-the-job training of counterparts and seminars (para. 38) would provide Rwandese officials with appropriate skills in project preparation and monitoring. In the long-run, the mechanisms set up to prepare new projects would help strengthen the institutions involved, and MINIPLAN would be better equipped to perform its coordinating functions. In particular, mechanisms set up to manage the Study Fund could provide the outline for overall capital investment programming. This would give Rwanda the capacity and technical competence necessary to translate its planned priorities into coherent investment programs.

53. The procedures set up for the use of the Study Fund should result in substantially improved coordination between MINIPLAN and the technical ministries and integration of macroeconomic planning and investment programming within MINIPLAN. Some risk exists that benefits will not materialize if the Minister of Planning is unable, or not permitted, to carry out his coordinating function or if the Director General of Planning experiences difficulties in integrating the work of the two Directorates reporting to him. The first of these risks, however, remains small, given the President's interest in the project (para. 32). With respect to the second, assistance to the Programs Directorate should help improve its specific contribution to the planning and programming process, and the procedures designed to administer the Study Fund should provide a reasonable framework for integration of the work of the two Directorates; in addition, technical assistance arrangements are sufficiently flexible to make it possible to provide assistance to the Director General of Planning, should this prove desirable in the course of the implementation of the project. Moreover, risks related to integration and coordination are expected to diminish over the life of the project as procedures are tested and accepted. Close supervision by the Association

would be necessary to help set up the requisite procedures. Nevertheless, given the present lack of coordination within the Government and the poor integration of the planning process, the time frame within which substantial results can be expected remains uncertain and could extend beyond the project period. Finally, some delays are possible in the recruitment of suitably qualified experts and the assignment of counterparts.

PART V - LEGAL INSTRUMENTS AND AUTHORITY

54. The draft Development Credit Agreement between the Republic of Rwanda and the Association, and the Recommendations of the Committee provided for in Article V, Section 1 (d) of the Articles of Agreement of the Association are being distributed to the Executive Directors separately.

55. Special Conditions of the Project are listed in Section III of Annex III of this report.

56. I am satisfied that the proposed credit would comply with the Articles of Agreement of the Association.

PART V - RECOMMENDATIONS

57. I recommend that the Executive Directors approve the proposed Credit.

A.W. Clausen
President

Attachments
Washington, D.C.
February 18, 1982

TABLE 3A
RWANDA - SOCIAL INDICATORS DATA SHEET

LAND AREA (THOUSAND SQ. KM.)	RWANDA				REFERENCE GROUPS (WEIGHTED AVERAGES - MOST RECENT ESTIMATE) ^a	
	1960 /b		1970 /b		LOW INCOME	MIDDLE INCOME
			MOST RECENT ESTIMATE /b		AFRICA SOUTH OF SAHARA	AFRICA SOUTH OF SAHARA
TOTAL	26.3					
AGRICULTURAL	14.6					
<u>GNP PER CAPITA (US\$)</u>	70.0	100.0	200.0	238.3	794.2	
<u>ENERGY CONSUMPTION PER CAPITA</u> (KILOGRAMS OF COAL EQUIVALENT)	..	15.8	29.5	70.5	707.5	
<u>POPULATION AND VITAL STATISTICS</u>						
POPULATION, MID-YEAR (THOUSANDS)	2916.0	3847.0	4947.0	.	.	
URBAN POPULATION (PERCENT OF TOTAL)	2.4	3.2	4.2	17.5	27.7	
<u>POPULATION PROJECTIONS</u>						
POPULATION IN YEAR 2000 (MILLIONS)			9.5	.	.	
STATIONARY POPULATION (MILLIONS)			29.0	.	.	
YEAR STATIONARY POPULATION IS REACHED			2110	.	.	
<u>POPULATION DENSITY</u>						
PER SQ. KM.	110.9	146.3	188.1	27.7	55.0	
PER SQ. KM. AGRICULTURAL LAND	193.1	253.1	328.8	73.7	130.7	
<u>POPULATION AGE STRUCTURE (PERCENT)</u>						
0-14 YRS.	44.3	45.7	46.6	44.8	46.0	
15-64 YRS.	53.0	51.6	50.7	52.4	51.2	
65 YRS. AND ABOVE	2.7	2.7	2.7	2.9	2.8	
<u>POPULATION GROWTH RATE (PERCENT)</u>						
TOTAL	2.8	2.8	2.8/d	2.6	2.8	
URBAN	5.6	5.6	5.8	6.5	5.1	
<u>CRUDE BIRTH RATE (PER THOUSAND)</u>						
CRUDE BIRTH RATE (PER THOUSAND)	51.1	49.8	49.6	46.9	46.9	
CRUDE DEATH RATE (PER THOUSAND)	26.9	22.1	18.7	19.3	15.8	
GROSS REPRODUCTION RATE	3.4/c	3.4	3.4	3.1	3.2	
<u>FAMILY PLANNING</u>						
ACCEPTORS, ANNUAL (THOUSANDS)	..	..	..	..	..
USERS (PERCENT OF MARRIED WOMEN)	..	..	..	..	..
<u>FOOD AND NUTRITION</u>						
<u>INDEX OF FOOD PRODUCTION</u>						
PER CAPITA (1969-71=100)	81.0	102.0	107.0	89.5	89.9	
<u>PER CAPITA SUPPLY OF</u>						
CALORIES (PERCENT OF REQUIREMENTS)	80.0	96.0	98.0	90.2	92.3	
PROTEINS (GRAMS PER DAY)	49.0	61.0	51.3	52.7	52.8	
OF WHICH ANIMAL AND PULSE	25.0	34.0	..	17.8	16.1	
CHILD (AGES 1-4) MORTALITY RATE	41.0	32.2	25.4	27.3	20.2	
<u>HEALTH</u>						
LIFE EXPECTANCY AT BIRTH (YEARS)	37.2	42.4	46.7	45.8	50.8	
INFANT MORTALITY RATE (PER THOUSAND)	..	127.0	..	..	..
<u>ACCESS TO SAFE WATER (PERCENT OF POPULATION)</u>						
TOTAL	..	..	35.0	23.9	27.4
URBAN	..	..	41.0	55.0	74.3
RURAL	..	..	35.0	18.5	12.6
<u>ACCESS TO EXCRETA DISPOSAL (PERCENT OF POPULATION)</u>						
TOTAL	..	53.0	57.0	26.2	..	
URBAN	..	83.0	87.0	63.5	..	
RURAL	..	52.0	56.0	20.3	..	
<u>POPULATION PER PHYSICIAN</u>						
POPULATION PER PHYSICIAN	138095.0/c	62048.4	38916.7	31911.8	13844.1	
POPULATION PER NURSING PERSON	11197.0/c	9181.4	10494.4	3674.9	2898.6	
POPULATION PER HOSPITAL BED						
TOTAL	..	822.9	652.1	1238.8	1028.4	
URBAN	..	47.8	45.4	272.8	423.0	
RURAL	..	3224.4	1604.8	1745.2	3543.2	
ADMISSIONS PER HOSPITAL BED	..	21.2	21.3	..	..
<u>HOUSING</u>						
<u>AVERAGE SIZE OF HOUSEHOLD</u>						
TOTAL	..	..	..	..	..
URBAN	..	..	..	..	..
RURAL	..	..	4.5	..	..
<u>AVERAGE NUMBER OF PERSONS PER ROOM</u>						
TOTAL	..	..	..	..	..
URBAN	..	..	..	..	..
RURAL	..	..	..	..	..
<u>ACCESS TO ELECTRICITY (PERCENT OF DWELLINGS)</u>						
TOTAL	..	..	..	..	..
URBAN	..	..	..	..	..
RURAL	..	..	..	..	..

TABLE 3A
RWANDA - SOCIAL INDICATORS DATA SHEET

	RWANDA			REFERENCE GROUPS (WEIGHTED AVERAGES - MOST RECENT ESTIMATE) ^{/a}		
	1960	/b	1970	- MOST RECENT ESTIMATE ^{/b}		
				LOW INCOME	MIDDLE INCOME	
				AFRICA SOUTH OF SAHARA	AFRICA SOUTH OF SAHARA	
<u>EDUCATION</u>						
ADJUSTED ENROLLMENT RATIOS						
PRIMARY:	TOTAL	49.0	73.0	64.0	56.4	73.7
	MALE	68.0	83.0	68.0	70.7	96.8
	FEMALE	30.0	64.0	59.0	50.1	79.0
SECONDARY:	TOTAL	2.0	2.0	2.0	10.0	16.2
	MALE	2.0	3.0	3.0	13.6	25.3
	FEMALE	1.0	1.0	1.0	6.6	14.8
VOCATIONAL ENROL. (% OF SECONDARY)		40.0	12.0	17.0	8.0	5.3
PUPIL-TEACHER RATIO						
	PRIMARY	39.0	60.0	53.0	46.5	36.2
	SECONDARY	14.0	13.0	15.0	25.5	23.6
ADULT LITERACY RATE (PERCENT)		16.4/c	23.0/e	..	25.5	..
<u>CONSUMPTION</u>						
PASSENGER CARS PER THOUSAND	POPULATION	0.4	0.9	1.6	2.9	32.3
RADIO RECEIVERS PER THOUSAND	POPULATION	..	7.8	17.1	32.8	69.0
TV RECEIVERS PER THOUSAND	POPULATION	..	..	..	1.9	8.0
NEWSPAPER ("DAILY GENERAL INTEREST") CIRCULATION PER THOUSAND POPULATION		..	..	0.04	2.8	20.2
CINEMA ANNUAL ATTENDANCE PER CAPITA		..	..	14.6	1.2	0.7
<u>LABOR FORCE</u>						
TOTAL LABOR FORCE (THOUSANDS)		1650.6	2089.7	2582.3	.	.
FEMALE (PERCENT)		49.1	48.6	48.1	34.1	36.7
AGRICULTURE (PERCENT)		95.4	93.2	91.2	80.0	56.6
INDUSTRY (PERCENT)		1.1	1.6	2.0	8.6	17.5
<u>PARTICIPATION RATE (PERCENT)</u>						
TOTAL		56.6	54.3	52.2	41.7	37.2
MALE		58.9	56.9	55.0	54.3	47.1
FEMALE		54.4	51.9	49.5	29.2	27.5
ECONOMIC DEPENDENCY RATIO		0.8	0.9	0.9	1.2	1.3
<u>INCOME DISTRIBUTION</u>						
PERCENT OF PRIVATE INCOME RECEIVED BY						
	HIGHEST 5 PERCENT OF HOUSEHOLDS	..	..	..	..	..
	HIGHEST 20 PERCENT OF HOUSEHOLDS	..	..	..	..	..
	LOWEST 20 PERCENT OF HOUSEHOLDS	..	..	..	..	..
	LOWEST 40 PERCENT OF HOUSEHOLDS	..	..	..	..	..
<u>POVERTY TARGET GROUPS</u>						
ESTIMATED ABSOLUTE POVERTY INCOME LEVEL (US\$ PER CAPITA)						
	URBAN	..	..	148.0	136.0	381.2
	RURAL	..	..	85.0	84.5	156.2
ESTIMATED RELATIVE POVERTY INCOME LEVEL (US\$ PER CAPITA)						
	URBAN	..	..	..	99.1	334.3
	RURAL	..	..	43.0	61.2	137.6
ESTIMATED POPULATION BELOW ABSOLUTE POVERTY INCOME LEVEL (PERCENT)						
	URBAN	..	..	30.0	39.7	..
	RURAL	..	..	90.0	68.8	..

.. Not available
. Not applicable.

NOTES

/a The group averages for each indicator are population-weighted arithmetic means. Coverage of countries among the indicators depends on availability of data and is not uniform.

/b Unless otherwise noted, data for 1960 refer to any year between 1959 and 1961; for 1970, between 1969 and 1971; and for Most Recent Estimate, between 1976 and 1979.

/c 1962; /d Recent estimated growth rate is 3.2%; /e 1973.

DEFINITIONS OF SOCIAL INDICATORS

Notes: Although the data are drawn from sources generally judged the most authoritative and reliable, it should also be noted that they may not be internationally comparable because of the lack of standardized definitions and concepts used by different countries in collecting the data. The data are, nonetheless, useful to describe orders of magnitude, indicate trends, and characterize certain major differences between countries.

The reference groups are (1) the same country group of the subject country and (2) a country group with somewhat higher average income than the country group of the subject country (except for "Capital Surplus Oil Exporters" group where "Middle Income North Africa and Middle East" is chosen because of stronger socio-cultural affinities). In the reference group data the averages are population weighted arithmetic means for each indicator and shown only when majority of the countries in a group has data for that indicator. Since the coverage of countries among the indicators depends on the availability of data and is not uniform, caution must be exercised in relating averages of one indicator to another. These averages are only useful in comparing the value of one indicator at a time among the country and reference groups.

LAND AREA (thousand sq.km.)

Total - Total surface area comprising land area and inland waters.
Agricultural - Estimate of agricultural area used temporarily or permanently for crops, pastures, market and kitchen gardens or to lie fallow; 1978 data.

GNP PER CAPITA (US\$) - GNP per capita estimates at current market prices, calculated by same conversion method as World Bank Atlas (1977-79 basis); 1960, 1970, and 1979 data.

ENERGY CONSUMPTION PER CAPITA - Annual consumption of commercial energy (coal and lignite, petroleum, natural gas and hydro, nuclear and geothermal electricity) in kilograms of coal equivalent per capita; 1960, 1970, and 1979 data.

POPULATION AND VITAL STATISTICS

Total Population, Mid-Year (thousands) - As of July 1; 1960, 1970, and 1979 data.

Urban Population (percent of total) - Ratio of urban to total population; different definitions of urban areas may affect comparability of data among countries; 1960, 1970, and 1979 data.

Population Projections

Population in year 2000 - Current population projections are based on 1980 total population by age and sex and their mortality and fertility rates. Projection parameters for mortality rates comprise of three levels assuming life expectancy at birth increasing with country's per capita income level, and female life expectancy stabilizing at 77.5 years. The parameters for fertility rate also have three levels assuming decline in fertility according to income level and past family planning performance. Each country is then assigned one of these nine combinations of mortality and fertility trends for projection purposes.

Stationary population - In a stationary population there is no growth since the birth rate is equal to the death rate, and also the age structure remains constant. This is achieved only after fertility rates decline to the replacement level of unit net reproduction rate, when each generation of women replaces itself exactly. The stationary population size was estimated on the basis of the projected characteristics of the population in the year 2000, and the rate of decline of fertility rate to replacement level.

Year stationary population is reached - The year when stationary population size has been reached.

Population Density

Per sq. km. - Mid-year population per square kilometer (100 hectares) of total area; 1960, 1970 and 1979 data.
Per sq. km. agricultural land - Computed as above for agricultural land only; 1960, 1970 and 1979 data.

Population Age Structure (percent) - Children (0-14 years), working-age (15-64 years), and retired (65 years and over) as percentages of mid-year population; 1960, 1970, and 1979 data.

Population Growth Rate (percent) - total - Annual growth rates of total mid-year populations for 1950-60, 1960-70, and 1970-79.

Population Growth Rate (percent) - urban - Annual growth rates of urban populations for 1950-60, 1960-70, and 1970-79.

Crude Birth Rate (per thousand) - Annual live births per thousand of mid-year population; 1960, 1970, and 1979 data.

Crude Death Rate (per thousand) - Annual deaths per thousands of mid-year population; 1960, 1970, and 1979 data.

Gross Reproduction Rate - Average number of daughters a woman will bear in her normal reproductive period if she experiences present age-specific fertility rates; usually five-year averages ending in 1960, 1970, and 1979.

Family Planning - Acceptors (thousands) - Annual number of acceptors of birth-control devices under auspices of national family planning program.

Family Planning - Users (percent of married women) - Percentage of married women of child-bearing age (15-44 years) who use birth-control devices to all married women in same age group.

FOOD AND NUTRITION

Index of Food Production per Capita (1969=100) - Index of per capita annual production of all food commodities. Production excludes seed and feed and is on calendar year basis. Commodities cover primary goods (e.g. sugarcane instead of sugar) which are edible and contain nutrients (e.g. coffee and tea are excluded). Aggregate production of each country is based on national average producer price weights; 1965-65, 1970, and 1979 data.

Per capita supply of calories (percent of requirements) - Computed from energy equivalent of net food supplies available in country per capita per day. Available supplies comprise domestic production, imports less exports, and changes in stock. Net supplies exclude animal feed, seeds, quantities used in processing, and losses in distribution. Requirements were estimated by FAO based on physiological needs for normal activity and health considering environmental temperature, body weights, age and sex distribution of population, and allowing 10 percent for waste at household level; 1961-65, 1970, and 1977 data.

Per capita supply of protein (grams per day) - Protein content of per capita net supply of food per day. Net supply of food is defined as above. Requirements for all countries established by USDA provide for minimum allowance of 50 grams of total protein per day and 20 grams of animal and pulse protein, of which 10 grams should be animal protein. These standards are lower than those of 75 grams of total protein and 23 grams of animal protein as an average for the world, proposed by FAO in the Third World Food Survey; 1961-65, 1970 and 1977 data.

Per capita protein supply from animal and pulse - Protein supply of food derived from animals and pulses in grams per day; 1961-65, 1970 and 1977 data.
Child (ages 1-4) Mortality Rate (per thousand) - Annual deaths per thousand in age group 1-4 years, to children in this age group; for most developing countries data derived from life tables; 1960, 1970 and 1979 data.

HEALTH

Life Expectancy at Birth (years) - Average number of years of life remaining at birth; 1960, 1970 and 1979 data.

Infant Mortality Rate (per thousand) - Annual deaths of infants under one year of age per thousand live births.

Access to Safe Water (percent of population) - total, urban, and rural - Number of people (total, urban, and rural) with reasonable access to safe water supply (includes treated surface waters or untreated but uncontaminated water such as that from protected boreholes, springs, and sanitary wells) as percentages of their respective populations. In an urban area a public fountain or standpost located not more than 200 meters from a house may be considered as being within reasonable access of that house. In rural areas reasonable access would imply that the housewife or members of the household do not have to spend a disproportionate part of the day in fetching the family's water needs.

Access to Excreta Disposal (percent of population) - total, urban, and rural - Number of people (total, urban, and rural) served by excreta disposal as percentages of their respective populations. Excreta disposal may include the collection and disposal, with or without treatment, of human excreta and waste-water by water-borne systems or the use of pit privies and similar installations.

Population per Physician - Population divided by number of practicing physicians qualified from a medical school at university level.

Population per Nursing Person - Population divided by number of practicing male and female graduate nurses, practical nurses, and assistant nurses.

Population per Hospital Bed - total, urban, and rural - Population (total, urban, and rural) divided by their respective number of hospital beds available in public and private general and specialized hospital and rehabilitation centers. Hospitals are establishments permanently staffed by at least one physician. Establishments providing principally custodial care are not included. Rural hospitals, however, include health and medical centers not permanently staffed by a physician (but by a medical assistant, nurse, midwife, etc.) which offer in-patient accommodation and provide a limited range of medical facilities. For statistical purposes urban hospitals include WHO principal/general hospitals, and rural hospitals local or rural hospitals and medical and maternity centers. Specialized hospitals are included only under total.
Admissions per Hospital Bed - Total number of admissions to or discharges from hospitals divided by the number of beds.

HOUSING

Average Size of Household (persons per household) - total, urban, and rural -

A household consists of a group of individuals who share living quarters and their main meals. A boarder or lodger may or may not be included in the household for statistical purposes.

Average number of persons per room - total, urban, and rural - Average number of persons per room in all urban, and rural occupied conventional dwellings, respectively. Dwellings exclude non-permanent structures and unoccupied parts.

Access to Electricity (percent of dwellings) - total, urban, and rural - Conventional dwellings with electricity in living quarters as percentage of total, urban, and rural dwellings respectively.

EDUCATION**Adjusted Enrollment Ratios**

Primary school - total, male and female - Gross total, male and female enrollment of all ages at the primary level as percentages of respective primary school-age populations; normally includes children aged 6-11 years but adjusted for different lengths of primary education; for countries with universal education enrollment may exceed 100 percent since some pupils are below or above the official school age.

Secondary school - total, male and female - Computed as above; secondary education requires at least four years of approved primary instruction; provides general, vocational, or teacher training instructions for pupils usually of 12 to 17 years of age; correspondence courses are generally excluded.

Vocational enrollment (percent of secondary) - Vocational institutions include technical, industrial, or other programs which operate independently or as departments of secondary institutions.

Pupil-teacher ratio - primary, and secondary - Total students enrolled in primary and secondary levels divided by numbers of teachers in the corresponding levels.

Adult literacy rate (percent) - Literate adults (able to read and write) as a percentage of total adult population aged 15 years and over.

CONSUMPTION

Passenger Cars (per thousand population) - Passenger cars comprise motor cars seating less than eight persons; excludes ambulances, hearses and military vehicles.

Radio Receivers (per thousand population) - All types of receivers for radio broadcasts to general public per thousand of population; excludes unlicensed receivers in countries and in years when registration of radio sets was in effect; data for recent years may not be comparable since most countries abolished licensing.

TV Receivers (per thousand population) - TV receivers for broadcast to general public per thousand population; excludes unlicensed TV receivers in countries and in years when registration of TV sets was in effect.
Newspaper Circulation (per thousand population) - Shows the average circulation of "daily general interest newspaper", defined as a periodical publication devoted primarily to recording general news. It is considered to be "daily" if it appears at least four times a week.

Cinema Annual Attendance per Capita per Year - Based on the number of tickets sold during the year, including admissions to drive-in cinemas and mobile units.

LABOR FORCE

Total Labor Force (thousands) - Economically active persons, including armed forces and unemployed but excluding housewives, students, etc., covering population of all ages. Definitions in various countries are not comparable; 1960, 1970 and 1979 data.

Female (percent) - Female labor force as percentage of total labor force.

Agriculture (percent) - Labor force in farming, forestry, hunting and fishing as percentage of total labor force; 1960, 1970 and 1979 data.

Industry (percent) - Labor force in mining, construction, manufacturing and electricity, water and gas as percentage of total labor force; 1960, 1970 and 1979 data.

Participation Rate (percent) - total, male, and female - Participation or activity rates are computed as total, male, and female labor force as percentages of total, male and female population of all ages respectively; 1960, 1970, and 1979 data. These are based on ILO's participation rates reflecting age-sex structure of the population, and long time trend. A few estimates are from national sources.

Economic Dependency Ratio - Ratio of population under 15 and 65 and over to the total labor force.

INCOME DISTRIBUTION

Percentage of Private Income (both in cash and kind) - Received by richest 5 percent, richest 20 percent, poorest 20 percent, and poorest 40 percent of households.

POVERTY TARGET GROUPS

The following estimates are very approximate measures of poverty levels, and should be interpreted with considerable caution.

Estimated Absolute Poverty Income Level (US\$ per capita) - urban and rural - Absolute poverty income level is that income level below which a minimal nutritionally adequate diet plus essential non-food requirements is not affordable.

Estimated Relative Poverty Income Level (US\$ per capita) - urban and rural - Rural relative poverty income level is one-third of average per capita personal income of the country. Urban level is derived from the rural level with adjustment for higher cost of living in urban areas.

Estimated Population Below Absolute Poverty Income Level (percent) - urban and rural - Percent of population (urban and rural) who are "absolute poor".

COUNTRY DATA - RWANDA

	<u>GROSS NATIONAL PRODUCT IN 1979-80</u>		<u>1980^{1/}</u>	
	<u>1979</u>			
	<u>US\$ Mln.</u>	<u>%</u>	<u>US\$ Mln.</u>	<u>%</u>
GNP at Market Prices	1035.0	100.0	1172.5	100.0
Gross Domestic Investment	194.9	18.8	187.7	16.0
Gross National Saving	113.0	10.9	21.8	1.9
Current Account Balance	46.8	4.5	54.3	4.6
Export of Goods, NFS	226.6	21.9	165.6	14.1
Import of Goods, NFS	308.6	29.8	331.5	28.3

GOVERNMENT FINANCE

	<u>Central Government</u>			
	<u>(RF Mln)</u>	<u>% of GDP</u>		
	<u>1980^{1/}</u>	<u>1980</u>	<u>1972</u>	
Current Receipts	13,259	12.0	8.3	
Current Expenditure	10,468	9.5	10.7	
Current Surplus	2,791	2.5	-2.4	
Capital Expenditures	2,113	1.9	1.2	

MONEY, CREDIT AND PRICES

	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>
(RF Million outstanding, end period)					
Money Supply ^{2/}	8,047	10,173	11,224	14,113	15,209
Bank Credit to Public Organisations	480.	221	225	233	219
Bank Credit to Private Sector	2,392.	4,169	4,908	4,330	6,296
(Percentage of Index Numbers)					
Money and Quasi Money as % of GDP	13.0	14.2	13.9	14.5	14.0
Consumer Price Index (Jan-Mar 1976 = 100)	101.9	116.7	131.3	152.1	163.0
Annual Percentage Changes in:					
Consumer Price Index	6.9	14.5	12.5	15.8	7.2
Bank Credit to Public Organisations	5.1	-54.0	1.8	3.6	-6.0
Bank Credit to Private Sector	40.1	74.3	17.7	-11.8	45.4

NOTE: All conversions to dollars in this table are at the average exchange rate prevailing during the period covered.

^{1/} Provisional

^{2/} Includes Money and Quasi Money.

TRADE PAYMENTS AND CAPITAL FLOWS

<u>BALANCE OF PAYMENTS</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1/</u> MERCHANDISE EXPORTS (AVERAGE 1977-80)		
						<u>US\$ Mln</u>	<u>%</u>
Exports of goods, f.o.b.	125.2	110.4	202.9	133.6			
Imports of goods, f.o.b.	-102.3	-144.9	-159.5	-204.4	Coffee	80.3	55.9
<u>Trade balance</u>	<u>22.9</u>	<u>-34.5</u>	<u>43.4</u>	<u>-70.8</u>	Tea	10.5	7.3
					Cassiterite	7.7	5.3
Services (net)	-72.4	-106.3	-127.4	-90.0	Wolfram	6.4	4.5
Net transfers	66.9	94.1	130.8	106.5	Pyrethrum	1.8	1.2
					Cinchona	2.1	1.5
<u>Balance on current account</u>	<u>17.4</u>	<u>-46.7</u>	<u>46.8</u>	<u>-54.3</u>	Other	34.9	24.3
					Total	143.7	100.0
Direct Investment	5.9	4.7	12.5	17.0	<u>EXTERNAL DEBT,</u>		
Net MLT Borrowing	23.3	20.1	17.6	33.2	<u>DECEMBER 31, 1980</u>		
					<u>US\$ Mln</u>		
Other Capital (net) and capital n.e.i.	-24.1	26.1	-7.2	17.4	Public Debt, incl. guaranteed		170.0
Increase in reserves (-)	-22.5	-4.2	-69.7	-13.3	Non-Guaranteed Private Debt		--
Gross Reserves (end year)	96.8	99.7	177.3	204.5	Total Outstanding and Disbursed		--
Petroleum Imports	12.3	11.8	14.5	22.8	<u>EXTERNAL DEBT, DEBT SERVICE RATIO FOR 1980</u>		
Petroleum Exports	-	-	-	-	<u>1/ 2/</u>		
					Public Debt incl. guaranteed		3.2
					Non-guaranteed Private Debt		--
					Total outstanding and disbursed		--

RATE OF EXCHANGE

	<u>Annual Averages</u>	<u>End Period</u>	<u>IBRD/IDA LENDING (Dec. 31.1980)</u>
	<u>1974-80</u>	<u>December 1981</u>	
US\$ 1.00 = RF	92.84	92.84	<u>(US\$ Mln)</u>
RF 1.00 = US\$	0.011	0.011	
			<u>IDA</u>
			Outstanding and Disbursed
			58.12
			Undisbursed
			57.48
			Outstanding incl. Undisbursed
			115.60

1/ Provisional

2/ Debt Service as a percentage of Exports of Goods and Nonfactor Services.

-- = Not available.

THE STATUS OF BANK GROUP OPERATIONS IN RWANDA

A. Statement of IDA Credits
(As of October 31, 1981)

<u>Credit No.</u>	<u>Fiscal Year</u>	<u>Borrower</u>	<u>Purpose</u>	<u>Amount US\$ million</u> (Less cancellations)	
				<u>IDA</u>	<u>Undisbursed</u>
(Four credits have been fully disbursed)				31.90	
567-RW	1975	Rwanda	Education	6.38	3.68
655-RW	1977	"	DFC I	4.00	.22
656-RW	1977	"	Agriculture Cinchona	1.80	.54
668-RW	1978	"	Bugesera Gisaka-Migongo Mixed Farming and Rural Development	14.00	1.68
769-RW	1978	"	Road Maintenance	15.00	5.30
896-RW	1979	"	DFC II	5.20	4.73
937-RW	1979	"	Mutara Agricultural and Livestock Development	8.75	6.32
1039-RW	1980 <u>1/</u>	"	Integrated Forestry and Livestock Development	21.00	21.00
1057-RW	1981	"	Telecommunications	7.50	7.44
1126-RW <u>3/</u>	1981 <u>2/</u>		Coffee/Foodcrops	<u>15.00</u>	<u>15.00</u>
Total				130.53	65.91
Repaid				<u>.28</u>	
Total Held				<u>130.25</u>	

B. Statement of IFC Investments
(As of October 31, 1981)

In 1976, IFC made a loan of US\$535,000 for a tea factory. A second IFC long-term loan of US\$226,000 and contingent equity commitments of up to US\$60,000 for an expansion of the tea factory were signed in September 1980.

Note: Rwanda has received no Bank loan.

1/ Effective November 11, 1981.

2/ Effective January 18, 1982.

3/ Equivalent to SDR 11.8 million.

C. PROJECTS IN RWANDA 1/
(As of September 30, 1981)

Credit No. 567-RW Education Project; US\$8.0 Million Credit of June 30, 1975;
Date of Effectiveness: December 1, 1975;
Closing Date: June 30, 1982

As now constituted, the project includes construction, equipping and furnishing of 250 primary-school workshops, a school-textbook printshop, and an office building for the School Financing and Construction Services (SFCS) as well as furnishing and equipping of the Rural Agricultural Training Center of Gitarama. The project also provides technical assistance, vehicles and operating expenses for the SFCS. The project has been hampered by implementation difficulties centering on two misprocurements (an amount of US\$130,000 was cancelled because of misprocurement of certain construction materials; a second amount of US\$1,491,000 was cancelled due to misprocurement of paper) which served to complicate our relations with the Ministry of Education. Since the nomination (March 1981) of a new Minister of Primary and Secondary Education, together with the assignment of the former Secretary General to the Ministry of Higher Education, however, considerably better relations have developed between us. The new leadership shares our concern for projected costs which the 1979 education reforms would entail. The Government has recently announced the future creation of a permanent commission to evaluate the reforms with a view to modifying them to accord with limited budgetary resources. Most of the 250 workshops are nearly completed. The lack of acceptable record keeping, however, has impeded the processing of disbursement requests. Therefore, a final inspection and evaluation mission for the workshops, organized by the Government (with IDA approval) was undertaken successfully in November 1981 with UNESCO assistance. Disbursement should therefore resume shortly. The printshop is now operational and construction of the office building for the SFCS completed.

Credit No. 655-RW Rwandese Development Bank Project; US\$4.0 Million
Credit of August 20, 1976;
Date of Effectiveness: March 2, 1977;
Closing Date: December 31, 1981

The credit is now fully committed. The Closing Date was extended to complete disbursements for on-going subprojects financed under the project. No further extension will be necessary.

Credit No. 656-RW Cinchona Project; US\$1.8 million Credit of August 20, 1976
Date of Effectiveness: March 2, 1977
Closing Date: June 30, 1982

1/ These notes are designed to inform the Executive Directors regarding the progress of projects in execution, and in particular to report any problems which are being encountered, and the action being taken to remedy them. They should be read in this sense, and with the understanding they do not purport to present a balanced evaluation of strengths and weakness in project execution.

The project provides over a five year period inputs and extension services to grow cinchona for export. Progress is satisfactory and there is a strong demand from farmers for planting material. World market prices for cinchona derivatives, however, remained low during 1979 and 1980, and OCIR (the implementing agency) had to reduce the farm gate price for cinchona bark and abolish the export tax and the OCIR levy. In September 1980 it was decided to establish a cinchona bark processing plant in the Cyangugu area. This should give Rwanda a stronger position in the future to compete with cinchona derivatives on the world market.

Credit 668-RW Bugesera/Gisaka/Migongo Mixed Farming and Rural Development Project; US\$14.0 Million Credit of March 31, 1977;
Date of Effectiveness: November 23, 1977;
Closing Date: September 30, 1982

The project consists of the promotion of mixed farming and rural development in two regions and the strengthening of the central services responsible for rural development. The project includes tse tse control, field extension and infrastructure, credit, improvement of feeder roads and water supply, a limited number of schools and health centers and establishment of two cattle ranches. The project is cofinanced with BADEA (US\$5.0 million equivalent for livestock development and water facilities) and France (US\$2.6 million for six technical assistants). Satisfactory progress has been made with programming of work, budgeting and construction. The results of the livestock, foodcrop and plant improvement components however are well below appraisal estimates. A follow-up project which will build on infrastructure put in place under the first project and focus primarily on applied research, training and extension has recently been appraised.

Credit 769-RW Fourth Highway Project; US\$15.0 Million Credit of April 1978;
Date of Effectiveness: August 4, 1978;
Closing Date: July 1, 1982

Implementation of the Fourth Highway Project (a US\$15.0 million Credit for road maintenance) started in January 1978. Specialists financed under the technical assistance program are performing satisfactorily. Procurement of equipment is completed. On the suggestion of the Association, an expert on labor intensive methods visited Rwanda for three weeks in June 1978 and recommended that one mechanized unit be replaced by one unit utilizing labor intensive methods. Following the consultant's recommendation, the Government has introduced labor-intensive methods for road maintenance. Although the project is about one year behind schedule, implementation is now at its anticipated progress rate and the project is proceeding satisfactorily. Project completion is expected for end-1982.

Credit 896-RW Second Rwandese Development Bank Project; US\$5.2 Million;
Credit of July 13, 1979;
Date of Effectiveness: January 4, 1980;
Closing Date: June 30, 1983

The Project aims at providing further assistance to the industrial sector by supporting the activities of the Rwandese Development Bank. It includes two components: (a) a second line of credit of US\$5.0 million to finance BRD's foreign exchange requirements and (b) a feasibility study for the establishment of an auditing firm in Rwanda (US\$0.2 million). Implementation is proceeding satisfactorily in all respects.

Credit 937-RW Mutara Agricultural and Livestock Development Project;
US\$8.75 Million Credit of July 13, 1979;
Date of Effectiveness: May 30, 1980;
Closing Date: December 31, 1983

The project, which is proceeding satisfactorily is the second phase of a long-term development program for the Mutara region. It aims at developing techniques, procedures, and an institutional environment which will make it possible to preserve the production potential of the area, make a rational and more intensive use of available resources, improve farming and ranching techniques, and integrate the project into the local administration.

Credit 1039-RW Integrated Forestry and Livestock Development Project;
US\$21.0 Million Credit of July 7, 1980;
Date of Effectiveness: November 11, 1981;
Closing Date: September 30, 1986

The project is the first phase of a long-term program to develop the forestry resources of Rwanda and to strengthen the livestock industry. Technical assistance personnel has been recruited.

Credit 1057-RW Telecommunications Project; US\$7.5 Million;
Credit of August 13, 1980;
Date of Effectiveness: July 7, 1981;
Closing Date: June 30, 1985

The project aims at improving the quality of existing telecommunications services, while extending the coverage to geographical areas and segments of the population which at present do not benefit from such services. In addition to improving international and domestic telecommunications (telephone and telex) the project provides technical assistance and training to the Ministry of Post and Telecommunications. The project is cofinanced with FAC and CCCE (US\$3.9 million equivalent) and CIDA (Can\$4.95 million) and is proceeding satisfactorily.

Credit 1126-RW

Lake Kivu Coffee Improvement and Foodcrops Project;
US\$15.0 Million Credit of April 29, 1981;
Date of Effectiveness: January 18, 1982;
Closing Date: December 31, 1986

The project aims at building up an effective extension service which would assist farmers in increasing foodcrop and coffee production using field-tested techniques and also helping OCIR-Cafe (the implementing agency) improve its financial management. The terminal date for effectiveness has been postponed from November 3, 1981 to January 18, 1982 pending provision of the legal opinion.

RWANDA

Supplementary Project Data Sheet

Technical Assistance Project

I. Timetable of Key Events

- (a) Origin of Project: Request by H.E. the President of the Republic of Rwanda at the time of his visit to Bank Headquarters, September 25, 1980
- (b) Identification Mission: January/February 1981
- (c) Appraisal Mission: April/May 1981
- (d) Negotiations: January 11-15, 1982
- (e) Planned Date of Effectiveness: July 1982

II. Special Implementation Action

Recruitment of long-term experts financed by UNDP started in the Fall of 1981 under the UNDP preparatory assistance procedure, signed by UNDP on July 15, 1981.

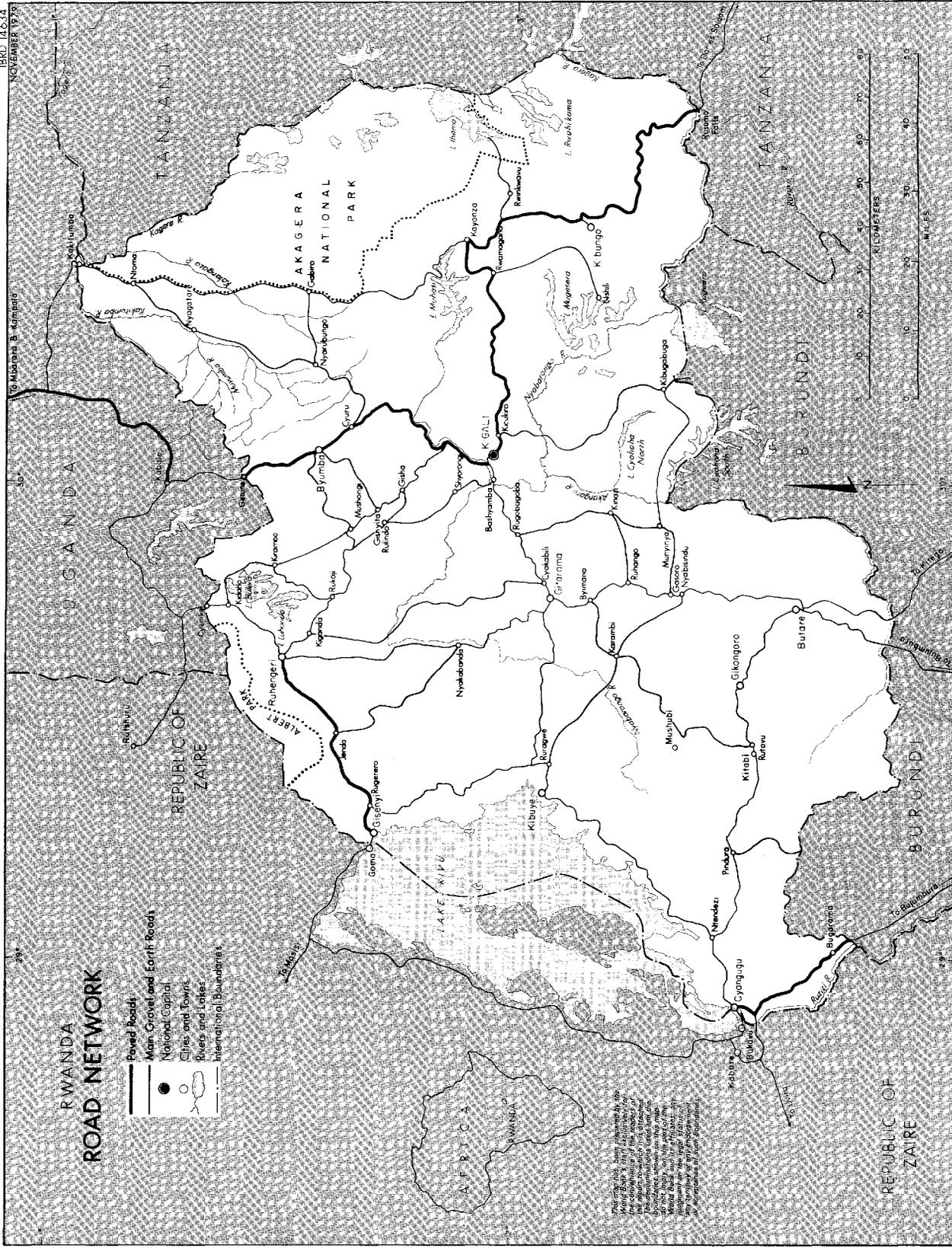
III. Special Conditions

Government to ensure that qualified Rwandese personnel will be assigned to advisers and consultants hired under the project (para. 41) and to the Documentation Center (para. 42).



RWANDA ROAD NETWORK

-  Paved Roads
-  Main Gravel and Earth Roads
-  National Capital
-  Cities and Towns
-  Rivers and Lakes
-  International Boundaries



This map was first prepared by the International Geographical Institute in the early 1950s. It is based on the data available at that time and is subject to change. The map is not a substitute for a field survey and should not be used for navigation or other purposes without the aid of a field survey.



U G A N D A

REPUBLIC OF ZAIRE

TANZANIA

TANZANIA

B U R U N D I

BURUNDI

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A F R I C A
R W A N D A