



CORDAID IN RWANDA

BUILDING SUSTAINABLE LIVELIHOODS

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Farmers in Kayonza district apply irrigation in their maize fields by use of the solar-powered irrigation systems accessed through STARLIT project facilitation.

Cordaid Rwanda offers over 50 years of in-country expertise and implemented programs in both healthcare and sustainable livelihoods. The sustainable livelihoods programmes were implemented under the name of ICCO Terrafina, ICCO, and now Cordaid. In Rwanda, Cordaid pioneers in establishing pro-poor growth through market system and value chain development, agri-business development services for SMEs and cooperatives, and improving access to financial services. Important cross-cutting topics are inclusion of youth and women, digitalisation of tools and services, and climate resilience.

OUR APPROACH

Cordaid Rwanda uses an integrated approach to help people reach their full potential. This is facilitated through a commitment for localisation, collaborating with local service providers, the private sector, SMEs, cooperatives/unions and producer groups, to ensure sustainability and implementation at scale.

Building sustainable livelihoods requires systemic and sustainable changes in the complex dynamics of market systems.

Following the market system development approach, Cordaid Rwanda embraces these complexities. Adaptive management allows us to experiment and trial throughout the different phases of our programmes. Cordaid Rwanda has been practicing this continuous iteration process for years, and developed an innovative approach to Monitoring, Evaluation and Learning (MEL) called PERL (Program Embedded Reflection & Learning).



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KEY RESULTS

\$1.3M

Average annual budget

1.350

farmers saved

\$129,789

since 2021

Supported farmers to lend from MFIs

\$50,649

> 100,000

smallholder farmers supported between 2018-2022 through loans

Agri-finance products developed for multiple value chains: agri-group, youth and equipment loan products

OUR EXPERTISE



Access to Finance

Financial inclusion, i.e., access to and use of financial services have been a central part of Cordaid's work for decades. Cordaid has a longstanding partnership with various financial institutions (MFIs, SACCOs, banks) in and outside of Rwanda. Together, we developed various approaches to foster more investments in the agricultural sector. This includes:

- **Capacity strengthening:** customised trajectories for financial institutions to better manage the quality of their agricultural lending portfolios and their liquidity to increase lending to smallholders
- **Financial product development:** capacitating financial institutions to build agri-loan products which meet the needs of specific target groups to increase their access to finance
- **Risk management:** decreasing the agri-credit risks to increase the appetite for agricultural lending by implementing sectoral risk-management trajectories for financial institutions
- **Savings group mobilisation:** forming and capacitating savings groups within cooperatives as a steppingstone towards formal access to finance
- **Refinancing:** developing strategies for FIs to increase their capital mobilisation, through saving mobilisation and attracting additional investments from (international) investors



Business & Value Chain Development

For Cordaid, agribusiness development is intertwined with access to finance. We believe the more the value chain is organised, the easier accessing finance and vice versa. Cordaid intervenes by supporting the bankability of agribusinesses, strengthening value chains and producer organisations, and creating linkages among value chain actors. We do this through various interventions:

- **Cooperative development:** Cordaid Rwanda uses different tools to identify the needs and improve the performance of cooperatives in areas such as managerial capacity, governance and financial management
- **Business Development Services (BDS):** Cordaid Rwanda develops inclusive and sustainable BDS models, for example [fee-based BDS provider](#) models to increase farmers' access to agri-services
- **Access to markets:** We have expertise in developing a smallholder's inclusive access to market approach, starting from identifying barriers to strengthening capacity to meet market requirements and standards, as well as linking various market actors
- **Mechanisation:** Cordaid Rwanda pioneers in developing asset finance products and create linkage to increase smallholders' access to post-harvest and irrigation equipment
- **Private sector engagement:** Cordaid facilitates, links and creates an ecosystem for private sector investment in agricultural sector, through access to financial services and technical support



Digitalisation

Cordaid Rwanda partners with various software providers to pilot and scale digital solutions in agriculture. We identify needs in the sector and act as a broker, facilitating software providers to align their solution to identified needs, and build sustainable business models.

Some examples of our digital interventions are:

- Phone-call based agri-extension training for smallholder maize farmers in Kayonza
- Digitalization of loan organization processes of financial institutions, including the agri-credit assessment tool (A-CAT) and climate data
- Digital farmer profiling and quality traceability to improve quality-based payments, sourcing planning and access to markets



Inclusion of Youth, Women and Refugees

Cordaid actively promotes the inclusion of women, youth and refugees in its access to finance and business development interventions, for example:

- Development of tailored agri-finance products for youth, women and refugees, addressing specific barriers such as the lack of collateral through group lending
- Savings mobilization, financial education and gender sensitization of groups to promote women's economic empowerment
- Establishment of gender committees within farmer cooperatives to promote market access and improving negotiation skills of female members
- Developing a business model and training youth to become service providers for equipment maintenance



Climate Resilience

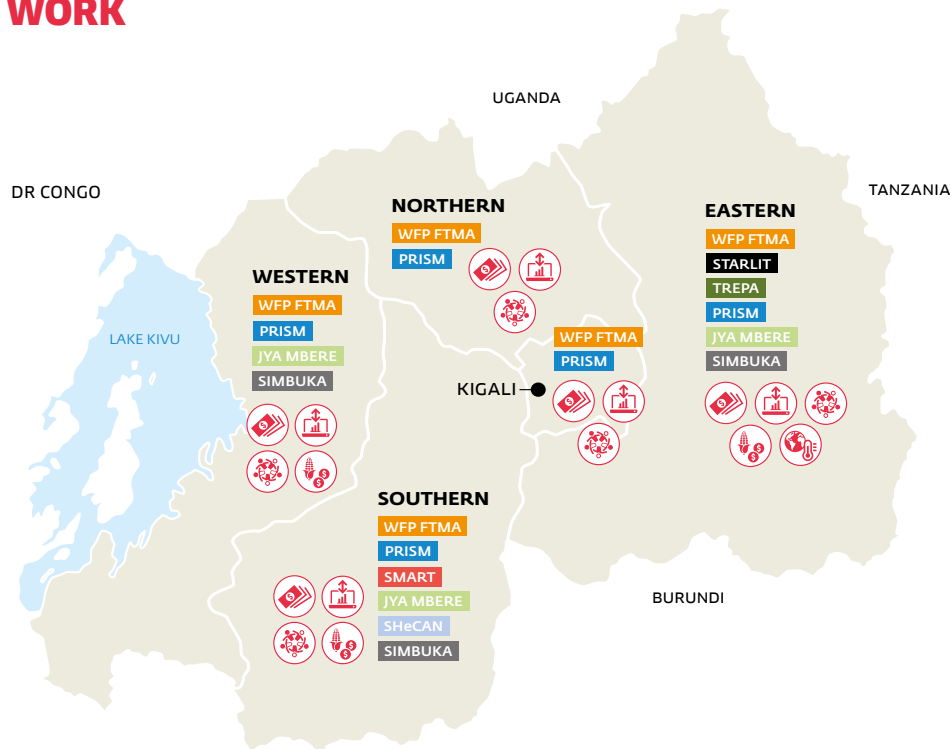
Cordaid Rwanda recognizes the urgent need for building farmers & agri-SMEs resilience to climate change. We do this through:

- **Climate finance:** Cordaid supports FIs to develop a more climate resilient institution and portfolio, for example by integrating climate indicators in loan assessment and developing innovative agri-financial products
- **Access to irrigation:** Cordaid collaborates with equipment suppliers, financial institutions, and service providers to facilitate smallholders access to affordable irrigation equipment
- **Agri-insurance:** To support farmers to deal with the effects of climate change, we facilitate the adoption of crop insurance, owned by the Ministry of Agriculture
- **Improved seeds:** In partnership with Rwanda Agricultural Board (RAB) Cordaid facilitates seed production based on regional ecological conditions to improve farmers adaptation to climate change

Result-based financing

Cordaid first applied the result-based financing (RBF) approach as part of a public health project in Rwanda in 2002. RBF programmes tie payments to pre-agreed outcomes. The experiences in Rwanda led to the upscaling of RBF in other countries in Africa.

WHERE WE WORK



PARTNERS AND DONORS

Public institutions

MINAGRI, RAB, MoE, NAEB, RFA

Local organisations

RCCDN, RICEM, AMIR

International organisations

IUCN, Enabel, World Vision, ICRAF

Financial institutions

Microfinance institutions (MFIs), banks, SACCOs, AMIR

Private sector

Off-takers, processors, traders, exporters

Equipment suppliers

Evergreen, Ignite, Hollande Greentech

Digital service providers

Simbuka, Chomoka, VIAMO

Programme participants

Smallholder farmers, farmer cooperatives, saving groups

Donors

WFP, IFAD, Mastercard Foundation, Achmea Foundation, Rabo Foundation, Green Climate Fund, Embassy of the Kingdom of the Netherlands, BRD, TechnoServe, SIDA, WB

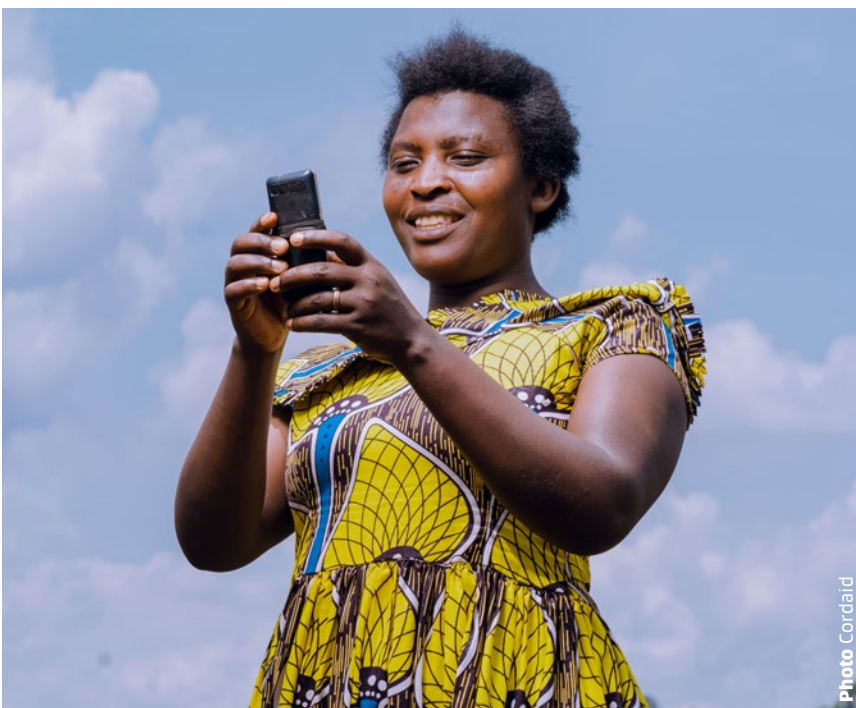


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Agri-Credit Assessment Tool

Cordaid developed the digital Agri-Credit Assessment Tool (A-CAT), to enable loan officers to appropriately assess agri-loans and to establish appropriate loan amounts to lend to smallholders. With A-CAT, a loan officer estimates the expected loan amount needed to finance inputs and other costs, as well as the expected income from agricultural activities. Based on this cash flow, Financial institutions can determine the ideal loan size for a particular farmer and whether the client can repay the loan from the investment. Thanks to A-CAT, financial institutions offer more agricultural loans - they have better knowledge, skills and more confidence in managing agricultural finance, reducing the risk of default. Financing agriculture is no longer a risk but becomes an opportunity.

TRACK RECORD OVERVIEW

PROJECT	ACTIVITIES	DONOR	BUDGET (\$)	TIMELINE
Transforming Rwanda's Eastern Province to Adapt to Climate Change (TREPA)	Supporting FIs to shift towards climate-resilient financing of farmers in Eastern province	Green Climate Fund (GCF)	\$2.6M	2022 - 2027
Kayonza Irrigation and Integrated Watershed Management Project (KIWP2) - Phase II	Technical support to FIs on agricultural financing and developing farming as business	Internal fund for agricultural development	\$3.4M	2022 - 2026
Jya Mbere – access to finance / business development	Promoting entrepreneurship and employment through access to finance (grants or loans) and improve access to finance through advisory services and capacity-building to different stakeholders	Development Bank of Rwanda (BRD)	\$320K	2022 - 2024
Strengthening Agricultural Resilience through Learning and Innovation (STARLIT)	Facilitating farmers to access digital market information, digital extension services and financial services in Kayonza	International Fund for Agricultural Development (IFAD)	\$500K	2022 - 2023
Partnership for Resilient and Inclusive Small Livestock Markets Programme / Rwanda Dairy Development Project – access to finance	Facilitate access to finance for farmers within various livestock value chains, working with MFIs and SACCOs	Ministry of Agriculture in Rwanda	\$360K	2021 - 2024
Farmer to Market Alliance/Sustainable Market Alliance and Assets creation for Resilient Communities and Gender Transformation - access to finance project	Creation of saving groups, improving access to financial services, especially to women and youth	World Food Program (WFP)	\$750K	2021 - 2023
Simbuka	Support to MFIs to digitise the loan process specifically for tailor-made agri-loans	Rabo Foundation	\$150k	2019 - 2022
Strengthening African Rural Smallholders (STARS)	Value chain development (maize and rice), access to finance, savings and risk management) and MEL	Mastercard Foundation	\$17M	2017 - 2021

INTO THE FUTURE

Cordaid Rwanda is planning to further apply its key expertise on access to finance, business development, digitalisation, inclusion and climate resilience in a variety of sectors and value chains. An example of this is the involvement in the PRISM and RDDP project, where Cordaid Rwanda is supporting the Ministry of Agriculture with access to finance in various livestock value chains. In future years, Cordaid Rwanda envisages to further engage in the areas of mental health and TVET.



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ABOUT CORDAID

Cordaid is an internationally operating value-based development and emergency relief organisation, working in and on fragility. We support local communities in their efforts to improve justice, healthcare, food security, education, and economic opportunities. Our mission is to work towards a world without poverty and equal opportunity. We offer international expertise through a localised approach, having decades of in-country experience in the countries we operate in. Cordaid is a founding member of Caritas Internationalis and CIDSE and member of the ACT Alliance. For more information on our vision, mission and expertise, please visit: www.cordaid.org/en/

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