

The Department for International Development (DFID) leads the UK's global efforts to end extreme poverty, deliver the Global Goals for Sustainable Development (SDGs) and tackle a wide range of global development challenges. The UK's focus and international leadership on economic development is a vital part of Global Britain - harnessing the potential of new trade relationships, creating jobs and channelling investment to the world's poorest countries. Throughout history, sustained, job-creating growth has played the greatest role in lifting huge numbers of people out of grinding poverty. This is what developing countries want and is what the international system needs to help deliver. Whilst there is an urgent need for traditional aid in many parts of the world, ultimately economic development is how we will achieve the Global Goals and help countries move beyond the need for aid.

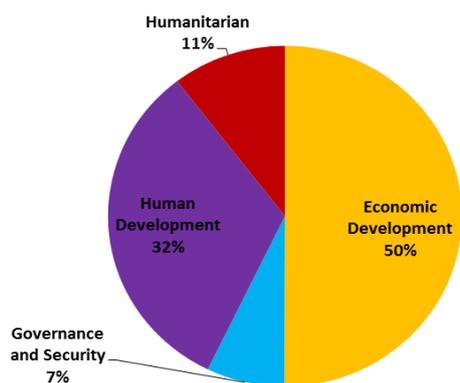
Planned Budget for 2017/18

£64m

Planned Budget for 2018/19

£62m

**Sector breakdown of 2017/18 bilateral plans**



**Top 3 planned spending programmes in 2017/18 (as at June 2017)**

Social Protection Support to the Poorest	£13.1m
Rwanda Learning for All Programme	£10.5m
Provision of Finance to the Rwanda Fund for Climate Change and Environment	£7.9m

**Contribution to the Global Goals and other government commitments (achieved as at March 2017)\***

**301 thousand** children supported to gain a decent education

**186 thousand** children under 5, women and adolescent girls reached through nutrition related interventions

**Headline deliverables**

- Ending extreme poverty:** UK aid has helped Rwanda to lift almost 2 million people out of poverty since 2005. We will continue to support the poorest and most vulnerable people to escape poverty and take control of their lives. We will have helped lift over 200,000 people out of extreme poverty by 2020. We will reach over 450,000 people through our nutrition programmes, and support 345,000 children to gain a decent education.
- Building stability and institutions:** We will support Rwanda to manage its public finances and help the government raise an additional £1.1 billion in tax revenue to further finance its own development. We will help to strengthen the accountability of the state to all of its citizens, and support a transition to a more inclusive, open society.
- Economic development:** We will invest in eliminating trade barriers to make Rwanda more competitive and help ensure future inclusive and sustainable growth. We aim to support a three-fold increase in the value of Rwanda's exports by 2021. We will improve the capacity of financial systems and help create better economic opportunities for over 1.5 million people by 2020.

**Why is DFID investing in Rwanda<sup>1</sup>?**

A peaceful and prosperous Rwanda is essential for stability in Africa. The government of Rwanda is committed to poverty reduction and meeting the Global Goals, achieving increased prosperity and opportunity for its citizens, and ensuring stability. They have a strong record of using aid effectively to achieve these objectives and produce impressive results. However, it is only just over 20 years since the genocide and poverty remains high. It is important to continue supporting development and economic

\* Results less than 1 million are rounded to the nearest thousand. Results over 1 million are rounded to the nearest hundred thousand.

<sup>1</sup> DFID Rwanda also manages DFID's humanitarian programme in Burundi. This is currently worth £4 million per year and is channelled principally through UNICEF and the International Committee of the Red Cross.

growth efforts so Rwanda can succeed in the long term and be self-reliant. This in turn will help minimise the risk of conflict within and between countries in the region.

### **How will the UK respond to opportunities and challenges?**

The UK is supporting Rwanda to continue its path towards long-term peace and stability, economic growth and poverty reduction. We will help build effective government institutions, support the development of an open and inclusive society, and provide support to meet the basic needs of the poorest and most vulnerable. DFID is investing in basic education to improve learning outcomes. This will ensure that Rwanda's young and growing population have the skills they need for productive employment in the future. We are supporting the structural transformation of the economy through programmes to improve productivity in agriculture and to create more opportunities for commercialisation and private sector investment. We are helping to reduce the cost of doing business in Rwanda, boost exports and create jobs. We are supporting the finance sector to serve the needs of the poor making it easier to access credit and encourage savings.

We will provide direct support to the poorest and most vulnerable people in Rwanda. Our support to the government's social protection programme will benefit an additional 200,000 plus people each year with cash transfers, helping them to meet their basic needs. Our agriculture work will increase food security and boost incomes of poor households. We are helping to address the impact of climate change, particularly on poor farmers. This work will help Rwanda's resilience to natural, climate-related and man-made shocks. We will increase the transparency and effectiveness of local and national government and help to improve financial management. We will support civil society engagement with the Rwandan government and encourage a more open, inclusive and stable society. We will continue to invest in programmes to help women and girls maximise their potential and to prevent gender based violence.

### **What is being achieved for the UK?**

Since the 1994 genocide, in which over a million people were killed and immense damage was done to Rwanda's people, society and institutions, the country has rebuilt itself, making remarkable development progress. UK aid has contributed to Rwanda's achievement of lifting almost 2 million people out of poverty since 2005. Despite its small size Rwanda is the 5<sup>th</sup> largest contributor to UN peacekeeping operations in the world and plays a key role in stabilisation in Darfur and the Central African Republic. This supports UK interests in responding to the humanitarian situation, containing extremism and terrorism, and addressing the drivers of migration. Rwanda also plays a progressive role on the international stage. It is a strong voice on anti-corruption and promoting the rights of girls and women. There are growing commercial opportunities for British business in Rwanda. Our support to regional trade will help strengthen UK's opportunities for trade with Rwanda and the East African Community. Rwandair, the national carrier, recently started direct flights between Kigali and Gatwick, further improving our trade links.

### **Partners**

- We will strengthen partnerships with UK institutions. Our work with HM Revenue and Customs and the Rwanda Revenue Authority will help improve domestic revenue collection. We will work closely with the Foreign and Commonwealth Office and Department for International Trade, and support the UK Prime Minister's Trade Envoy to support UK trade and investment opportunities in Rwanda.
- The government of Rwanda is focused on poverty reduction. It has a zero tolerance approach to corruption and waste. We will continue to provide targeted financial aid to the government as an effective and efficient way to deliver our programmes, strengthen systems, and contribute to stability. Our support to education is complemented by central DFID funding to Rwanda through the Global Partnership for Education.
- We will work closely with the World Bank in particular to deliver our key programmes in agriculture and social protection. We will also work with a number of key United Nations agencies in Rwanda including UNICEF in support of our education objectives.
- We will work with private sector or other providers and the government to deliver technical assistance. This will help solve difficult policy issues and ensure that our financial aid – as well as that of other partners, and the government's own resources - delivers more results and value for money.
- We will support a number of specially created companies designed to deliver high impact programmes (e.g. on access to finance or trade), and civil society organisations as well as directly supporting the private sector through our work on trade and exports.

