

UNHCR - Climate-Smart Agriculture and Market Development for Enhancing Livelihoods of Refugees and their Host Communities in Rwanda - Phase II

Key results: To improve the sustainability of food security and self-reliance of 732 refugee and 1304 host community households, (1091 women and 945 men) (over 7,851 individuals) through climate-smart agricultural practices and market development approach by 2026.

- Outcome 1: Increased Agricultural Productivity
- Outcome 2: Increased Household Income

Justification for support: Phase II of the project will add to the positive results already achieved in Phase I of the project between 2020-2023 (also funded by Denmark). The project's main goal was to improve food security and self-reliance of 2,036 farmers and their family members, including refugees and the Rwandan host community, through climate-smart agricultural practices and a market development approach. Phase I succeeded in 1) facilitating peaceful co-existence between refugees and host communities through joint-cooperatives, 2) increased agricultural production, and 3) establishing links to markets which led to increased household revenues. The project was implemented on two publicly owned marshlands measuring 93 hectares, namely, Mushishito marshland (70 ha) in Nyamagabe District hosting Kigeme refugee camp and Nyabicwamba marshland (23 ha) in Gatsibo District hosting Nyabiheke refugee camp in Rwanda. Phase II of the project is designed to ensure the long-term sustainability of the investment and secure long-term positive outcomes for refugees and Rwandans.

Major risks and challenges: A detailed risk management plan is outlined in the project document. The main risks to the project include natural disasters; increasing refugee influxes to Rwanda, poor management of the cooperative, disengagement of the Government of Rwanda in the Global Refugee Forum, increased tensions between refugees and the Rwandan host community, global pandemics and data breaches. Mitigations against these risks have been built into the project plan.

Objectives

The objective is to improve the sustainability of food security and self-reliance of 732 refugee and 1304 host community households, (1091 women and 945 men) (over 7,851 individuals) through climate-smart agricultural practices and market development approach by 2026. This will result in 1) increased productivity, food security and climate change adaptation, 2) increased income and access to markets.

Environment and climate targeting - Principal objective (100%); Significant objective (50%)

	Climate adaptation	Climate mitigation	Biodiversity	Other green/environment
Indicate 0, 50% or 100%	50	0	0	50
Total green budget (DKK)	6.8 mil.	N/A	N/A	N/A

Justification for choice of partner:

UNHCR is a specialized agency with a wealth of experience, resources, and an extensive network dedicated to protecting and supporting refugees and displaced persons. UNHCR has decades of experience in dealing with refugee situations, developing an in-depth understanding of the complexities involved. They have extensive wealth of experts, including field workers, policy makers, legal advisors, and more, who contribute their knowledge to project management. The MFA has good experience with working with UNHCR in Rwanda, including on Phase I of the project. Hence, UNHCR is found to have appropriate capacity and commitment, and is seen the right choice of partner given the mandate, expertise, experience, partner relations and field presence it has in Rwanda.

Summary:

This DKK 17 million contribution will support phase II of UNHCR's project *Climate-Smart Agriculture and Market Development for Enhancing Livelihoods of Refugees and their Host Communities in Rwanda*. Building on the achievements of phase I, the Danish contribution will support improved sustainability of food security and self-reliance among refugees and host community households through climate-smart agricultural practices and market development approach

Budget (engagement as defined in FMI):

Outcome 1: Agricultural Productivity Increased	DKK 6.8 million
Outcome 2: Increased Household Income	DKK 5.1 million
Coordination and MEL (Monitoring, Evaluation and Learning)	DKK 0.8 million
General Project Management & Personnel Costs (including unallocated costs)	DKK 3.3 million
UNHCR HQ ISC-Indirect Support Costs (6.5% of direct costs)	DKK 1 million
Total	DKK 17 million

File No.	23/30672						
Country	Rwanda						
Responsible Unit	Kigali /MTF						
Sector	31120 – Agricultural development						
Partner	UNHCR						
	<i>DKK million</i>	2023	2024	2025	2026	2027	Total
Commitment	17						17
Projected disbursement	11.9	3.1	2				17
Duration	1 January 2024 – 31 December 2026						
Previous grants	2020-2023: DKK 10.7 million.						
Finance Act code	§06.32.10.17						
Head of unit	Nicolaj Hejberg Petersen						
Desk officer	Toke Hauch Arnoldi						
Reviewed by CFO	YES: Andreas Stabursvik						

Relevant SDGs [Maximum 1 – highlight with grey]

 No Poverty	 No Hunger	 Good Health, Wellbeing	 Quality Education	 Gender Equality	 Clean Water, Sanitation
 Affordable Clean Energy	 Decent Jobs, Econ. Growth	 Industry, Innovation, Infrastructure	 Reduced Inequalities	 Sustainable Cities, Communities	 Responsible Consumption & Production
 Climate	 Life below water	 Life on Land	 Peace &	 Partnerships	



Proposal

Phase II: Climate-Smart Agriculture and Market Development for Enhancing Livelihoods of Refugees and their Host Communities in Rwanda

December 2023

1. Project Overview

Project Title	Climate-Smart Agriculture and Market Development for Enhancing Livelihoods of Refugees and their Host Communities in Rwanda (Phase II)
Location	1. Mushishito marshland (Nyamagabe District, covering Kigeme refugee camp) 2. Nyabicwamba marshland (Gatsibo District, covering Nyabiheke refugee camp)
Duration	36 months (01 Jan 2024 – 31 Dec 2026)
Budget	DKK 17,000,000 (seventeen million kroner)
Beneficiaries	Direct beneficiaries: 2,036 households from refugees and host communities, 732 refugees and 1,304 members of the host community, (1091 women and 945 men). Indirect beneficiaries: 7,851 individuals including family members

This proposal outlines objectives and activities that UNHCR in Rwanda aims to carry out through funding from Denmark's Ministry of Foreign Affairs for Phase II of the project "Climate-Smart Agriculture and Market Development for Enhancing Livelihoods of Refugees and their Host Communities in Rwanda" to be implemented for 36 months (January 2024 - December 2026).

2. Background

Over 134,000 refugees and asylum seekers are currently registered with UNHCR in Rwanda originating from the Democratic Republic of Congo (61 percent) and Burundi (38 percent). In 2023, the number of displaced people in Rwanda has increased significantly due to escalating conflict in Eastern DRC. As of July 2023, over 10,000 new asylum seekers from DRC have been recorded by UNHCR since the beginning of the year. Among the population of refugees and asylum seekers in Rwanda, 91 percent of the population are based in five refugee camps (Mahama, Nyabiheke, Mugombwa, Kigeme and Kiziba) while 9 percent live in urban areas. The Government of Rwanda (GoR) provides a favourable policy and protection environment for refugees, allowing them the right to work, freedom of movement, access to documentation and formal registration/ownership of businesses or properties.

UNHCR Rwanda and the GoR are committed to advancing the agenda of promoting refugees' access to economic opportunities, improve self-reliance, and reduce dependency on humanitarian assistance. In line with these commitments, the Ministry in Charge of Emergency Management (MINEMA) and UNHCR are working towards the aims of their joint five-year strategy to foster the economic inclusion of refugees and their self-reliance and their progressive graduation out of humanitarian assistance by the year 2030.¹

As part of this strategy, UNHCR and MINEMA conducted livelihoods assessments in refugee camps and hosting areas, which identified the main challenges hindering refugees and their host communities to access livelihoods opportunities including: 1) limited employment opportunities, 2) lack of productive assets including agricultural land, and 3) limited awareness by local actors (private sector, local authorities, host communities) regarding refugees' right to access labour markets.

¹ MINEMA and UNHCR, 2021, *Joint Strategy on Economic Inclusion of Refugees and Host Communities In Rwanda 2021-2024*; available at [Microsoft Word - MINEMA-UNHCR Joint Strategy on Economic Inclusion of Refugees and Host Communities in Rwanda_2021-24_FINAL](#).

In line with the GoR's pledge at the Global Refugee Forum (GRF) held in 2019 to promote self-reliance through joint agricultural projects between refugees and host communities,² some refugee-hosting districts availed marshlands for the joint agricultural activities. The first joint project was implemented in Misizi marshland located in Gisagara District, which hosts Mugombwa refugee camp. The project was funded by IKEA Foundation from 2018 to 2021, benefiting 1,427 households including refugees living in Mugombwa refugee camp and their host community.

In the same vein, in 2020, UNHCR Rwanda received 10,700,000 DKK (approx. USD 1,634,087) funding from the Kingdom of Denmark to fund a three-year joint project between refugees and the host communities entitled "***Climate-smart agriculture and market development project for enhancing livelihood of refugees and their host communities in Rwanda***" implemented between September 2020 and August 2023. The project's main goal was to improve food security and self-reliance of 2,036 farmers and their family members, including refugees and the Rwandan host community, through climate-smart agricultural practices and a market development approach. The project was implemented on two publicly owned marshlands measuring 93 hectares, namely, Mushishito marshland (70 ha) in Nyamagabe District hosting Kigeme refugee camp and Nyabicwamba marshland (23 ha) in Gatsibo District hosting Nyabiheke refugee camp. The project aimed to achieve the outcomes of increased household income and agricultural productivity.

According to interim annual reports and focus group discussions with the refugees and Rwandans involved, the results of the three-year joint agricultural project in Mushishito and Nyabicwamba marshlands are overwhelmingly positive.

- First, the project facilitated peaceful co-existence between refugees and members of the host community through joint-farming activities and establishment of two joint-cooperatives in Mushishito and Nyabicwamba.
- Second, through enabling access to developed marshlands and providing agricultural inputs, trainings, and constructing post-harvest facilities, there has been an increase in agricultural production and household revenue generated from sales. Combined, this has contributed to improved food security for project participants.
- Third, the project helped to establish links to markets where farmers could sell their agricultural products. This has further increased the amount of income participants (refugees and Rwandans) can generate from sales.

Further details on the project impact will be revealed by the ongoing external project evaluation which assesses the project performance, intermediate impact, underlying drivers, and lessons learnt. The final project evaluation report is expected early 2024.

3. Need for Phase II: Sustaining the Project Outcomes and National Development

Despite positive outcomes, lessons learnt from phase one of the joint agricultural project in the two marshlands of Mushishito and Nyabicwamba indicate that there is a need for additional investments to ensure the sustainability of investments and secure long-term positive outcomes. In other words, there is need for continued contribution to the development of a climate-smart agriculture sector in Rwanda.

Climate-smart agriculture practices and solutions introduced in the first phase of the project have trained farmers on how to conduct their agricultural practices in an environmentally friendly manner

²<https://globalcompactrefugees.org/gcr-action/countries/rwanda>

which also leads to increased food security, productivity and income for refugees and Rwandans in Mushishito and Nyabicwamba marshlands. Such practices and solutions have included:

- Improved land and water management practices through improved irrigation system using solar-powered clean energy.
- Acquisition and efficient use of agricultural inputs (including climate-resilient crop varieties, fertilizers, and organic manure) in remote rural areas which are prone to environmental degradation.
- Capacity building of farmers on climate-smart agriculture practices which enabled farmers to manage the risks of harsh weather conditions (drought in Nyabicwamba and heavy rains in Mushishito) through crop rotation and adoption of resilient crops. Farmers were also able to acquire crop insurance to avoid hazard-induced production losses, leveraging on the Government-subsided crop insurance scheme.
- Reduction of greenhouse gases released into the atmosphere using organic manure.
- Utilization of post-harvest handling techniques which contributed to reducing post-harvest losses, while also building refugees' and hosts' resilience.

Given the increasing impact of climate change in Rwanda, such as more intense rainfall and drought, sustained investment in climate-smart agriculture practices and technologies is essential to contribute to Rwanda national development goals as outlined in the National Strategy for Transformation (NST1).³ Modernizing and increasing the productivity of agriculture and livestock is highlighted within this strategy which phase II of this project would contribute towards.

UNHCR in Rwanda, therefore, proposes a phase II of this project which will support farmers to develop a business model for agricultural production. It is envisioned at the end of the project, farmers will be self-sustained without external financial support and able to manage/farm on the marshland independently.

4. Phase II Proposal

The proposed outcomes for Phase II, as outlined below, have been reinforced through focus group discussions with the project participants in 2023.

➤ Outcome I: Increased agricultural productivity

Need to rehabilitate/upgrade the drainage and irrigation facilities: Based on the joint technical assessment of Mushishito marshland flooding (Annex II), the marshland development activities implemented during the first phase of the project reduced the intensity of floods in Mushishito marshland. Despite this, further investment is required to sustain the marshland drainage infrastructures and reduce the risk of flooding which negatively affects agricultural production and revenues. The required additional rehabilitation in Mushishito would include upgrading the existing pipe culverts to box culverts of bigger dimensions to facilitate smooth flow of water during peak discharge.

In Nyabicwamba marshland, the irrigation facilities established during the first phase of the project provided access to water for irrigation activities but there is still about 14 Ha that are not covered by the existing irrigation facilities, hence the need to extend the irrigation system on the remaining area in Nyabicwamba marshland.

During phase II, UNHCR would also conduct refresher trainings for farmers on the management of drainage and irrigation facilities as well as climate-smart agricultural practices. This will contribute to sustained agricultural productivity and year-long production to generate revenues, especially during

³ https://www.nirda.gov.rw/uploads/tx_dce/National_Strategy_For_Transformation_-NST1-min.pdf

the dry seasons. Additionally, the provision of improved inputs including seeds, organic manure, and pest control, is expected to increase the production and productivity of the developed marshlands.

➤ **Outcome II: Increased household income**

Need for additional drying sheds facilities to reduce post-harvest losses: During the first phase of the project, UNHCR constructed two drying sheds in Mushishito marshland and one drying shed in Nyabicwamba which contributed to reducing post-harvest losses. However, the existing drying sheds are not enough to accommodate production from all farmers. Also, some farmers whose plots are far away from the sheds indicated a challenge in carrying the production for a long distance to the sheds. Therefore, there is a need for additional drying sheds. In phase II, UNHCR would construct an addition two drying sheds in Mushishito and one in Nyabicwamba to ensure appropriate post-harvest handling of the production and meet the quality requirements for the market.

Need for value addition to the harvest through the acquisition of maize milling machines: During the first phase of the project, UNHCR supported the establishment of market linkages with Africa Improved Foods for farmers to sell their produce. Despite this achievement, there are concerns regarding the long-term benefits of this arrangement as farmers are required to negotiate prices with traders often to their disadvantage. As a result, farmers are compelled to sell the grain at a lower price and buy back maize flour at a high price negatively impacting their income and food security.

To offset this long-term challenge, farmers in Nyabicwamba, Gatsibo District have expressed the need to establish a maize milling plant to add value to the harvest instead of selling the raw maize grain. In this case, farmers would generate income by selling their harvest to their own milling facility, and at the same time, would benefit from income generated by the milling facility after selling maize flour to the local community and beyond.

The context in Mushishito, Nyamagabe District, is different as the district's maize production is relatively low and existing milling facilities in the region are perceived as sufficient.

Need to enhance sustainable access to agricultural inputs through the introduction of an agro-dealership business: During the first phase of the project, farmers have relied on the project for the supply of agricultural inputs and tools, ranging from seeds, organic manure, and fertilizers. Today there is growing concern that without project support, farmers cannot afford the cost associated with the sourcing of required agricultural inputs. To guarantee all farmers' access to and use of quality agro-inputs on a large-scale, at an affordable cost and in a more sustainable way, farmers have expressed the desire to start an agro-dealership business. An agro-dealer shop for each cooperative will address the challenges of the rural farming community's access to agricultural inputs (seeds, fertilizers, pesticide chemicals, etc.) in the required quality, quantity and time. This agro-dealership business would supply inputs to farmers under a forward contract scheme, meaning farmers would be provided with inputs on credit at the beginning of the agricultural season which they will pay after the harvest. The dealership will also increase the cooperative income by selling to outside entities for profit.

Diversification of income through the introduction of complementary income generating activities: The fact that the available land for agricultural exploitation is limited (less than 5 Are per household in both locations) contributes to limited agricultural production, which, combined with limited processing capacity and lack of higher value products, explains why it is difficult for farmers to become self-reliant without diversifying their source of income. To mitigate this challenge, farmers have expressed the need for support to invest in alternative sources of income, namely, through mushroom growing and livestock activities. In addition to standard agricultural production, such activities would contribute to a steady and sustainable source of income while contributing to fighting malnutrition among vulnerable communities.

Access to financial services and financial literacy: One of the achievements of the first phase of the project was to support farmers group themselves into voluntary savings and loan associations (VSLAs). Currently 61 and 24 saving groups have been formed in Mushishito and Nyabicwamba respectively. VSLAs are considered as a powerful tool for financially disadvantaged groups, including refugees, to overcome barriers to financial services and limited financial literacy. Through saving groups, members can apply for small loans for business and personal matters in the absence of formal collateral and start-up capital.⁴ Support to the VSLA's is still at the nascent stage of their development. During this project, the aim would be to conduct trainings for their leaders and a group of trainers (commonly known as field agents) whose role is to provide continued supervision and monitoring of loan disbursement and loan repayment processes.

Support to cooperatives with smart phones for embracing innovation to boost agricultural productivity: One of the achievements of the first phase of the project was to create two agricultural cooperatives in Mushishito and Nyabicwamba marshland respectively: “Koperative Duhuze Imbaraga Mushishito-KODIMU” in Nyamagabe District and “Koperative Duhuze Imbaraga Gatsibo – KODIGA” in Gatsibo District. All 2,036 farmers are de facto members of the cooperative. Each cooperative is managed by an executive committee and an audit committee with the latter overseeing the activities of the former. The cooperative is also divided into zones and smaller groups headed by their own leaders. One of the roles of cooperative members with a leadership role (group leaders, zonal leaders, committee members and members of water management committees) is to act as community-based agricultural promoters and animal health workers who are relied upon by other farmers for support and advice. It is proposed that the second phase of the project would support the cooperative with providing smart phones to all members with a leadership role to ease information sharing on agricultural activities (e.g. when to enrol for the fertilizers, crop disease outbreak and mitigation measures, etc.) and market information.

⁴ World Bank, 2019, Rwanda - Economic Activity and Opportunity for Refugee Inclusion. Washington, D.C.: World Bank Group, available at [Rwanda-Economic-Activity-and-Opportunity-for-Refugee-Inclusion.docx \(live.com\)](#), accessed on April 5, 2022.

5. Project Objectives

Through this project, UNHCR would aim to further improve and expand the sustainability of food security and self-reliance of 732 refugee and 1,304 host community households (HHs) (over 7,851 individuals including family members) through climate-smart agricultural practices and market development approach in Rwanda by 2026.

Table 1: Location and Category of Beneficiaries

Location	Refugee	Rwandan	Total	Female	Male
Households in Gatsibo District (Nyabicwamba marshland)	232	235	467	222	245
Households in Nyamagabe District (Mushishito marshland)	500	1,069	1,569	869	700
Total Households	732	1,304	2,036	1091	945

Table 2: Objective, Outcomes and Key Outputs and Indicators

Project title		Climate-Smart Agriculture and Market Development for Enhancing Livelihoods of Refugees and their Host Communities in Rwanda (Phase II)	
Project objective		To improve the sustainability of food security and self-reliance of 732 refugee and 1304 host community households, (1091 women and 945 men) (over 7,851 individuals) through climate-smart agricultural practices and market development approach by 2026.	
Impact		<p>Impact I: Reduced (extreme) poverty among refugees and host communities (in rural areas)</p> <p>Impact II: Increased number of project participants who do not need food/cash assistance at the end of the project (at HH level)</p>	
Impact indicators		<p>Indicator I: Extreme Poverty rate (rural) in Rwanda</p> <p>Indicator II: % of refugee project participants who do not need food/cash assistance at the end of project support (at HH level)</p>	
Baseline	2017	16%	Indicator I: The baseline year used is still 2017 because there hasn't been any official national survey since EICV 5 (2016-2017) that gave updated (extreme) poverty rate in Rwanda. Due to COVID-19, EICV6 was partially conducted for the period covering October 2019 to October 2020, but data on (extreme) poverty rate was not measured nor officialised. EICV7 (to be conducted from October 2023-October 2024) is expected to produce official data on poverty and extreme poverty rates in Rwanda for 2023/2024 which will serve as baseline results. If EICV8 results are available (2026/2027), they will be used as endline data.
	2023	TBC	Indicator II: The baseline % of refugee project participants who do not need food/cash assistance at the end of project support (at HH level) will be obtained from the finalized evaluation of Phase I.
Target	2026	TBC	Indicator I: EICV 7 (2023/2024) results will give indications on the projected (extreme) poverty rates in Rwanda by 2026 which will inform this indicator.
		70%	Indicator II: By September 2026, at least 70 % of the project participants households do not need food/cash assistance at the end of project support/have graduated from assistance

Outcomes		Outcome I: Increased Agricultural productivity	
		Outcome II: Increased household income	
Outcome indicators		Indicator I: Land productivity (yield in kg/hectare) per crop	
		Indicator II: % of the project participants who self-report increased income (at HH level)	
Baseline	2023	Maize: 1,737 Kg/Ha ⁵ Beans: 632 kg/Ha ⁶	Indicator I: National level yield for maize and beans for Season A 2023
		TBC	Indicator II: The findings on income increase from Phase I project will serve as baseline for Phase II. The baseline will be obtained from the finalized evaluation of Phase I.
Target	2026	TBC	Indicator I: National level yield for maize and beans in 2026 will be published by the Government (NISR). Based on this and the finalized Phase I evaluation, the target will be determined.
		70%	Indicator II: By September 2026, at least 70 % of project participants will have increased household income.

Output I		Access to agricultural production enabled (crop/livestock)	
Outputs indicators		1.1: # of hectares of marshlands covered by improved drainage and irrigation facilities.	
		1.2: # of project participants receiving inputs for crop production activities.	
		1.3: # of project participants receiving small livestock (chicken; goats and piggery) and accessing shades for livestock rearing.	
Baseline	2023	79Ha	1.1: Out of 93 Ha of land that were availed in Phase I, 79 Ha were developed. In Phase II, the remaining 14Ha will be developed and further investments in drainage/irrigation infrastructure will be undertaken to strengthen infrastructure made in Phase I.
		2,036 participants	1.2: All project participants accessed arable land/marshlands and inputs from the project in Phase I. Phase II will strengthen the productive capacity of participants by availing to them a second round of agriculture inputs for two agricultural seasons.
		0 participant	1.3: The assumption is that participants in Nyabicwamba marshlands do not have livestock and shades that support them in their agropastoral activities in the marshlands.

⁵ Official national average yield crop for maize for Season A 2023 (produced by NISR).
file:///C:/Users/BIZINDAV/Downloads/SAS_2023%20Season%20A%20Final%20Report.pdf

⁶ Official national average yield crop for beans for Season A 2023 (produced by NISR).
file:///C:/Users/BIZINDAV/Downloads/SAS_2023%20Season%20A%20Final%20Report.pdf

Target	Year 1 Oct-Dec 2023	Inception phase initiated	By end of 2023, field preparation activities will be undertaken. Stakeholders' meetings will be conducted as well as beneficiaries' inception meetings for more engagement in the project. Finetuning activities and project workplan will be delivered.
	Year 2 2024	93 Ha rehabilitated	1.1: By end of 2024, rehabilitation of drainage and irrigation infrastructures is completed for the entire 93 Ha of marshlands
		2,036 participants	1.2: By end of year 2024, 2,036 participants will receive inputs for agriculture/livestock activities for two seasons.
		466 participants	1.3: By end of year 2024, 466 participants will receive small livestock (chicken, goats and piggery) and access shades for livestock rearing in Nyabicwamba marshland.
	Year 3 2025	No direct support/production assets or inputs; follow-up and monitoring activities, market linkages and capacity building support will be undertaken in year 3	
	Year 4 (Jan-Sep 2026)	No direct support/production assets or inputs; follow up activities, market linkages, capacity building support will be undertaken in year 4.	

Output II		Access to markets facilitated for increased income	
Output Indicators		2.1: # of targeted participants accessing mushrooms production for products and income diversification.	
		2.2: Maize processing unit established.	
		2.3: # of targeted participants using the maize processing unit and adding value to their maize produce.	
		2.4: # of Post-harvest infrastructures drying sheds with a storage room installed.	
		2.5: Acquisition of agro-dealership business and agri-veterinary services business services	
		2.6: # of agro promoters equipped with smart phones to facilitate communication and adoption of agricultural marketing digital solutions.	
Baseline	2023	0 participants	2.1: The assumption is that project participants are not currently producing mushrooms for cash crop in the marshlands.
		0 maize processing unit	2.2: The assumption is that there is no maize processing unit for value addition in the Nyabicwamba marshlands.
		0 participant	2.3: The assumption is that no participants in the Nyabicwamba marshlands were processing maize through their own milling unit
		3 drying sheds	2.4: Existing post-harvest infrastructures (2 drying sheds with a storage room in Mushishito, and 1 in Nyabicwamba).
		0	2.5: No existing agro-dealership business (including agri-veterinary services) for both cooperatives in Nyabicwamba and Mushishito

		0	2.6: The assumption is that no agro promoters in the two cooperatives are equipped with smart phones to facilitate communication and adoption of agricultural marketing digital solutions	
Target	Year 1			
	Oct-Dec 2023		Feasibility assessments are conducted	
	Year 2	2024	1,570	2.1: By end of 2024, 1,570 targeted participants are accessing mushrooms production for products and income diversification.
			1	2.2: By end of 2024, the maize processing unit is established.
			0	2.3: No activities envisioned in year 2.
			6	2.4: By end of 2024, three new post-harvest infrastructures drying sheds with a storage room are installed (in addition to existing three sheds). Two in Mushishito, and one in Nyabicwamba.
			2	2.5: By end of 2024, 2 agro-dealership business (including agri-veterinary services) are acquired respectively for Nyabicwamba and Mushishito cooperatives
			0	2.6: No activities envisioned in year 2.
	Year 3	2025	1,570	2.1: Continuation of activities started in year 2.
			1	2.2: Continuation of activities started in year 2.
			466	2.3: By end of 2025, 466 targeted participants are using the maize processing unit and adding value to their maize produce
			6	2.4: Continuation of activities started in year 2.
			2	2.5: Continuation of activities started in year 2.
		213	2.6: By end of 2024, 213 agro-promoters are equipped with smart phones to facilitate communication and adoption of agricultural marketing digital solutions.	
Year 4			No activities linked to market access is planned for the last year of 2026	
	2026			

Output III		Access to training and learning enabled (for enhancing climate-smart agricultural production, farm income and self-employment in agriculture as business)	
Outputs indicators		3.1 # of farmers who have completed training related to agriculture	
		3.2 # of farmers provided with financial literacy training to enhance their livelihoods	
		3.3 # of farmers provided with entrepreneurship/business training, value chain and cooperative management	
Baseline	2023	2,036	All project participants participated in trainings during Phase I. Further refresher trainings on climate smart agriculture practices, composting, business skills, financial literacy and cooperative management are required in Phase II to strengthen the sustainability of the project.
Target	Year 1		No refresher trainings planned in year one.

	Oct-Dec 2023		
	Year 2 2024	2,036	3.1: By end of 2024, all project participants (2,036 farmers) will have completed refresher trainings on agricultural production practices with focus on “climate smart/conservation agricultural techniques, composting, post-harvest handling”
		2,036	3.2: By end of 2024, all project participants (2,036 farmers) have completed refresher trainings on financial literacy and saving groups training
		2,036	3.3: By end of 2024, all project participants (2,036 farmers) have completed refresher trainings on business skills/ entrepreneurship/value chain/ cooperative management
	Year 3 2025	No training activities except follow-up sessions by project staff/peer-learning to enhance sustainability, market linkage etc.	
	Year 4 (Jan-Sep 2026)	No training activities except follow-up sessions by project staff/peer-learning to enhance sustainability, market linkage etc.	

Output IV		Assessment and analysis undertaken		
Outputs indicators		4.1 Marshland rehabilitation assessment conducted		
		4.2 Project monitoring conducted		
		4.3 End of Project Evaluation/Assessment Conducted		
Baseline	2023	The evaluation of the project Phase I will serve as a baseline for Phase II		
Target	Year 1	Nothing planned as evaluation from Phase I is being completed		
	Oct-Dec 2023			
	Year 2 2024	Assessment conducted	4.1: By end of 2024, further assessment to improve the marshland development is completed	
		Assessment conducted	4.2: Participatory Assessment/Livelihoods Assessment Conducted	
		N/A	4.3: End of Project Evaluation/Assessment will be conducted in 2026	
	Year 3 2025	N/A	4.1 Activities conducted in year 2	
		Assessment conducted	4.2: Participatory Assessment/Livelihoods Assessment Conducted	
		N/A	4.3: End of Project Evaluation/Assessment will be conducted in 2026	
	Year 4 (Jan-Sep 2026)	N/A	4.1: Activities conducted in year 2	
		N/A	4.2: Activities conducted in year 2 and 3	
Project Evaluation Completed		4.3: End of Project Evaluation/Assessment Conducted		

6. Contribution to Climate Change Adaptation and Mitigation (Rio Markers #2 & #3)

For climate change adaptation (CCA), the proposed intervention will seek to decrease the adverse effects of a changing climate on refugee and Rwandan farmers in Mushishito and Nyabicwamba marshlands. As the impact of climate change will unfold and evolve over the years, full climate adaptation is not an outcome that will be achieved with the life of the project. Despite this, the project will seek to reduce the impact of climate change on farming in the two marshlands and provide trainings to the farmers to better deal with its effects.

To assess adaptation progress, the project shall use proxies for measuring “reduced vulnerability” or “increased resilience” and indicators which measure progress towards the achievement of an outcome (e.g. “resilience to drought”) but do not guarantee or measure the final outcomes itself. Rather than have specific CCA indicators, the project will use quantitative indicators that are commonly used in food security and water management projects. This includes:

- Percentage increase in crop yields
- Percentage increase in household income
- Percentage increase in household savings
- Percentage of hectares of crops planted with drought-resistant seeds promoted by the project
- Percentage of farmers applying drought-resistant agricultural practices promoted by the project
- Number of farmers with increased capacity to adapt to the impacts of climate change
- Number of activities for flood protection
- Number of climate-sensitive activities for the marchland watershed
- Infrastructure improved to withstand climate change induced stress (e.g. drought or flooding).

Resilience and adaptation to climate change impact can also be measured by the use of certified seeds, promoting the use of organic fertilizers, soil conservation and rotational cropping practices.

For Climate Change Mitigation (CCM), the project shall work to reduce or avoid greenhouse gases (GHG), usually by fostering the use of renewable energy (rather than fossil fuel). In the proposed intervention, examples of CCM indicators may include:

- Number of solar-powered irrigation pumps are functional
- Farm practices that reduce GHG emissions (e.g. use of crop residues to make organic manure – instead of burning them)
- Practices that remove GHG from the atmosphere and accumulate as carbon in vegetation (e.g. planting trees in the marshland and its catchment area)
- Measures that reduce product losses along food supply chains and food waste by consumers (post-harvest handling)

7. Risk Management

The potential risks which could hamper the proposed project and mitigation measures that could prevent or avert those risks are described in the below table:

Risk	Likelihood	Impact	Mitigation Measures
Natural disasters (erosion, landslides, torrential rain); crop pests	Moderate	High	<ul style="list-style-type: none">• Constant maintenance of the irrigation system to curtail the impact of drought on the crops;• Timely purchase of the crop insurance to prevent potential effects of floods and landslides;

Risk	Likelihood	Impact	Mitigation Measures
(armyworms and others)			<ul style="list-style-type: none"> • Refresher training for farmers on agro-pastoral techniques and practices associated with disaster prevention; the promotion of environmentally friendly farming techniques; and continue to monitor the implementation of these techniques/measures; • Encourage farmers to have small income-generating activities that can help in the care of crops such as small agro-dealership; • Collaborate with RAB technicians, sector agronomists and foster their networking with farmers.
Poor management of the cooperatives, hampering administrative and financial governance and efficiency.	Low	Moderate	<ul style="list-style-type: none"> • Rigorous and regular (financial and logistical) controls with several levels of verification (finance, logistics, quality control office, program management, controllers / internal auditors), with appropriate control tools; • Regular trainings to members on governance structure and regulations • Strict documentation of reimbursement procedures and allocation of funds; • Reinforcement of the traceability of resources; • Various audit methods will be used, including spot checks, capitalizing on the feedback and verification mechanism at the beneficiary level: direct telephone calls to participants of different training workshops, to service providers, etc. • Any proven fraud or attempted fraud will be rigorously punished according to the RCA's regulations; • The cooperatives' anti-fraud policy will be disseminated within the members; • Support and accompaniment of zone members to set up a collective management and monitoring system for the inputs made available to them. • Support farmers in applying their internal rules, which provides for disciplinary measures for embezzlement/corruption, and others. • Establish community-based complaints mechanism
Refugee influx in the zone obliges	Moderate	Low	<ul style="list-style-type: none"> • Abide by the mixed-solutions approach which implies mixing socio-economic inclusion

Risk	Likelihood	Impact	Mitigation Measures
UNHCR to refocus on the emergency response and jeopardizes refugee economic inclusion activities			<p>programs with emergency support during an emergency.</p> <ul style="list-style-type: none"> • Boost human resources capacity through the deployment of emergency roster staffs
The Government of Rwanda decides to step out of GRF pledges (especially, the integration of refugees into the agricultural sector)	Low	Low	<ul style="list-style-type: none"> • Strengthen the partnership with the Government of Rwanda and relevant government agencies in the promotion of refugee self-reliance through the implementation of a joint strategy for the economic inclusion of refugees into the national socio-economic fabric; • Uphold the principle of inclusivity by consistently including the host community in all refugee-targeting programs by UNHCR and all its partners.
Conflict between refugees and the host community and the degradation of security conditions does not allow access to the project location	Low	High	<ul style="list-style-type: none"> • Contribute to security analyses carried out by specialized agencies (UN/humanitarian coordination meetings: protection cluster, food security cluster, inter-cluster, specific working groups) and local authorities; • Close collaboration with local authorities; • Plan activities in a way that there is no link with activities of a political nature; • Intensify awareness messages on the prevention of violence (and the risks involved), and the peaceful coexistence in the target areas.
Resurging COVID-19 or another global pandemic results in the suspension of agricultural and commercialization activities.	Moderate	High	<ul style="list-style-type: none"> • Direct implementation by UNHCR which minimizes the impact of implementing partnership agreements in case of delay; • Adjusting cropping patterns (season A, B and C); • Adjusting budget and activities within project period/years (including deferral, fast track process of selection of service providers, prioritization of activities, no cost extension of project period, etc.).

Risk	Likelihood	Impact	Mitigation Measures
Risk of exploitation of young people, employment of children in the project's activities thus jeopardizing their educational activities	Moderate	High	<ul style="list-style-type: none"> • Program staff sign a commitment against any form of exploitation and abuse of minors, either directly through their contract or through a separate commitment act; • The reference and background checks of the program staff and external collaborators is also considered aspects related to child protection; • Program organizes regular sessions to promote the code of conduct among staff and partners local organizations; • A reporting system mechanism has been put into place, and it is available to all staff.
Risk of women and girls being subject to sexual harassment during the implementation of project's activities	Moderate	High	<ul style="list-style-type: none"> • The staff in the program is trained on the fight against sexual harassment and fraud, and on the organization's strategic policies, e.g., Gender Policy, Code of Conduct, etc.; • The act of engagement signed by each staff is attached to their employment or consultancy contract; • Human resources continue to check the references of new agents and collaborators of the program. • Apply measures to protect and prevent sexual abuse in activity implementation settings or in other related settings.
Violation of confidentiality and breach of data protection policy by different stakeholders during the implementation of the project activities	Moderate	High	<ul style="list-style-type: none"> • Abide by the UNHCR's General Policy on Personal Data Protection and Privacy (GDPP) which sets the framework for the collection, use and sharing of personal data of all individuals • In case of need for partnership during the implementation, enter into a Data Protection Agreement with the new partner.

8. Budget

Description	Total in USD	Breakdown per Year		
		Year 1 (01/01/2024 to 31/12/2024)	Year 2 (01/01/2025 to 31/12/2025)	Year 3 (01/01/2026 to 31/12/2026)
Outcome 1: Agricultural Productivity Increased	\$1,004,063	\$1,004,063	\$0	\$0
Outcome 2: Increased Household Income	\$758,838	\$697,800	\$36,907	\$24,132
Coordination and MEL (Monitoring, Evaluation and Learning)	\$104,370	\$6,400	\$6,400	\$91,570
General Project Management & Personnel Costs (including unallocated costs)	\$491,245	\$163,748	\$163,748	\$163,748
SUBTOTAL (before ISC)	\$2,358,517	\$1,872,011	\$297,055	\$279,450
UNHCR HQ ISC-Indirect Support Costs (6.5% of direct costs)	\$153,304	\$121,681	\$13,459	\$18,164
GRAND TOTAL (in USD)	\$2,511,826	\$1,993,694	\$220,516	\$297,616
GRAND TOTAL (in DKK)	DKK 17,000,000	DKK 13,493,307	DKK 1,492,438	DKK 2,014,254

The detailed budget is available in Annex I

9. Comment on the Budget Increase between Phase I and Phase II

Three main new interventions have been proposed in the second phase of the marshlands to enhance the sustainability of the project. This is what accounts for the increase in funding needed:

1. **Agro-dealership business** to enhance sustainable access to agricultural inputs.
2. **Complementary income generating activities (mainly livestock and mushroom growing)** for the diversification of income for farmers and cooperative members.
3. **Acquisition of a maize milling plant** for the farmers' cooperative in Nyabicwamba marshland (Gatsibo District) for adding value to their maize harvest and the introduction of an additional revenue stream (commercialization of maize flour).

10. Enhancing Sustainability

Phase II of the marshland project will ensure sustainability in the long-term through focusing on and reinforcing key areas highlighted below:

Community Engagement and Participation: UNHCR will work closely with farmers to strengthen the active participation and accountability of both the refugee and host communities in the project implementation. This will be achieved through promoting cooperation amongst different stakeholders, increasing the capacity of farming cooperatives, and engaging the community in planning and decision-making processes through established farmers groups.

Capacity Building: the project will enhance the knowledge of cooperative members about market-driven and climate-smart agriculture practices. This will include conducting training on agribusiness,

water management, sustainable farming methods, and access to the market. From this, farmers will have gained information and abilities they need to carry on independently practicing sustainable agriculture.

Sustainable access to improved agricultural inputs and infrastructures: ensuring access to inputs such as improved seeds, fertilizers, irrigation systems, and tools is vital for the sustainability of the project. This will be achieved through supporting cooperatives to start agro-dealership business, supporting farmers to access micro-credit facilities, and facilitating partnerships with inputs local suppliers.

Climate Resilience: incorporating climate change adaptation and resilience strategies into the project is crucial. This includes promoting drought-resistant crop varieties, efficient water management techniques, and other climate-smart practices. By building resilience, the project can adapt to changing environmental conditions and ensure long-term productivity.

Market Linkages: facilitating access to markets and supporting value chain development is important for the economic sustainability of the project. This can involve creating sustainable market linkages, by capacitating farmer cooperatives, and providing technical assistance in product quality, price negotiation, and marketing of the farm yield (in Mushishito marshland) and the value-added maize flow (in Nyabicwamba marshland).

Institutional Strengthening: advocacy for supportive policies and institutions at local, national, levels are essential for the sustainability of the project. This includes influencing policies related to land tenure and market access especially for refugee communities. Strengthening local institutions and reinforcing partnership with relevant stakeholders including government, private sectors and NGOs will contribute to ensure the long-term success of the project.

Monitoring and Evaluation: regular monitoring and evaluation of the project's progress and impact will be the cornerstone to identify potential challenges and make necessary adjustments. Monitoring will involve tracking key indicators such as agricultural productivity, income levels, market access, and environmental sustainability. Evaluation should assess the effectiveness of interventions and provide insights for improvement.

11. Exit Strategy

Phase II of the project aims to support the farmers on Nyabicwamba and Mushishito marshlands to become self-sufficient. As a result, there are several potential exit scenarios and closure strategies that can be employed to ensure financial sustainability.

Market-driven agricultural revenues: a key aspect of funding a market-oriented project is their reliance on market mechanisms to generate revenue. By developing climate-smart agricultural practices which result in sustainable income even after the project funding expires. This will involve farmers being able to make a profit from their harvests and then reinvesting profits in future agricultural activities such as purchasing agricultural inputs and reinforcing irrigation practices.

Effective monitoring, and evaluation: By systematically collecting data on the project's outcomes, such as increased crop yields, improved farmers' incomes, farmers will be able to learn about the successful agricultural interventions and replicate/grow them in the future.

Finally, the second phase of the project will ensure financial sustainability through increase of income generation from harvest, development of partnerships with the private sector, integration with existing agricultural value chains, government engagement, and effective monitoring and evaluation mechanisms. By combining these strategies, the project can secure its long-term viability and

continue to contribute to climate change mitigation and agricultural development toward to self-reliance of both refugees and host community households participating in the project.

12. Partnership and Collaboration

Partnership building and strengthening will be a key aspect of the proposed second phase of the intervention.

Partnership with private sector entities: collaborating with private sector companies, such as agricultural input suppliers, buyers, or food processors, will be a significant avenue for long-term financial sustainability. By establishing strategic partnerships, the project can access financial support, market linkages, and technical expertise, ensuring its continuity beyond the funding period.

Government engagement: engaging with government institutions such as Rwanda Agriculture Board (RAB) and Rwanda Cooperative Agency (RCA) will ensure financial sustainability through helping farmers' cooperatives enhance good governance and access some government subsidized programs that will lead financial sustainability in the long-term. Also, by demonstrating the project's impacts and benefits, it becomes more likely that the government will allocate resources to support its continuation. This could include funding allocations, tax incentives, or subsidies for farmers adopting climate smart practices.

Engagement with other UN agencies and NGOs: during Phase II, UNHCR will work with UN agencies such as WFP and FAO to utilize their agricultural expertise. For instance, the proposed intervention will capitalize on WFP's expertise in post-harvest handling and loss reduction techniques and practices by directly involving their field-based staff in tailor-made trainings to beneficiaries. In addition, FAO's expertise on farmers' training/capacity building on climate smart agriculture practices and techniques will be leveraged. UNHCR may also bring on board a local NGO to assist in implementing some of the activities detailed in this proposal.

13. Management Arrangement

From the MFA's side, it will be the Danish Project Office in Kigali that will monitor the project. This will include close dialogue with the UNHCR Rwanda Country Office, as well as monitoring visits to the field sites during the project period. The office will also be responsible for following up on the budget and results framework with UNHCR Rwanda, including through the annual reporting.

UNHCR Rwanda will be responsible for delivering and implementing the project. UNHCR's technical team at the country office in Kigali and field team in the two districts will form a dedicated team of core project personnel. The project will also engage with relevant private sector companies for market development and value chain assessments. UNHCR Rwanda will procure relevant services as and when necessary for any specific deliverables following due diligence procedures. UNHCR Regional Bureau and HQ team will provide necessary support during the project's delivery, reporting and evaluation.

While the UNHCR Rwanda programme team will provide programmatic support, the Livelihoods and Economic Inclusion team, will provide overall coordination and facilitation alongside technical and monitoring support across the programme management cycle and draw inputs from multifunctional team of UNHCR and other UN agencies (including FAO and WFP) as and when necessary. UNHCR will leverage on the global MoU with FAO to collaborate at local level especially on the technical aspect of the project. A multi-stakeholder approach will be used, involving the relevant stakeholders

including GoR/MINEMA, UN partners, Districts, Rwanda Agricultural Board (RAB), local authorities and the communities throughout the project cycle. UNHCR field offices (in Kabarore and Huye) will oversee local coordination and monitoring at the field level and ensure quality delivery.

UNHCR Rwanda will play the main coordinating and monitoring role alongside the delivery of the project and core tasks including protection of refugees, community mobilization, and access to land in coordination with Government of Rwanda (MINEMA, RAB and district authorities), any additional assistance for incentives/employment as well as facilitating market with other partners. As the co-coordinator of the refugee response plan in Rwanda and lead of the livelihoods sector working group, UNHCR will ensure that this project complements other livelihood-based activities.

Strong linkages will be established with the market actors and private sector companies to establish an effective value chain. The project will also seek partnerships with existing (and potential) financial service providers (FSPs) for enhancing access of refugees and their host communities to appropriate financial products and services.

To provide state-of-the-art extension services, the project will also explore partnership with private sector institutes/companies that provide training to the farmers/lead farmers. Subject to resource availability, FAO and WFP in Rwanda may provide technical expertise and sharing of lessons learnt on climate smart agriculture practices.

14. Accounting, Monitoring and Evaluation

The primary responsibility for project M&E will lie with UNHCR with support from Government technical team (MINEMA, RAB, District authorities). The project will be included into the existing UNHCR monitoring and evaluation system and procedures led by the programme monitoring officer, as well as the joint UNHCR and MINEMA annual monitoring exercise of livelihoods interventions to reflect on the implementation progress and recommend any necessary adaptation.

UNHCR Livelihoods team based in Kigali led by the Livelihoods and Economic Inclusion Officer will facilitate the overall implementation process and coordination. UNHCR's field team in collaboration with the districts, sectors, and MINEMA field specialists will monitor all project activities in the respective districts. The project team will collect and analyze data (based on baseline and periodic monitoring) and prepare an annual narrative progress report for the donor (Kingdom of Denmark) and other stakeholders.

In addition, UNHCR Rwanda, with technical support from HQ, will be using Kobo Toolbox to collect data for livelihoods monitoring surveys. UNHCR will also use the annual Participatory Assessment led by the Protection Team to identify any protection risks and capture participants' views following an Age, Gender, and Diversity (AGD) approach.

UNHCR conducts evaluations of its projects, programmes and strategies in accordance with its rules, policies, procedures, and practices to assess results, performance, and impact. UNHCR's Evaluation Policy (2022) governs its evaluation practice. In connection with this Grant Agreement, an external end of project evaluation will be done according to the UNHCR Evaluation Policy and other rules, policies, procedures, and practice. Such evaluation will be resourced through this Grant

Agreement and may not be restricted solely to the activities/resources provided through this Grant Agreement.

15. Reporting

UNHCR will submit annual and final narrative and financial reports as per the following schedule:

Report	Period	Deadline
Annual Narrative Report	1 January 2024 to 31 December 2024	March 2025
Annual Financial Report	1 January 2024 to 31 December 2024	March 2025
Annual Narrative Report	1 January 2025 to 31 December 2025	March 2026
Annual Financial Report	1 January 2025 to 31 December 2025	March 2026
Final Narrative Report	1 January 2024 to 31 December 2026	March 2027
Final Financial Report	1 January 2024 to 31 December 2026	March 2027

In addition, UNHCR in Rwanda will provide the Denmark office in Kigali with a short mid-year update on project implementation. UNHCR Rwanda monthly operational updates will be shared on a regular basis and may include reference to the project where relevant.

UNHCR will also remain available to provide updates to the Danish Project Office in Rwanda with regular briefings.

16. Visibility and Communication

As part of this project, UNHCR will conduct a variety of visibility and communication activities to highlight the impact of Denmark funding. External communications may include press releases, web stories and social media content published on UNHCR Rwanda's channels. Through online media, UNHCR Rwanda may also share posts regarding activities and updates from the marshlands in the form of print, video, and images, as well as human interest stories.

Additionally, UNHCR also benefits from the support of the UNHCR Representation for the Nordic and Baltic Countries based in Sweden which issues communications and content aimed at the Nordic public including Denmark.

Upon request, UNHCR is also available to organize field trips to enable Danish officials to visit the project and interact with the beneficiaries.

UNHCR will issue regular situation updates where Denmark will be acknowledged. Visibility will also be implemented through the inclusion of Denmark on sign boards around the project sites in the context of a multi-donor approach respecting Danish visibility guidelines and requirements.

Annexes

Annex I: Detailed Budget



Annex I Phase II
Marshlands Project Dc

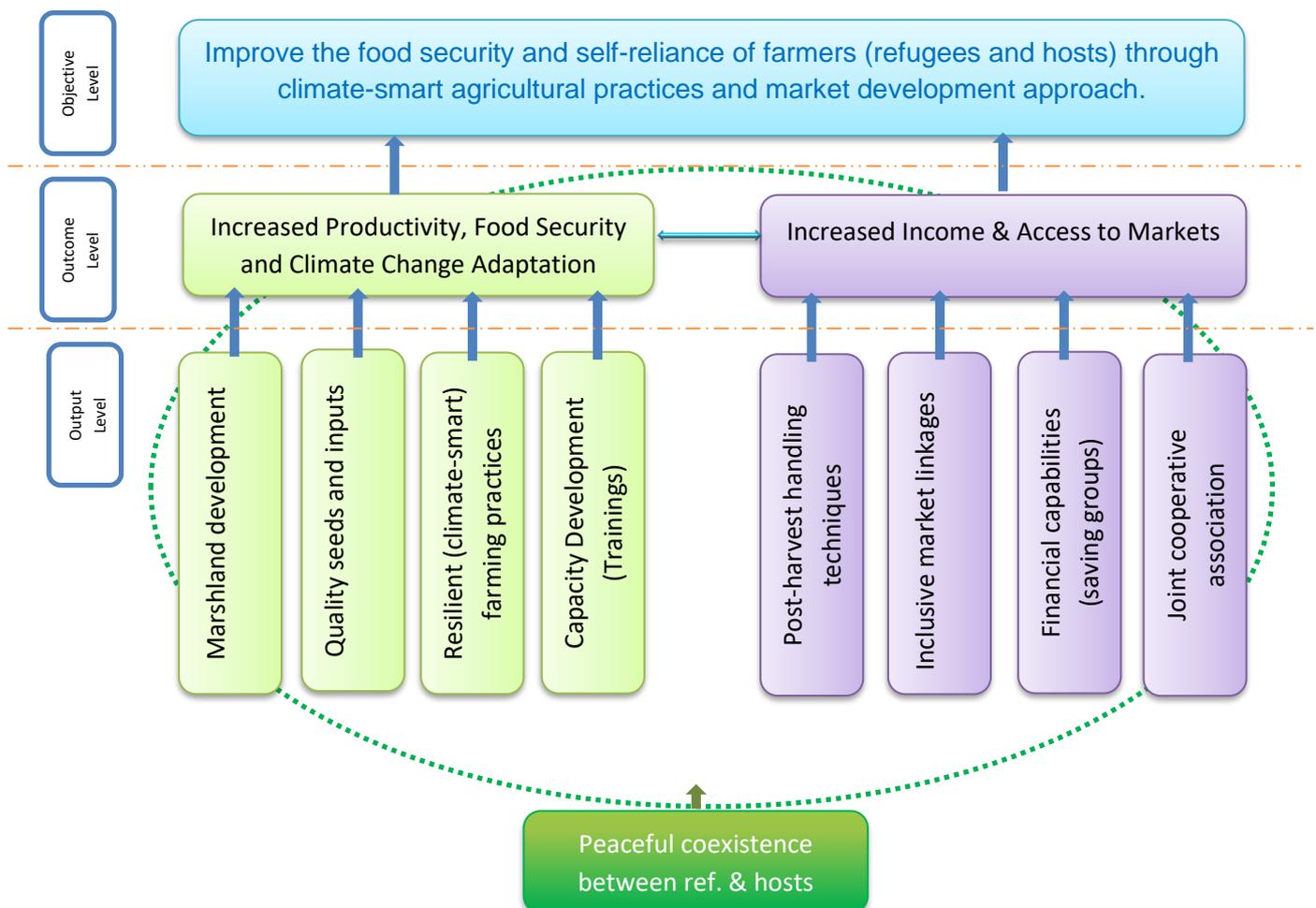
Annex II: Joint technical assessment on Mushishito marshland flooding



Annex III: Theory of change

The project’s theory of change describes how the agricultural project activities, through its core results and related outreach and dissemination activities, will help the project increase its impact on the self-reliance of refugees and host community. The proposed intervention’s theory of change builds on following assumptions:

- Strengthening seed and input systems contributes to improving refugee farmers and their hosts' access to quality inputs to build climate change resilient and climate change mitigating production systems.
- Building the capacity of refugee farmers and their hosts and their organizations (cooperatives) contributes to promoting their development and influences positive changes in supporting systems and structures which leads to increased productivity.
- Building financial and business capabilities for refugee farmers and their hosts allows them to manage their financial assets responsibly, save and access financial services to invest.
- Improving access to markets for refugee farmers and their hosts contributes to their competitiveness and increases their income as they work towards more equitable business relationships.
- Engaging with government agencies, the private sector, financial institutions, and other members of civil society contributes to catalysing sustainable change at scale.



Partner assessment UNHCR Rwanda

1. Brief presentation of partner

The United Nations High Commissioner for Refugees (UNHCR) operates under the mandate of the United Nations to lead and coordinate international action for the protection of refugees. Its primary mission is to ensure that everyone has the right to seek asylum and find safe refuge, assisting them in rebuilding their lives. UNHCR advocates for policies and actions that protect the rights and improve the lives of forcibly displaced individuals and works to find durable solutions, including voluntary repatriation, local integration, or resettlement in third countries.

Operating in over 130 countries, UNHCR has a vast network of field offices, partner organizations, and volunteers working to address the needs of refugees and displaced populations. UNHCR collaborates with governments, international organizations, NGOs, and local communities to ensure a coordinated response and effective support for refugees.

In Rwanda, UNHCR Rwanda is implementing its activities in a close coordination with the Ministry in Charge of Emergency Management (MINEMA), with the latter being the authority responsible for Rwanda's refugee response. UNHCR is present in Rwanda's five refugee camps, as well as the transit center close to the DRC border. In 2023, UNHCR Rwanda had a financial requirement of USD 90.5 million (DKK 623 million), which has only been 38% funded (31 October 2023). With contributions of more than USD 1,5 million (DKK 10,3 million), Denmark is UNHCR's third largest donor in Rwanda.

2. Summary of partner capacity assessment

UNHCR is a specialized agency with a wealth of experience, resources, and an extensive network dedicated to protecting and supporting refugees and displaced persons. UNHCR has decades of experience in dealing with refugee situations, developing an in-depth understanding of the complexities involved. They have extensive wealth of experts, including field workers, policy makers, legal advisors, and more, who contribute their knowledge to project management.

In the appraisal of this project, the appraisal team (AT) found that the choice of partner, the partner capacity and commitment is appropriate, and the right choice given the mandate, expertise, experience, partner relations and field presence of UNHCR in Rwanda.

The AT assessed the partner choice, partner commitment and capacity through the lens of Denmark's broader and more strategic engagement with UNHCR. This included the MFA's *Organisation Strategy for Denmark's engagement with the UN Office of the High Commissioner for Refugees*. The organisational strategy outlines the overall priorities for Denmark's contributions to and partnership with UNHCR, currently the strategy covers 2022-2026. This includes a Humanitarian Partnership Framework Agreement with an annual contribution of DKK 275 million (DKK 1.375 billion). The AT also highlighted that Denmark is among the largest donors to UNHCR particularly because of its mandate to provide international protection and assistance to refugees, asylum seekers, refugee returnees, internally displaced persons and stateless persons.

In addition, building on the latest MOPAN assessment of UNHCR (published 2019) the AT highlighted that "UNHCR's trajectory of organisational change was seen as positive with recognition of a comprehensive change management process having taken off in 2017 and including more decentralisation of key functions and processes. It was also found that the core functions of the mandate, human rights and protection concerns lie at the heart of the organisation's interventions and is associated with strong design tools, training and programme approval mechanisms and resourcing. Human rights

and protection concerns are effectively integrated in how the organisation “thinks” and works. The MOPAN assessment also noted that operationally the organisation continues to have a short-term programming mind-set, with weak strategic level planning, transition to sustainability strategies and difficulties in providing durable solutions¹”.

UNHCR is thus surely a known partner to the MFA. Besides the framework agreement, there are currently more than ten open earmarked engagements with UNHCR in the systems. It should also be added that the MFA has good experience with working with UNHCR in Rwanda. This includes project implementation (e.g. on the Emergency Transit Mechanism) as well as day-to-day communication with UNHCR’s team in Rwanda. Furthermore, the MFA does also have experience from working with UNHCR Rwanda on the specific project, since a grant of DKK 10.7 million was provided for Phase I. The AT thus also notes that the project will follow already established systems and procedures for Phase I.

3. Summary of key partner features

Name of Partner	Core business <i>What is the main business, interest and goal of the partner?</i>	Importance <i>How important is the project for the partner’s activity-level (Low, medium high)?</i>	Influence <i>How much influence does the partner have over the project (low, medium, high)?</i>	Contribution <i>What will be the partner’s main contribution?</i>	Capacity <i>What are the main issues emerging from the assessment of the partner’s capacity?</i>	Exit strategy <i>What is the strategy for exiting the partnership?</i>
UNHCR Rwanda	UN agency with the primary purpose of protecting and assisting refugees and displaced persons around the world. Its core business revolves around providing humanitarian aid and finding durable solutions.	Medium. In 2023, UNHCR Rwanda had financial requirements of USD 90.5 million (DKK 623 million). The Danish contribution is only USD 2.5 million (DKK 17 million). Nonetheless, it is noted that UNHCR’s budget for 2023 was only funded by 38 %. All contributions are thus regarded as crucial to UNHCR’s engagement in Rwanda.	Low. The outputs to be delivered by UNHCR have been specified in the project document.	UNHCR will be responsible for delivering and implementing the project. Their technical team at the country office in Kigali and field team in the two districts will form a dedicated team of core project personnel. The project will also engage with relevant private sector companies for market development and value chain assessments. UNHCR will also ensure close cooperation with other UN agencies i.e. FAO and WFP.	The AT finds that the choice of partner is appropriate, and the right choice given the mandate, expertise, experience and field presence in Rwanda. However, UNHCR tends to have a short-term mindset and approach, resulting in difficulty in achieving sustainability and durable solutions for refugees. In addition, UNHCR can improve its performance on knowledge management systems and evaluation function. For the specific project, the time perspective is longer than many UNHCR projects, not least due to favorable policy environment in Rwanda.	The project aims at making the targeted farmers self-sufficient. Nonetheless, the project document also includes several potential exit scenarios that can be employed to ensure financial sustainability. This includes the development of climate-smart agricultural practices that can result in sustainable income even after the end of the project.

¹ MOPAN. (2019). Assessments Office of the United Nations High Commissioner for Refugees (UNHCR) 2017-18 Performance Assessment February 2019, Executive Summary

	Organisation	United Nations High Commissioner for Refugees (UNHCR)									X-Rates	
	Project Title	Climate-Smart Agriculture for Refugees' Socio-Economic Inclusion in Rwanda (Phase II)									USD to DKK	6.77
	Project Location	Marshlands of Mushishito (Kigeme refugee camp, Nyamagabe District) and Nyabicwamba (Nyabiheke refugee camp, Gatsibo District)									USD to RWF	1,174.12
	Project Period	01/10/2023 - 30/09/2026										
Detailed Budget												
#	Activity description	Unity	Quantity	Frequency	Unit price (RWF)	Total in RWF	Total in USD					
								Year1 (01/01/2024 to 31/12/2024)	Year2 (01/01/2025 to 31/12/2025)	Year43 (01/01/2026 to 30/09/2026)	Percentage	
Outcome 1: Agricultural Productivity Increased						RF 1,178,888,000	\$1,004,063	\$1,004,063	\$0	\$0		
1	Feasibility study and design of extension of irrigation infrastructures on the remaing 14ha in Nyabicwamba and rehabilitation of existing infrastructures in Mushishito marshland (consultancy)	Ls	1	1	30,000,000	30,000,000	\$25,551	\$25,551	\$0	\$0	0.01	
2	Rehabilitation of marshland drainage & irrigation infrastructures (including the replacement of pipe culverts in Mushishito, extend the irrigation system on the remaining 14 ha in Nyabicwamba) and farmers training on use and management of drainage and irrigation infrastructures	Ls	1	1	460,500,000	460,500,000	\$392,210	\$392,210	\$0	\$0	0.17	
3	Supervision of construction works (irrigation infrastructures in Nyabicwamba, and rehabilitation of infrastructures in Mushishito) (consultancy)	Ls	1	1	20,000,000	20,000,000	\$17,034	\$17,034			0.01	
4	Purchase and distribution of agriculture inputs (seeds, lime, fertilisers and organic manure) for 2036 farmers (1570 in Mushishito & 466 in Nyabicwamba) for 2 agricultural seasons	Farmers	2,036	2	144,000	586,368,000	\$499,412	\$499,412			0.21	
5	Refresher training of farmers on climate-smart agricultural practices (including organic manure/compost production, organic pest control methods, land and water conservation, post harvest handling and loss reduction, farming as a business and cooperative governance and management, farmer field school)	Ls	1	1	82,020,000	82,020,000	\$69,857	\$69,857			0.03	
Outcome 2: Increased Household Income						890,965,000	758,838	697,800	36,907	24,132	0.32	
1	Mushroom production in Mushishito marshland for income diversification.	Farmers	1,570	1	127,389	200,000,000	\$170,341	\$170,341			0.07	
2	Provide farmers with small livestock (chicken; goats and piggery) and construction of livestock sheds in Nyabicwamba for income diversification.	Farmers	466	1	215,000	100,190,000	\$85,332	\$85,332			0.04	
3	Construction of a maize processing unit in Nyabicwamba for value addition and income generation (land acquisition, building facility and milling machines)	Ls	1	1	190,000,000	190,000,000	\$161,824	\$161,824			0.07	
4	Capacity development (consultancy) for the cooperative in managing the maize processing plant (elaboration of the business plan, standards of the building facility and machines, FDA and RSB licencing and market linkages).	Ls	1	1	30,000,000	30,000,000	\$25,551	\$12,776	\$12,776		0.01	
5	Construction of post-havest infrastructures : 2 drying sheds with a storage room in Mushishito, and 1 in Nyabicwamba.	LS	1	3	60,000,000	180,000,000	\$153,307	\$153,307			0.07	
6	Facilitate access to financial services for refugees and host communities farmers. Including training on financial literacy to 24 and 61 VSLAS in Nyabicwamba and Mushishito respectively, and strenghteing their management with the provision of needed tools.	Saving groups	85	1	1,000,000	85,000,000	\$72,395	\$24,132	\$24,132	\$24,132	0.03	

7	Start-up capital for agro-dealership business and agri-veterinary services to enhance timely and sustainable access to agricultural inputs for farmers in both agricultural cooperatives in Nyabicwamba and Mushishito.	Ls	1	2	30,000,000	60,000,000	\$51,102	\$51,102			0.02
8	Purchase 213 smart phones for agro promoters in both Mushishito and Nyabicwamba marshlands (group leaders, zonal leaders, committee members, water management committees), to facilitate adoption of agricultural digital solutions.	pcs	213	1	175,000	37,275,000	\$31,747	\$31,747			0.01
9	Purchase of basic office equipment for the two cooperatives in Nyabicwamba and Mushishito (computer, printer, office chairs, office tables, shelves).	Ls	1	1	8,500,000	8,500,000	\$7,239	\$7,239			0.00
Coordination and MEL (Monitoring, Evaluation and Learning)						122,543,046	104,370	6,400	6,400	91,570	
1	Coordination meetings and working sessions (steering committee meetings, workshops on lessons learnt and best practice).	Ls	1	1	22,543,046	22,543,046	\$19,200	\$6,400	\$6,400	\$6,400	0.01
2	End of project evaluation & documentation of best practices.	Ls	1	1	100,000,000	100,000,000	\$85,170			\$85,170	0.04
General Project Management & Personnel Costs						576,778,519	491,245	163,748	163,748	163,748	0.21
1	Salary and benefits for 2 agronomists (1 for Mushishito and 1 for Nyabicwamba-G6 grade)					205,916,639	\$175,380	\$58,460	\$58,460	\$58,460	0.07
2	Salary and benefits for 1 business development /value chain specialists (covering both Mushishito and Nyabicwamba-G6 grade)					102,958,320	\$87,690	\$29,230	\$29,230	\$29,230	0.04
3	Salary and benefits for 1 Assistant livelihoods officer (coordinator level with M&E background-NOA grade)					172,700,870	\$147,090	\$49,030	\$49,030	\$49,030	0.06
4	Salary and benefits for 1 driver					49,418,585	\$42,090	\$14,030	\$14,030	\$14,030	0.02
5	Local travel for project staff					17,611,755	\$15,000	\$5,000	\$5,000	\$5,000	0.01
6	Unallocated					28,172,350	\$23,995	\$7,998	\$7,998	\$7,998	
SUBTOTAL (before ISC)						2,769,174,565	2,358,517	1,872,011	207,055	279,450	1.00
UNHCR HQ ISC-Indirect Support Costs (6.5% of direct costs)		Ls				179,996,347	\$153,304	\$121,681	\$13,459	\$18,164	0.065
GRAND TOTAL (in RWF & USD)						2,949,170,912	\$2,511,820	\$1,993,692	\$220,514	\$297,614	
GRAND TOTAL (DKK)							DKK 17,000,000	DKK 13,493,307	DKK 1,492,438	DKK 2,014,254	

Risk Management

The potential risks which could hamper the proposed project and mitigation measures that could prevent or avert those risks are described in the below table:

Institutional risks

Risk	Likelihood	Impact	Mitigation measures
UNHCR insufficient capacity to implement	Low	High	<ul style="list-style-type: none"> • Close dialogue on resources and capacities with UNHCR both in Rwanda and at HQ (if regarded relevant) • Monitoring of the project implementation – e.g. through reporting and monitoring visits.
Underfunding of UNHCR Rwanda's general budget will affect the project implementation	Low	High	<ul style="list-style-type: none"> • Grant for the specific project is earmarked and cannot be allocated to other activities. • Monitoring of the budgetary situation of UNHCR Rwanda and dialogue with other donors regarding the situation.
Larger influx of refugees and asylum seekers to Rwanda will make it difficult for UNHCR to allocate resources for the project	Low	High	<ul style="list-style-type: none"> • UNHCR has allocated a specific team for the project implementation. • Close dialogue with UNHCR and other donors on the regional situation and its impact on the number of refugees – including how it might affect UNHCR's resources.

Programmatic risks

Risk	Likelihood	Impact	Mitigation Measures
Natural disasters (erosion, landslides, torrential rain); crop pests (armyworms and others)	Moderate	High	<ul style="list-style-type: none"> • Constant maintenance of the irrigation system to curtail the impact of drought on the crops; • Timely purchase of the crop insurance to prevent potential effects of floods and landslides; • Refresher training for farmers on agro-pastoral techniques and practices associated with disaster prevention; the promotion of environmentally friendly farming techniques; and continue to monitor the implementation of these techniques/measures;

Risk	Likelihood	Impact	Mitigation Measures
			<ul style="list-style-type: none"> • Encourage farmers to have small income-generating activities that can help in the care of crops such as small agro-dealership; • Collaborate with RAB technicians, sector agronomists and foster their networking with farmers.
<p>Poor management of the cooperatives, hampering administrative and financial governance and efficiency.</p>	<p>Low</p>	<p>Moderate</p>	<ul style="list-style-type: none"> • Rigorous and regular (financial and logistical) controls with several levels of verification (finance, logistics, quality control office, program management, controllers / internal auditors), with appropriate control tools; • Regular trainings to members on governance structure and regulations • Strict documentation of reimbursement procedures and allocation of funds; • Reinforcement of the traceability of resources; • Various audit methods will be used, including spot checks, capitalizing on the feedback and verification mechanism at the beneficiary level: direct telephone calls to participants of different training workshops, to service providers, etc. • Any proven fraud or attempted fraud will be rigorously punished according to the RCA's regulations; • The cooperatives' anti-fraud policy will be disseminated within the members; • Support and accompaniment of zone members to set up a collective management and monitoring system for the inputs made available to them. • Support farmers in applying their internal rules, which provides for disciplinary measures for embezzlement/corruption, and others. • Establish community-based complaints mechanism

Risk	Likelihood	Impact	Mitigation Measures
Refugee influx in the zone obliges UNHCR to refocus on the emergency response and jeopardizes refugee economic inclusion activities	Moderate	Low	<ul style="list-style-type: none"> Abide by the mixed-solutions approach which implies mixing socio-economic inclusion programs with emergency support during an emergency. Boost human resources capacity through the deployment of emergency roster staffs
The Government of Rwanda decides to step out of GRF pledges (especially, the integration of refugees into the agricultural sector)	Low	Low	<ul style="list-style-type: none"> Strengthen the partnership with the Government of Rwanda and relevant government agencies in the promotion of refugee self-reliance through the implementation of a joint strategy for the economic inclusion of refugees into the national socio-economic fabric; Uphold the principle of inclusivity by consistently including the host community in all refugee-targeting programs by UNHCR and all its partners.
Conflict between refugees and the host community and the degradation of security conditions does not allow access to the project location	Low	High	<ul style="list-style-type: none"> Contribute to security analyses carried out by specialized agencies (UN/humanitarian coordination meetings: protection cluster, food security cluster, inter-cluster, specific working groups) and local authorities; Close collaboration with local authorities; Plan activities in a way that there is no link with activities of a political nature; Intensify awareness messages on the prevention of violence (and the risks involved), and the peaceful coexistence in the target areas.
Resurging COVID-19 or another global pandemic results in the suspension of agricultural and commercialization activities.	Moderate	High	<ul style="list-style-type: none"> Direct implementation by UNHCR which minimizes the impact of implementing partnership agreements in case of delay; Adjusting cropping patterns (season A, B and C); Adjusting budget and activities within project period/years (including deferral, fast track process of selection of service providers, prioritization of activities, no cost extension of project period, etc.).

Risk	Likelihood	Impact	Mitigation Measures
Risk of exploitation of young people, employment of children in the project's activities thus jeopardizing their educational activities	Moderate	High	<ul style="list-style-type: none"> • Program staff sign a commitment against any form of exploitation and abuse of minors, either directly through their contract or through a separate commitment act; • The reference and background checks of the program staff and external collaborators is also considered aspects related to child protection; • Program organizes regular sessions to promote the code of conduct among staff and partners local organizations; • A reporting system mechanism has been put into place, and it is available to all staff.
Risk of women and girls being subject to sexual harassment during the implementation of project's activities	Moderate	High	<ul style="list-style-type: none"> • The staff in the program is trained on the fight against sexual harassment and fraud, and on the organization's strategic policies, e.g., Gender Policy, Code of Conduct, etc.; • The act of engagement signed by each staff is attached to their employment or consultancy contract; • Human resources continue to check the references of new agents and collaborators of the program. • Apply measures to protect and prevent sexual abuse in activity implementation settings or in other related settings.
Violation of confidentiality and breach of data protection policy by different stakeholders during the implementation of the project activities	Moderate	High	<ul style="list-style-type: none"> • Abide by the UNHCR's General Policy on Personal Data Protection and Privacy (GDPP) which sets the framework for the collection, use and sharing of personal data of all individuals • In case of need for partnership during the implementation, enter into a Data Protection Agreement with the new partner.

ANNEX 8: PROCESS ACTION PLAN (PAP)

Action/product	Deadlines	Responsible/involved Person and unit	Comment/status
Submitting the project proposal with relevant annexes	September 2023	UNHCR	
Reviewing the project documents	September 2023	Kigali and CFO	
Desk appraisal	September / October 2023	External consultants	
Feedback to partner	October 2023	Kigali	
Revised project documents based on appraisal recommendations	November 2023	UNHCR	
Ministerial approval of the grant	December 2023	Kigali/ELK	
Signing of the Grant Agreement	December 2023	Partner and Kigali	
Disbursing the first instalment	December 2023	Kigali	
Disbursing the second instalment	Q3 2024	Kigali	
Disbursing the third (and final) instalment	Q3 2025	Kigali	

QUALITY ASSURANCE CHECKLIST

File number/360 reference: 23/30672

Project name: UNHCR - Climate-Smart Agriculture and Market Development for Enhancing Livelihoods of Refugees and their Host Communities in Rwanda - Phase II

Project period: January 2024 – December 2026.

Budget: DKK 17 million

This Quality Assurance Checklist should be used by the responsible MFA unit to document the quality assurance process of appropriations, where development specialists from either ELK or other units are not involved in the process; i.e.

- (i) *internal appraisals* of appropriations up to DKK 10 Million where this checklist constitutes the appraisal.
- (ii) *external appraisals* of appropriations between DKK 10 – 43 million and (iii) appraisal in exceptional cases. The checklist aims to help the responsible MFA unit ensure that key questions regarding the quality of the programme/project are asked and that the answers to these questions are properly documented and communicated to the approving authority.

Presentation of quality assurance process:

- ✓ The design of the project has been appraised/appraisal checklist filled out, by someone independent who has not been involved in the development of the programme/project.
Comments: Yes. An external desk appraisal was carried out by the NCG company with consultants Anne-Lise Klausen and Ayla Olesen Yurtaslan.
- ✓ The recommendations of the appraisal/comments in the appraisal checklist have been reflected upon in the final design of the project.
Comments: Yes. Project Office in Kigali has accepted the final project document, which has been updated based on the appraisal recommendations.
- ✓ The project complies with Danida policies and Aid Management Guidelines, including the fundamental principles of Doing Development Differently.
Comments: Yes.
- ✓ The project addresses relevant challenges and provides adequate responses.
Comments: Yes.
- ✓ Issues related to HRBA, LNOB, Gender, Youth, Climate Change, Green Growth and Environment have been addressed sufficiently in relation to content of the project.
Comments: Yes. Appraisal recommendation 1 advised UNHCR to elaborate on e.g. reference to its Age, Gender and Diversity approach, and Danish cross-cutting principles of HRBA and LNOB. This has been included in the project document (e.g. section 13). In addition, section 6 outlines the project's contribution to climate change adaptation and mitigation.

Comments from the Danida Programme Committee (if applicable) have been addressed
Comments: N/A

The project outcome(s) are found to be sustainable and in line with the partner's development policies and strategies. Implementation modalities are well described and justified.
Comments: Yes.

The theory of change (if applicable), results framework, indicators and monitoring framework of the programme/project provide an adequate basis for monitoring results and outcome.
Comments: Yes.

The programme/project is found sound budget-wise,
Comments: Yes.

The agreed budget and financial reporting procedures provide an adequate basis for financial monitoring of funds.
Comments: Yes.

The programme/project is found realistic in its time-schedule.
Comments: Yes.

Other donors involved in the same project have been consulted, and possible harmonised common procedures for funding and monitoring have been explored.
Comments: No direct involvement with other donors. However, the project follows procedures agreed between UNHCR and the Ministry in charge of Emergency Management (responsible for Rwanda's refugee response).

Key project stakeholders have been identified, the choice of partner has been justified and criteria for selection have been documented.
Comments: Yes. Partner assessment included as annex.

The implementing partner(s) is found to have the capacity to properly manage, implement and report on the funds for the programme/project and lines of management responsibility are clear.
Comments: Yes. UNHCR in general has the capacity to manage, implement and report, which is also the conclusion of the appraisal report. In addition, the Danish MFA has specific experience with the management and implementation of phase I of the project, which was implemented in the period 2020-2023.

Implementing partner(s) has been informed about Denmark's zero-tolerance policies towards (i) Anti-corruption; (ii) Child labour; (iii) Sexual exploitation, abuse and harassment (SEAH); and, (iv) Anti-terrorism.
Comments: Yes.

Risks involved have been considered and risk management integrated in the project document.

Comments: Yes. Please refer to section 7.

In conclusion, the project can be recommended for approval: **yes**

7.12.2023 

Date and signature of Desk Officer: Toke Hauch Arnoldi

7.12.2023 

Date and signature of Management: Peter Eilschow Olesen