

REPUBLIC OF RWANDA

**MINISTRY OF FINANCE AND
ECONOMIC PLANNING**

P.O. BOX: 158

TEL: +(250) 577994– FAX: +(250) 577581

E-MAIL : mfin@rwanda1.com

2020 Vision

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FOREWORD

PREFACE

ABBREVIATIONS USED

1. INTRODUCTION

1.1. Background

1. Rwanda recovers from an era of events ripe with hardships in its history like the parcelling of its territory, colonisation, the exclusion of a part of its population, postcolonial destructive choices, etc. which culminated in an abject genocide. Rwanda is rising from its ashes, healing its wounds and rifts, thinks of its future and formulates its aspirations.

2. In 1995, while in emergency situation, the Government of National Unity embarked on a Strategic Planning by creating a Ministry of Planning which comprised, inter alia, a Directorate of Strategic Planning. Indeed, the strategic planning is the best response to the present situation of Rwanda as it integrates the long-term vision, realism and flexibility as regards the availability of resources and mostly the participatory aspect consistent with the policy of decentralisation, democracy and participation extolled by the Government.

3. In 1997-98, the Office of the President of the Republic took the initiative to organise discussion sessions on the future of the country at Village Urugwiro. The other objectives of these meetings were, among others, to reflect on the future of a country progressively emerging from post war and genocide emergencies and viewing sustainable development. It was in fact necessary not only to simultaneously undertake emergency and rehabilitation activities but also to organise the future development of the country and set fundamental orientations on which long-term development policies, strategies, plans and programmes were to be based. To meet the need for a national orientation, various high level meetings, notably those held at Urugwiro Village, have agreed that, beyond the present sectoral strategies, Rwandans needed to agree on how they would like their country to become over a generation.

4. On the basis of the ideas expressed during the Urugwiro Village meetings, central level services developed a document of vision, titled « 2020 VISION, outline 2 ». The document is available in French and English and it is already used as a reference for important documents like the PRSP, policy and sectoral strategy documents.

5. However, the document does not sufficiently tackle some important areas of socio-economic life, the development of which could significantly impact on the future of the country. Taking into account the importance it attaches to a shared national vision, the Government has acknowledged the usefulness of proceeding with the improvement and the validation the 2020 Vision by different development partners. It particularly wished that the Rwandan population knew this vision, involved in its improvement and finalisation and, later on, in its implementation for the attainment of a common future. The Government has then requested the Ministry of Finance and Economic Planning to improve, expand and have the vision the document validated.

6. From its inception, the vision document is inevitably of a fairly high normative nature. Nevertheless, the vision will be sufficiently shared and based on an appraisal clarified by a prospective analysis of sectoral situations and the pillars, which constitute its foundation. After validation, the vision document will serve as a basis for future policies, strategies and actions. However, the document, dynamic in its essence, may be revised according to the results of necessary sectoral studies, in order to rectify targets and strategies considered to be too remote from possible future situations or to include data which will not have been taken into account during the formulation of the current version.

7. The document of the 2020 Vision, validated by the national central authorities will guide the policies and strategies for the fight against poverty and the social and economic development of the country. It will inspire planning strategies as regards the priority actions and allocation of resources (sectoral strategies, public investment plans and programmes, mid-term public expenditure framework...) and will inspire the policy makers at the level of private investments.

1.2. THE FINALISATION PROCESS OF THE 2020 VISION

8. The processes of improvement and validation of the 2020 Vision started with a one-day Methodology Workshop held on 20 November 2001. The workshop mainly gathered officials in charge of sectoral planning in line Ministries, high level officers from the MINECOFIN, in charge of development planning and resources allocation, as well as consultants and experts from the United Nations Economic Commission for Africa (CEA), which supported the process.

9. The meeting has defined the methodology to be followed in the course of finalisation of the Vision document and organised three working groups with a mandate to reflect on the three aspects of the socio-economic life of Rwanda, namely: *Human and social development, economic development and natural Resources, Governance and the legal functions*. The working groups ended up with the development of about thirty documents of sectoral analysis, which served as a basis for the prospective analysis of the country situation.

10. The analysis was carried out by participants to three workshops organised in April and May 2002. Two workshops dealt with *the Vision's priorities and the 3rd with the changes in the economic landscape and social transformations*. Some thirty resource persons from not only line Ministries but also from political parties, religious groups, NGOs, higher learning institutions and the private sector, attended the meetings. The participants established national priorities according to their importance and identified pillars as well as crosscutting areas of the 2020 Vision. They then proceeded with the prospective analysis of those pillars and crosscutting areas. The elements resulting from the analysis allowed the development of the Rwanda Vision by the year 2020 as well as the objectives and strategies thereof.

11. The draft of the 2020 Vision has been put at the disposal of all participants who contributed to the development thereof, as well as to the MINECOFIN officials for further analysis. Then, the document was sent to provinces where it was validated by heads of provincial departments and district representatives, including those of the CDC. Finally, it was presented to representatives of the central administration, the civil society and development partners, during a national workshop, before being submitted to government for approval.

2. THE VISION BY THE YEAR 2020

2.1. THE NEW RWANDAN SOCIETY

12. How Rwanda wants to look like, as a country and a nation, with what type of population and society? Which changes are necessary to emerge from the social and economic situation deemed to be globally unsatisfactory, and thereby give the picture not only of a true nation for all its citizens but also of a country integrated at regional and international levels. Many Rwandans contributed responses to these questions. Their opinions show that:

- Rwanda wishes to build a modern and prosperous **Nation**, strong and united, worthy and proud of its fundamental values; politically stable, without discrimination among its sons and daughters ; and all this in social cohesion and equity. The reconstruction of the Nation and its social capital and its regional and global integration will facilitate and condition sustainable development.
- The Rwanda 2020 Vision is as well centred on:
 - ✧ Human resources development and a **prosperous knowledge-based economy**, through literacy and basic education for all, gender equity, science and, technology, professional and managerial training. It is the wish of Rwanda to have a population with a slower demographic growth, social security, well fed, healthy, educated citizens, who are eager to be informed and trained on a continual basis , who are professionally qualified, capable of using time efficiently and constituting real wealth for the country;
 - ✧ the fast development of entrepreneurship and a modern, competitive **Private Sector**, based on a culture of initiative and creativity and centred on a solid class of businessmen and entrepreneurs, geared towards capital formation through the revitalisation of industry and service sector.
- To achieve the social transformations that have been spelled out, Rwanda must be a credible and efficient State governed by **the rule of law**; a country that secures, unites and mobilises its population without any discrimination; which stabilises institutions and reconstructs the nation. This State will smoothly provide public services, will be well structured, able to develop and run in a participatory way effective good governance and development policies in order to attain local and national objectives, including the involvement of the diaspora and regional and international integration.

13. The future of Rwanda by the year 2020 is based upon the 6 pillars and 4 crosscutting areas of the 2020 Vision as presented in Table 1.

Table 1 : The pillars of the 2020 Vision and its Crosscutting Domains

Pillars of the 2020 Vision	Crosscutting Domains of the 2020 Vision
1. The reconstruction of the Nation	1. Gender Issues 2. Environment protection 3. Science and technologies, including ICT 4. Regional and international integration.
2. An efficient State, capable of uniting and mobilising its population	
3. Human Resources development	
4. Town and country planning and development of Basic Infrastructures	
5. Development of Entrepreneurship and the Private Sector	
6. Modernisation of Agriculture and Animal Husbandry	

14. The Rwandan State has a long history of direct interference in the production and marketing sphere of the economy. These activities have proven to be mostly lossmaking. Moreover, they inhibited the entrepreneurship and creativity of the Rwandese. It is high time that the private sector took over as a genuine engine of the national economy. The town and country planning and the installation of basic infrastructures and their connection to the region constitute a minimal prerequisite for the valorisation of available resources, for the modernisation and sustainability of Rwandan agriculture as well as for the Rwandan regional and global integration. This assumes the full growth of productive and managerial capacities of Rwandans that currently appear to be among the least developed in the sub-Saharan Africa.

15. The reconstruction of the Rwandan nation and its social capital is perceived as a minimal condition which will facilitate the harmonious development of the other pillars through the mobilisation and the bringing together of everybody's efforts towards the valorisation of national resources for sustained development and common destiny. An effective State, which gathers and mobilises people, seems to be a necessity for the piloting and co-ordination of those efforts of implementation of the national Vision. In fact it must play an orientation role and should subsequently monitor and evaluate implementation through the Vision indicators presented under table 2.

2.2. THE MAIN ASPIRATIONS BY THE YEAR 2020

16. Rwanda aspires to peace, political stability, physical and social openness. It wants to build a diversified, integrated, competitive and dynamic economy, which could raise the country to the level of medium income countries. The basic building blocks for the achievement of this goal by 2020 are::

- (1) the reconstruction of the nation and its social capital,
- (2) the harmonious functioning of an efficient, uniting and mobilising State,
- (3) the control of the population growth and of the main causes of mortality, namely malaria, AIDS and potentially epidemic diseases,
- (4) the transformation of the Rwandan society and the enhancement of the social capital, on the basis of national positive cultural values, technological know-how and the balance between the economic rationality and partnership style,
- (5) the development of human resources, taking into account problems relating to demography,, gender, health and capacity, and through literacy, basic education for all, scientific, technological, professional and managerial training,
- (6) the development of entrepreneurship, via a private sector centred on a strong class businessmen and entrepreneurs, oriented towards the industry and services sector, particularly in the financial, tourism and ICT domains,
- (7) modernisation of agriculture and its integration into other economic activities,
- (8) the opening up of the country and easy, reliable and economic access to seaports, provided that basic facilities are developed and the connection to the regional network of rail, river, road and air transport is handled adequately
- (9) a reasonable and sustainable management of the national space, of the environment and natural resources namely land, water, energy and bio-diversity,

(10) peace and internal and external security as well as regional stability necessary for the country's economic and social integration at regional and global levels.

17. The 2020 Rwanda Vision will materialise through the achievement of the political, social and economic aspirations of which some indicators are presented in box 2.

Table 2: The 2020 Rwanda Vision indicators.

Indicators	Situation in 2000	Objective 2010	Objective 2020	International standard
1. Rwandan Population	8.300.000	11.000.000	14.000.000	
2. Literacy (%)	48	80	100	100
3. Life expectancy at birth (years)	49	50	55	
4. Women's fertility rate	6,5	5,5	4,5	
5. Infant mortality rate ($^{0}/_{00}$)	107	80	50	
6. Maternal mortality rate ($^{0}/_{00.000}$)	1070	600	200	
7. Infant malnutrition (weight insufficiency %)	30	20	10	
8. Population growth rate (%)	2,9	2,3	2,2	
9. Net registration in primary (%)	72	100	100	100
10. Secondary school admission rate (%)		100	100	
11. Primary to secondary school transition rate	42	60	80	
12. Net registration at secondary (%)	7	40	60	
13. Secondary Teachers' qualification rate (%)	20	100	100	100
14. Tertiary education rate 3 ^{aire} ($^{0}/_{00}$)	1	4	6	
15. Sex parity in tertiary education (F%)	30	40	50	50
16. Sex parity in decision making posts (F%)	10	30	40	
17. AIDS prevalence rate (%)	13	11	8	0
18. Malaria mortality rate (%)	51	30	25	
19. Medical doctors/100,000 inhabitants	1,5	5	10	10
20. Population with good health conditions (%)	20	40	60	
21. Nurses/100.000 inhabitants	16	18	20	20
22. Laboratory assistants /100,000 inhabitants	2	4	5	
23. Poverty (% < 1US\$/day)	64	40	30	
24. GDP average growth rate (%)	6,2	8	8	
25. Agricultural sector growth rate (%)	9	8	6	
26. Industrial sector growth rate (%)	7	9	12	
27. Services sector growth rate (%)	7	9	11	
28. Gini coefficient	0,454	0,400	0,350	
29. Rough national saving (% of GDP)	1	4	6	
30. Interior rough investment rate (FBCF in % of GDP)	18	23	30	30
31. GDP per inhabitant in \$	220	400	900	
32. Urban population (%)	10	20	30	
33. Population living on agriculture (%)	90	75	50	
34. Modern farming (ha %)	3	20	50	
35. Use of fertilisers (kg/ha/year)	0.5	8	15	
36. Financial loans to the agricultural sector (%)	1	15	20	
37. Access to potable water (%)	52	80	100	100
38. Agricultural production kcal/pers/day (% of needs)	1612	2000	2200	
39. Availability of proteins /pers/day (% of needs)	35	55	65	70
40. Road network (km/km ²)	0,54	0,56	0,60	
41. Annual consumption of electricity (kwh/inhabitant)	30	60	100	
42. Access to electric energy consumption (% of population)	2	25	35	
43. Erosion protected land (%)	20	75	90	
44. Wood energy in the national energetic balance sheet (%)	94	60	50	
45. Off-farm jobs	200.000	500.000	1.400.000	

2.3. THE 2020 VISION PER PILLAR AND CROSSCUTTING DOMAIN

18. The Rwanda 2020 Vision is based on the identification and analysis of the desirable and potential development of the possible and plausible strong pillars of national vision and the 4 crosscutting domains presented under table 1. The Vision of the country through those developments is presented below.

2.3.1. The Nation

19. Rwandans constitute a reconstructed, modern, united and prosperous nation, founded on culture, positive Rwandan values and a great and solid social capital. This nation will be open to the world and to its own diaspora and to science and technology. It will be made up of a population living in Rwanda and/or in the diaspora; a population proud of sharing the same vision for the future and contributing to realising it in an atmosphere of cohesion, equal opportunity and equity.

2.3.2. The State

20. Rwanda is a country governed by the rule of law. It is reliable and effective, and it secures, unites and mobilises all players indiscriminately and stabilises institutions. The State cares for the rights of the citizens; it ensures good governance and the welfare of the population, with particular emphasis on the effective opening up of the country. It plays a major role in the coherent development of the pillars and crosscutting domains of the national vision. It particularly sees to the reconstruction of the Nation upon internal and external security and stability and the integration of Rwanda at the regional and global levels.

2.3.3. The Human Resources

21. **Population** : Given a progressive control of population growth, Rwanda, is inhabited by approximately 14 million people, whose health, professionalism and socio- economic levels are considerably improved. The population has professional skills and basic cultural values necessary to develop their capacities. Hence, people are able to work effectively for the development of the country.

22. **Education** : Rwanda has taught all its inhabitants how to read and write, and has considerably raised and diversified their professional and technical capacities, while an educational system adapted to the country's socio-economic problems has been set up. The people will have opened up to the world due to a dense communication network based on ICT development and on the culture of reading and permanent training.

23. **Health**: The population enjoys a considerably improved health situation. The prevalence of big epidemics (malaria and AIDS) is reduced. For instance, the AIDS prevalence is drawn back to around 8%. Rwanda has come to terms with the main morbidity and mortality causes. The population has access to good health care and drinking water. The environment is healthy and the majority of Rwandans have developed individual and collective good health conditions.

2.3.4. Town and country planning, urban and basic facilities development

24. **Town and country planning** : The use of national space is organised in a rational way, on the basis of land use, updated in terms of land development, regional planning and development programme, housing and urbanisation and in terms of basic infrastructures and centres of development. Housing is planned; grouped housing has become a real centre of development and tends to develop into a town. Around 70% of the Rwandan population lives in rural development

centres and in grouped housing with basic infrastructures necessary for the welfare of the population and for the blossoming of off-farm income generating activities.

25. **Layout of the Urban milieu** : Rwandan cities are well determined and unplanned suburbs controlled. The rate of urbanism has increased from 10 to 30% of the population. Urban environment is protected against all kinds of pollution and the city is no longer a source of pollution for the neighbouring rural milieu.

❖ **The development of basic infrastructures**

26. (1) **Area of Transport** : Rwanda has a good internal road network, all development centres being linked to main axes of international transport. It is effectively connected to the Indian Ocean and to the Atlantic Ocean; thus becoming a sub-regional hub for air and rail transport. The country has made available to all local entities a safe, rapid and economical transport service, with security measures.

27. (2) **Area of communications** : The country has integrated information and communication technologies as an engine of development, springboard for global competition and economic growth and as an effective tool of information, reconciliation and consolidation of the Nation. The majority of the population has access to ICT and the efficiency of public services has improved through the use of these technologies.

28.(3) **Energy** : Rwanda is able to produce and supply sufficient energy to respond to the needs of all social and economic development activities without harm to the environment. The country has significantly reduced the role of wood in the national energy balance sheet in favour of the use of electricity, solar energy, methane gas, wind energy and other substitution energies, which are widespread all over the country.

29.(4) **Water** : The Rwandan population as a whole has access to drinking water. The techniques of harvesting and storing rain water has been mastered and used to increase the level of access to drinking water and of use of water for agricultural purposes. Natural water reservoirs, namely forests of high altitude, are rehabilitated and carefully managed. The management of water resources is rational enough , integrated and in harmony with the leading schemes of the use of the national space, and this for all matters pertaining to water as being the primary resource.

30.(5) **Sanitation** : At least 80% of the Rwandan population has easy access to relevant sanitation facilities, masters hygiene practices, both individual and collective, and lives in a healthy environment.

2.3.5. Development of entrepreneurship and the Private Sector

31. Rwanda is characterised by a culture of initiative and entrepreneurship. It has at its disposal a dense and dynamic private sector, with a competitive and worldwide open mid-class of businessmen and entrepreneurs. The role of the private sector within the framework of overall investments has significantly increased and diversified to generate jobs through off-farm activities, such as the sector of industry and services. In so doing, the private sector contributes to the reduction of poverty on a sustainable basis.

2.3.6. Modernisation of Agriculture and Animal husbandry

32. The agricultural production of Rwanda has sufficiently increased in quantity, in quality and in added value to importantly contribute to food security and to income in rural areas. It covers the majority of food and nutrition requirements of the population and releases more surpluses for exportation. Only 50% of the population are employed in agricultural activities of basic production while 50% of cultivated land is exploited in a modern way, through choice of appropriate methods and in conformity with land potential and town and country planning.

2.3.7. Gender

33. In Rwanda, men and women have equal opportunities between sexes in all aspects of life, before the law and in practice.

2.3.8. Natural Resources and Environment

34. The pressure on natural resources (land, water, biomass, bio-diversity, minerals and quarries...) has significantly reduced and the process of pollution and damage to environment reversed despite the Rwandan population growth. The management and protection of those resources and the environment are more reasonable and well regulated to preserve and pass on to future generations the basic heritage necessary for sustainable development.

2.3.9. Science and technology

35. Rwanda becomes a modern nation, able to generate and disseminate technological knowledge and innovations. The Rwandan nation has integrated these with its fundamental cultural values in its socio- economic development, as factors of creativity, productivity, job creation and well being. The country then becomes a centre of excellence at a regional level in the area of technologies, particularly with ICT.

2.3.10. Regional and International Integration

36. Rwanda is a stable country. It is in a strong position at socio-economic, political and security levels and it enjoys comparative advantages in the region. This position allows its participation to regional and international integration, within the framework of the NEPAD and other regional and sub regional groupings.

3. RWANDA HISTORICAL AND ECONOMIC FRAMEWORK

3.1. SOCIAL, ECONOMIC AND POLITICAL BACKGROUND

37. Rwanda is one of the poorest countries in the world. Its economy is mainly agricultural. Over 90% of the population live on rural subsistence agriculture. Agriculture accounts for 40% of GDP and almost 90% of exportation revenues. The industrial sector is still in its early stages and consists of factories which mainly transform imported semi-manufactured products. Rwanda's economic characteristics delve into its colonial and post-colonial history. The main features of the country are presented below.

3.1.1. Geographical Aspects

38. Landlocked between Uganda, Burundi, Tanzania and the Democratic Republic of Congo (DRC), Rwanda is situated in the central part of Africa. It has an area of 2.6 millions hectares of which 1.4 are suitable for cultivation. The country is characterised by an uneven mountainous land with an average height of 1,500 m above the sea level. This topography has led Rwanda to be given the name « *Country of a thousand hills* ». The country lies at latitude between 1° and 3° South and at longitude 29 –31° East and has a mountainous tropical climate. The climate is moderate, of temperate conditions in the regions of highest altitudes, in the Northwest of the country. The current population is estimated at 8.3 millions inhabitants of which 90% live on subsistence agriculture in rural areas. The population density by unit of arable land reaches 9 inhabitants per hectare in some regions; hence the competition for arable land in most regions of the country. Today, almost 80% of arable land is regularly cultivated and the deterioration of the soil reaches alarming levels. There are important regions of natural forests, low-lying lands and marshes, but with minimum exploitation.

3.1.2. Historical stages

39. Rwandan recent history was marked by the following facts:

- ❖ The Berlin Conference of 1884 has put the Rwanda Kingdom under German authority, as part of the German Eastern Africa;
- ❖ At the time of the subsequent partition in 1910, a large part of Rwanda was given up to Belgian Congo and to the Uganda Protectorate. This led to the loss of one third of Rwanda's internal market and of a large quantity of natural resources, and to the long distance off the Indian ocean;
- ❖ After the first World War and the defeat of Germany, Rwanda was entrusted to Belgium, under the Nations League authority, as a trust territory;
- ❖ After the second World War, the Nations League became the United Nations and Rwanda, Territory under the United Nations mandate, continued to be under Belgian administration until 1962 ;
- ❖ During the colonial era, Belgian colonialists applied the contemporary European racist theories to the Rwandan society, deeply dividing Rwandan people on ethnic basis. This inheritance led to the first episode of ethnic cleansing and of genocide orchestrated in 1959 and to periodic pogroms until the early 90s;
- ❖ Rwanda became politically independent in 1962; the then civil administration was overthrown by a military dictatorship in 1973, which lasted until 1994.
- ❖ The recurrent ethnic massacres 1960, 1973 and 1990 culminated in the 1994 genocide, which claimed a million Rwandan lives.
- ❖ The RPF put an end to the 1994 genocide and formed along with other parties, a Government of National Unity (GNU) as well as a National transitional Assembly of Transition (NTA).

3.1.3. Economic aspects

40. The country maintains its colonial economic characteristics, neither the postcolonial civil administration nor the military regime could change the economic pattern that was in place in 1962. The economic history of Rwanda may be summarised as follows:

- ❖ During the pre-colonial period, Rwanda used to export such products as butter, leather and skins, household tools, as well as iron mineral towards neighbouring regions of Tanzania, Uganda, Congo and Burundi. This was no longer the case during the colonial era.
- ❖ Cash crops and dependency on a coffee and tea based economy resulted in the reduction of available land for food production
- ❖ During the coercive colonial period, young people emigrated as farm workers to neighbouring countries where large plantations brought them income and savings enabling them to meet family

obligations and to pay State taxes. During the post-colonial period, Rwandans suffered from joblessness and underemployment; this factor still exists at the onset of the 21st century.

- ❖ Training the Rwandan people to raise the level of their necessary development competencies has always been obstructed by politics or by economic constraints. This was observed during both the colonial and the post-colonial era. The few instructed people were trained to integrate the public administration. The level of education in Rwanda remained one of the lowest of sub-Saharan Africa both qualitatively and quantitatively. The orientation and the elitist nature of the educational system are accountable for this deplorable situation.
- ❖ The insufficiency of investment in factors of production has led to the stagnation of productivity; the extensive agriculture and pastoralism associated with the demographic pressure have contributed to the damage to environment. This fact has now become a serious challenge resulting from past management patterns.
- ❖ Despite the obviousness of the economic crisis, the postcolonial regimes could not modify the colonial structure of economy. The latter remained tied to the exploitation of manual labour and raw materials for the benefit and growth of the metropolitan economy and the rulers of the time.

41. Therefore, colonial power like postcolonial regimes did not succeed in developing capacities necessary for capital accumulation for investment. Moreover, the insufficiency of state financial revenues has made the efforts to modernise the administration and develop competencies notoriously ineffective. As an alternative solution or rather as a palliative, postcolonial regimes turned massively to donations and credits that were then used to maintain bureaucratic sectors and to serve essentially an unproductive national state elite.

3.1.4. Skyrocketing of the debt crisis

42. During the 70s, European countries envisaged to lighten the weight of development aid due to internal problems. In the 80s, an era often nicknamed « *Lost decade for Africa* », the African regimes were no more considered as good strategic assets compared to the cold war. Those regimes had to resort to international capital markets as an alternative funding source. This is how the whole debt issue got started. Almost inevitably the projects for which money was borrowed were not judicious. Without proper preliminary feasibility studies, without transparency and accountable management on both parts, the projects had no impact on the transformation of the national economy and development. They have had no impact on the national economy but on the contrary left the country heavily indebted without reimbursement capacities. The great majority of Rwandan people remained thus economically impoverished.

3.2. MACRO-ECONOMIC FRAMEWORK

43. The economy of Rwanda is characterised by internal and external macro-economic imbalances, which can be observed in the financial deficit, the deficit in the balance of payments, the deficit between home savings and gross investment, the rates of unemployment and high under employment (see table 3).

Table 3: Rwanda macro-economic Indicators from 1995 to 2001

Indicators		1995	1996	1997	1998	1999	2000	2001	ASS (1999)
Inflation rates (%)	IPC	48.2	13.4	11.7	6.8	-2.4	3.9	3.4	
	Deflator of GDP	50.4	10.2	15.6	2.0	-5.2	1.3	0.7	12
Saving minus investment (in % of GDP)		-19.0	-19.3	-17.4	-17	-16.7	-16.3	-16.4	-2.6
	In 10 ⁹ of Rwf	-64.4	-81.9	-97.1	-105.6	-107.7	-115.0	-123.7	
Home absorption (%GDP)		122.8	120.3	124.6	120.4	118.7	113.7	113.9	102.6
Global financial deficit (% GDP)	Without donations	-13.7	-13.2	-9.2	-8.3	-9.7	-8.9	-9.5	-5.6
	Donations included	-2.4	-5.8	-2.5	-3.0	-3.8	0.1	-1.1	-4.5
Current deficit of the balance (% of GDP)	Without official Tr	-20.5	-19.2	-17.3	-16.8	-17.1	-16.9	-16.3	
	With official Tr	4.5	-0.2	-3.2	-9.4	-7.6	-5.1	-6.5	
GDP per capita (USD)							210	218	470
Debt service (% exports bsnf)			20	14	17	26	25		10

Source : Rwanda Development Indicators 2001, World Bank, Africa database 2001.

44. These imbalances were often the cause of macro-economic instability and an unbearable debt burden in relation to the meagre resources. Moreover, Rwanda has a weak GDP per capita compared to other countries and consequently the purchasing power of the population is very low. This influences negatively the other socio-economic indicators of the country presented under table 4.

Box 4 : Rwanda Basic social-Economic Indicators

INDICATOR	1990	1996	1999	2000
Population (millions)	6,879	6,167	8,108	8,343
GNP per inhabitant (US \$)	374	224	234	210
Life expectancy at birth (years)	53	46	49	49
Infant mortality (for 1000 live births)	120		124	107
Primary school enrolment(% of the schooling age population)	76,6	80,1	88	
Index of poverty (% of inhabitants)	47,5	71,1	69,3	64,1
Access to drinking water (% of population)	49		44	44
Gross Domestic Investment (GDI in % of GDP)	13,5	15,2	18,0	18,2
Gross National Savings (G.N.S. in % of GDP)	6,00	-3,96	4,88	3,6
Private consumption (% of the GDP)	83,7	94,5	85,9	90,2
Inflation (Consumption prices index, annual average %)	9,1	9,33	-10,23	2,12
Gross Official Reserves (month of imports)	1,7	4,9	8,1	
Unpaid debt of the GDP(% of GDP)	37,7	86,1	74,2	82,5

Source : - PFP, IMF/Review of Reports by the World Bank staff;
- RWANDA development Indicators, 2000.

45. These imbalances and the poor Rwandan economy are a manifestation of the natural and historical characteristics of the country. The main cause of this situation is the lack of mining resources that are easily identifiable and exploitable. This is why the economy of Rwanda has been based on agriculture and animal husbandry, the development of which is immediately linked to fluctuations in climatic conditions. The poor value added of agriculture compared to demographic evolution has made that the population's income remained low.

46. Rwandan exports, essentially comprising of coffee and tea, the prices of which depends on fluctuations on the international market, have only rarely been sufficient to cover import needs; the demand being persistently higher than the possibilities of payments. Moreover, this commercial imbalance of the country is aggravated by the geographical landlockedness, which makes more expensive the transport of imported products and less competitive exported products.

47. The absence of a global development strategy taking into account all the socio-economic aspects and the inability of the past policies to solve those problems have resulted in a non-monetised economy. As a consequence the financial basis has been narrow and therefore financial revenues were too meagre poor, while the State intervention needs were ceaselessly increasing for reasons ranging from the increasing need of public services to public enterprises showing a debit balance, going through State investments so as to try to relaunch the economy.

48. The war and genocide have worsened the situation as with the socio-economic fabric destroyed, not only the needs for State interventions were multiplied tenfold (more poor people, needs for rehabilitation, reinstallation, reconstruction, justice, security, social services, demobilisation, Gacaca...) but also the means of action were curtailed (financial revenues still lower, dependency on external aid, the ever unbearable debt burden, the ineffective and unsuited financial and monetary system).

49. It is important to note that on average, during the last two decades, despite the occasional year of good performance, the increase in production has not been adjusted to the demographic growth so as to raise progressively the population's income. This situation is attributable to poor production and deteriorating terms of trade between North and South, but also to the strong demographic growth. The high illiteracy rate of the country is another trend, which has to be reversed to support and facilitate actions undertaken for progress.

50. The main questions posed are : (1) the search for better ways to increase the income per capita of Rwandans through the command of methods to produce more and better; this implies finding niches which can make for high value added; (2) the assurance of macro-economic stability through the absorption of financial and external imbalances; and (3) reducing the dependency on external aid.

51. Some assets and opportunities can be cashed in on identified to take up the challenges posed by the macro-economic situation of the country. We may cite : (1) the fact that we more and more think in terms of planning at the medium and long terms (PRSP, MTEF, 2020Vision) and especially a planning process that brings coherence into various domains and aspects of the socio-economic and political life, (2) the more extended participation of the population in decisions influencing their future (including the decentralisation policy), (3) the opportunities of external trade development (regional integration and the opening to external markets, possible diversification of exports), (4) the political will to develop the private sector (liberalisation, privatisation, revision of the regulation of business) and the country's economy in general and (5) different programmes which allow the attainment of a certain macro-economic stability indispensable to growth (programmes of adjustment and structural reforms)

52. The main threats to development and improvement of the long term situation are risks of political instability (born from divisionist speeches of some politicians, the lack of frankness in political discussions or even from the conflict situation in the region) and the unavailability of promised means (financial and others) needed to implement the country development strategy.

53. However, there are germs of positive changes likely to reinforce the efforts in response to the above problems and to take up challenges the country is grappling with. It is essentially about the population policies (contributing to the reduction of women's fertility rate), education for all, development of human resources and technologies, including ICT.

54. Rwanda aspires to become part of the countries with a medium income, and this by 2020. The GDP per capita of Rwanda will then be 600 USD (measured in constants 2000 terms, which implies an annual average growth rate of real GDP hovering between 8% and 9% (table 5).

Table 5 : Population forecasts and economic indicators

Years	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Real GDP growth rate		6,70%	7,31%	6,21%	6,10%	7,97%	8,12%	8,27%	8,41%	8,55%	8,69%
Real GDP (billions RwF 2000)	688,1	734,2	787,9	836,8	887,8	958,6	1036,5	1122,2	1216,5	1320,6	1435,3
Agriculture : growth rate		8,35%	9,50%	8,30%	8,00%	9,00%	8,88%	8,75%	8,63%	8,50%	8,38%
Agriculture in the GDP (%)		46,0%	46,7%	47,6%	48,5%	49,0%	49,3%	49,5%	49,6%	49,6%	49,5%
Industry : growth rate		7,2%	7,60%	4,10%	4,10%	7,00%	7,40%	7,80%	8,20%	8,60%	9,00%
Industry in the GDP (%)		16,9%	16,9%	16,5%	16,2%	16,1%	16,0%	15,9%	15,9%	15,9%	15,9%
Services : growth rate		4,2%	4,50%	4,50%	4,50%	7,00%	7,40%	7,80%	8,20%	8,60%	9,00%
Services in the GDP (%)		37,6%	36,4%	35,8%	35,3%	35,0%	34,7%	34,6%	34,5%	34,5%	34,6%
Population growth rate	2,9	2,90%	2,90%	2,70%	2,70%	2,70%	2,70%	2,70%	2,50%	2,50%	2,50%
Population (mios of people)	8,3	8,6	8,83	9,1	9,3	9,6	9,8	10,1	10,3	10,6	10,9
Real GDP (mios USD 2000)	1,8	1,9	2,0	2,1	2,3	2,4	2,6	2,9	3,1	3,4	3,7
Real GDP per inhabitant (USD 2000)	210,5	218,2	227,6	235,4	243,1	255,6	269,1	283,7	300,1	317,8	337,0
Real GDP per inhabitant (000RwF)	82,1	85,5	89,2	92,2	95,3	100,2	105,5	111,2	117,6	124,5	132,1
Years		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Real GDP growth rate		8,70%	8,71%	8,73%	8,76%	8,80%	8,81%	8,83%	8,87%	8,92%	9,04%
Real GDP (billions RwF 2000)		1560,2	1696,2	1844,3	2005,8	2182,2	2374,5	2584,2	2813,4	3064,3	3341,1
Agriculture : growth rate		8,13%	7,88%	7,63%	7,38%	7,13%	6,88%	6,63%	6,38%	6,13%	6,00%
Agriculture in the GDP (%)		49,2%	48,8%	48,3%	47,7%	47,0%	46,1%	45,2%	44,2%	43,0%	41,8%
Industry : growth rate		9,40%	9,80%	10,20%	10,60%	11,00%	11,20%	11,40%	11,60%	11,80%	12,00%
Industry in the GDP (%)		16,0%	16,2%	16,4%	16,7%	17,0%	17,4%	17,8%	18,2%	18,7%	19,2%
Services : growth rate		9,20%	9,40%	9,60%	9,80%	10,00%	10,20%	10,40%	10,60%	10,80%	11,00%
Services in the GDP (%)		34,8%	35,0%	35,3%	35,6%	36,0%	36,5%	37,0%	37,6%	38,3%	38,9%
Population growth rate		2,50%	2,50%	2,30%	2,30%	2,30%	2,30%	2,30%	2,30%	2,30%	2,30%
Population (mios of people)		11,1	11,42	11,7	12,0	12,2	12,5	12,79	13,1	13,4	13,70
Real GDP (mios USD 2000)		4,0	4,3	4,7	5,1	5,6	6,1	6,6	7,2	7,8	8,5
Real GDP per inhabitant (USD 2000)		357,4	379,0	402,9	428,3	455,5	484,5	515,4	548,5	584,0	622,4
Real GDP per inhabitant (000RwF)		140,0	148,5	157,9	167,8	178,5	189,9	202,0	215,0	228,9	243,9

55. The strategy to reach the aforementioned economic objectives of the 2020 Vision will be based on the following changes:

- the development and modernisation of agriculture and the rural area,
- the consolidation of human and social capital,
- the restructuring of the economy, orienting it towards off-farm activities of the industries and the sector of industries and services,
- the opening up of the country to the world (regional and international integration), with identification of competitive niches,
- reinforcing the national economy's competitiveness, through, inter alia, of an adapted sound fiscal system.

3.3. CONSTRAINTS TO THE DEVELOPMENT OF RWANDA

56. The Rwandan Government's intent is to fundamentally correct the colonial and post-colonial economic weaknesses and start a regime of socio-economic and political transformations, which will allow improvement of the socio-economic development indicators for all Rwandans. Among the constraints hindering the process, the most immediate can be summarised as follows:

- Decrease of soil productivity and arable land per inhabitant.

57. The practice of subsistence agriculture on abrupt hillsides without appropriate land improvement planning and overexploitation of the soil without restoration of nutrients has led to a significant fall in productivity. The phenomenon is worsened by a plethoric agricultural population exploiting a limited arable area. The availability of arable land per inhabitant is now no more than 1 hectare for 9 inhabitants and rapidly recedes under the effect of the high birth rate. The obvious fact is that almost 70% of rural families living on agriculture have at their disposal less than a hectare of exploitation and as such can never produce enough for a proper living. The available pasture land covers an area of only 350,000 hectares of which the majority is of poor quality.

58. The subsequent fall in the production and the availability of food per inhabitant contributes to the insidious malnutrition that affects the population. The ideology and mentality according to which all Rwandans must have an arable plot of land and live on agriculture is not sustainable any more. Ways and means must be sought to start on the re-orientation of agrarian households and base the Rwandan economy on the secondary and tertiary sectors.

- The long and costly distance to the ocean

59. Rwanda is landlocked due to the remoteness of seaports. This factor increases the transport costs as much for the exports as for the imports. The country lacks linkage to the regional rail network. The biggest part of imports and exports are therefore carried by roads, on trucks at very high prices. The raw materials used for home industries being imported from overseas, the high costs of transport put a strain on the prices of locally manufactured products. This constraint of cost of access to seaports handicaps the industrial progress and all other forms of development.

- The narrowness of the economic base

60. The Rwandan economy lacks high value minerals or any other reliable resource. There are various indications of dispersed natural resources, but there is no sign of any concrete resource that would help start up in the economy. The mining sector has been largely based on the exportation of tin from several mines and several perimeters of exploitation during many decades. The other mineral sites such as Wolframite, Colombo-tantalite and gold must exist but their reserves are not known. The country has large renewable deposits of natural gas in Lake Kivu, estimated at 60 billions cube meters. The sector lacked investments, both for effective exploration and profitable exploitation. Coffee and tea cannot alone ensure the expansion of the basis of the Rwanda economy.

- Poor institutional capacity

61. The institutions of governance as well as the management of public resources remained beneath standards by lack of systems and competent personnel. The preceding governments, instead of developing institutions and systems, continued to rely on technical support, which was both expensive and largely indifferent to the internal long-term needs of the country. As a consequence, the country did not develop an appropriate institutional capacity. Neither did it attempt to develop and utilise local human resources.

- The low level of human resources development

62. The severe lack of professional and technical staff constitutes an obvious obstacle to the development of all the sectors. The scarcity of qualified professional technicians in the fields of agriculture and animal husbandry hinders modernisation of the sector. The insufficient number of

technologists, medium level technicians and competent managers seriously back-pedal the development of secondary and tertiary sectors. The level of illiteracy is high among the rural and urban populations. This obviously impedes the dissemination of the information necessary for socio-economic changes.

- The weight of the public debt

63. The public debt of Rwanda presently constitutes one of the major obstacles to economic development. It comes to almost 1.5 billion US \$ and is 6 times the budget of 1998 which was 260 millions of American dollars. It is superior to the present national GDP of 1.3 billion US dollars. Almost 75% of the public debt is owed to external creditors, mainly to the World Bank. The debt stress increases daily and the capacity of the debt service does not seem to improve because past investments, which normally should create reimbursement capacity, have been neither well planned nor managed. The debt increases at a speed beyond the capacity of the country to generate wealth. External donations have been used for years to pay the external debt. The heavy debt weight is such that there is a real paralysis of investments in social services and economic infrastructures. The situation worsens as external aid disbursements decline.

- Social and economic consequences of genocide

64. The 1994 genocide has set the country back one generation as regards human resources, magnifying the already serious deficit of the education system. This affects all the sectors, public like private, as well as the civil society. The loss of more than a million human lives has created thousands of orphans, widows and many vulnerable people. It is to be pointed out that the genocide targeted the economically active age group within the Rwandan society. The economy now bears the heavy burden of the 1994 genocide, recurrent pogroms, which characterised the period between 1959 and 1994 and infiltrations between 1996 and 1999. Without true reconciliation, the people will never forge enough self-confidence to invest in the development of the country. The fundamental challenge of Rwanda is the appropriate transformation of the economy and the reconciliation of the nation against the ideological divisions through a new vision and towards a new destiny.

4. PILLARS AND CROSSCUTTING DOMAINS FOR THE 2020 VISION

4.1. THE NATION

65. The Rwandan nation, known in the region since the 11th century, is founded on the common history of its citizens, on the shared common values, on unity of language and culture by which the belonging to that nation is recognised even beyond the present borders of the country. The unity of the Rwandan nation was also anchored in manners and behaviours and expressed through a belief and a religion which brought together, through common rites, the members of different clanic groups (abasinga, abagesera, abega, abanyiginya...) meeting in community groups (abahutu, abatutsi, abatwa) which acknowledge essential roots and a common Divinity.

66. The national unity has been hard-hit during the last century and has been broken up according to clans, « ethnic groups », regions, religions and religious sects... until the 1994 genocide and massacres . A tragic consequence and ultimate expression of divisions, the genocide which in itself constitutes a cause of break-up, has consecrated the disintegration of the nation and the Rwandan society.

67. In fact, the dismantling of the country by the Berlin Conference in 1884, the strongly hierarchical social structure where those at the bottom of the ladder benefited little from institutional protection, the weakening of the monarchy by the misunderstanding between the princely clans...were the first signs of the split of the Rwandan nation.

68. Colonial power, based on the ideology of superior races, in collaboration with the Catholic Church, has used and institutionalised those subtle social break-ups and installed in the country a political ideology of division and discrimination. The ideology of division has distorted social structures and positive values, which were then adapted to the Rwandan society. Then progressively anti-values appeared which led to disrespect of the human being and the family, to social incoherence and to the absence of solidarity and patriotism up to justifying the perpetration of genocide and the disintegration of the nation.

69. Discrimination, social categorisation and exclusion were set as a management fashion during the whole of the 20th century. The primacy of group's interests to the detriment of the interests of the nation has strongly anchored themselves in the society and still undermine what remains of the Rwandan nation. However, most Rwandans are presently aware of the necessity of a national reconciliation and of the reconstruction of a united and solid nation, facing the challenges of development. They sincerely think that despite the in-depth of the present social break-ups, national reconciliation and unity are possible and desirable and even constitute a precondition for the harmonious development of the country.

70. Assets are available to reach this objective. The common culture, which, particularly for Rwandans, constitutes the basis for attitudes and individual and social behaviour as well as the uniqueness of the language and history, are the important levers to revive a national conscience and bring back the necessary cohesion for the economic blossoming. The common hope is expressed by the political will which presently mobilises all the State powers to bring together all the members of the Rwandan nation and work for unity and reconciliation. In other respects, many Rwandans have, since the sixties, experienced peaceful cohabitation in different host countries with multifarious social components. This experience is also an asset for the reconstruction of the nation and the negative lessons drawn from politics of division which culminated in the 1994 genocide has equally reawakened the Rwandan population's awareness of the importance, if not the necessity, of national

unity based on solid social capital and on the protection of rights and interests for everybody and not only for this or that group, for a common sustainable development.

71. Obstacles and threats also hinder the reconstruction of the nation. The still recent after-effects of the genocide (traumatised and vulnerable survivors, many people in prison), the genocide perpetrators may be still free in the country and all over the world on good terms with their allies, the links to bad governance still discernible within the governing class, the cultural alienation of the youth, the proliferation of religious sects which develop concurrently with the deterioration of the role of the family and the community, unsatisfactory education system, etc. curb the restoration of the social fabric and the reconstruction of the Rwandan nation.

72. However the Rwandan State's initiatives as regards human rights (NCHR), unity and reconciliation (NCUR), Constitutional Commission, education for all, openness to the Rwandan diaspora and decentralisation of economic and political management constitute an evolution towards a framework conducive to the emergence of an empowered civil society, which, in association with the action of those churches that have started to work for reconciliation, will facilitate the reconstruction of the nation. To the extent that the Rwandans hope their nation will be reconstructed by the year 2020. Its different components mobilised for their own reconciliation and for the achievement of a shared vision of the future will be proud of belonging to the Rwandan nation.

73. To achieve that vision, Rwanda needs an effective, reliable, uniting and mobilising State which sets up a long- term management and implements good governance and national fundamental values for the reconstruction of the community fabric and the social capital. Consensus and consolidated institutions will ensure a long period of political and economic stability necessary to build a modern nation as wished by the Rwandan population.

74. In fact, the reconstruction of the nation concerns all Rwandans, but mainly the State, which plays the dynamic role, political organisations and the civil society. The State will bring together all the sons and daughters who compose the nation and will put in place the minimal understanding framework, the social pact and the institutions, which facilitate social cohesion. Political parties have to contribute to the development and achievement of that patriotic coalition and the national project of society. The civil society as well as religious groups complete the action of the State and contribute to the development of the social capital. That reconstruction will be the work of the domestic national community in active collaboration with the Rwandan diaspora and the international community.

4.2. THE STATE

75. The Rwandan State has played its roles in different ways, according to the three eras of its history as shown under table 6. Rwanda has never known a genuine state of rights. Nevertheless during the pre-colonial era, the state managed to preserve internal peace and security, the unity of the Nation and an economy spread out over the entire country. During the last century, the state was governed by oligarchic and despotic state institutions unconcerned with human rights and or justice. The administration and the army were at the service of an almighty executive power owned by a single man. In this context, the leaders stood above the law and impunity was generalised.

76. The successive regimes had in common the policy of discrimination and exclusion on ethnic, regional, religious grounds...from bottom to top, without sparing the educational area. The exclusion, the non-participation and the pursuit of partisan interests have characterised the Rwandan systems of government, have weakened and destabilised the State and have infiltrated management practices. Under these conditions, power has become an efficient tool for enrichment, which is sought by all

means, as regime take over others. This is the root cause for the instability of national institutions, which characterised the State apparatus over the last decades.

Table 6: The roles of the Rwandan State as played through the history of the country

The State roles	Pre-colonial era	Colonial era	After independence
Peace and internal security	- generally well guaranteed under the king's authority; - Periods of expansion and conflicting relations with some neighbouring kingdoms	- Less regional wars, due to the establishment of borders and the colonial authority; - Rucunshu Palace Coup in 1896 having caused weakening of the monarchy;	- Pogroms caused by ethnic divisions; - Frequent massacres of a part of the population over years; - Permanent climate of insecurity
Unity of the nation	- No internal problems and everybody would contribute to the safeguarding of the nation - nevertheless, individuals or groups of people would sometimes go into exile on a voluntary basis because they challenged the monarchy	- Splits of the nation's fabric with the favouritism given to the Tutsi class by the colonisers : a)- Exclusive schools for chiefs' children in Nyanza in 1918 and in Astrida in 1929 by White fathers; b)- Destitution of the 40 Hutu chiefs, modest Tutsi and Twa in 1926 by the Belgians ; - Beginning of open inter-ethnic divisions , following the claim for independence and the shift of alliance by the Belgians	- Open war between the strata of a same nation - Development of ideologies based on ethnic groups and regions. - Complete disintegration of the social fabric by the genocide in 1990-1994
Justice	- Devoid of independence and especially of autonomy, the justice remained always under the vigilant authority of the executive power.		
The human right	- Poorly respected	- Poorly respected	- Not at all respected
Power decentralisation	- Decentralised economy - hierarchical and centralised politics	- The Resident has concentrated the political power onto his hands; - Beginning of the concentration of the domestic economy	- Strong centralisation of economic and political power
Governance	- No problem under the king's authority - Low level of social equity	- Loss of a third of the national territory after the sharing of 1910 - Poor level of social equity	- Bad governance, by state parties - Low level of social equity
Democracy	- All the authorities were nominated - Possibilities of expression and criticism of the officials	- No democracy but dirigism and coercion.	- Dictatorship of the state party
Regional and international integration	- Limited exchanges with neighbouring kingdoms - No exchanges with the external world	- Opening of the country borders - Contacts with the world (culture, religion, education, currency, etc).	- More openness towards international co-operation - Recurrent problems with neighbouring countries due to relations between leaders at the helm of states
Management of the public good	Poor and centred on the management of dairy herd	- Effective but illegitimate and coercive	- Progressive improvements - High level of corruption
The diaspora	- Limited to neighbouring countries and keeping ties with the mother land	- Accentuation of emigration waves fleeing the colonisation yokes - Careful follow-up of the indigenous power	- Negative role of the State in forced emigrations - Destabilisation of the diaspora in host countries

77. The strong and centralised executive power is the chief characteristic of the Rwandan State. Discrimination, social categorisation and the fight for power; power managed in an oligarchic and nepotistic manner and kept at all price, have characterised the political systems which taught Rwandans to consider the person in power before assessing the results of his actions and programme. The country cannot continue to be managed likewise, without missing its chances of developing. It

needs a reliable State favourable to the reconstruction of the nation and to sustainable and more harmonious development.

78. Rwanda has assets to ease out of this situation, namely: (1) the political will visible in the efforts to improve governance, the decentralisation and the situation of human rights, (2) the communication facilities owing to the uniqueness of language and culture, which facilitates exchanges between the players operating in a small territory that is relatively well equipped with communication facilities, (3) the very diversified political experience which the diaspora has drawn and is still drawing from all the corners of the world, (4) the good and bad lessons learnt from our history, (5) the positive and constructive attitude of the entirety of political families, religious groups and the civil society in general, (6) the ongoing efforts to integrate the country in the sub-region, through membership in the regional groupings and the complementarity of infrastructures from neighbouring countries.

79. In other respects, the presence of a government of national unity, the ongoing process of reconciliation and national unity, of good governance and of participation of the population in the management of the public good (elections, drafting of the constitution...), of separation of powers, the integration of ex Rwandan army forces into the national army, the efforts of contact and co-operation with the Rwandan diaspora, the efforts of fight against poverty, are signs showing that the obstacles above can be overcome for Rwanda to progress towards a State of law and towards a style of democracy both indispensable for sustainable development.

80. However, the ruling class does not so easily change its habits of bad governance, the country presently has few human resources to improve State performance and to face many acute social problems, including the genocide after-effects and the generalised poverty of the population. The negative attitude of some national leaders, the existence of negative forces, the political instability in the Great Lakes Region ... constitute a curb if not a threat to the process of improving the quality and the performance of the Rwandan State.

81. Despite these constraints, Rwanda longs to have by 2020 achieved national reconciliation, restored the unity of the nation, established an environment of peace and security, within good governance and political and economic stability conducive to the integration of the country in the Great Lakes region economy.

82. The national constitution drafted in a participatory way will be an essential basis for the functioning of institutions. The ongoing initiatives and coherent policies will favour the unity and the reconciliation needed to rebuild the nation. Efforts will go towards making state institutions democratic, developing and applying a common platform at the level of political parties, making effective the separation of the three powers while reinforcing their complementarity, depoliticizing the administration and the army; supporting and following the decentralisation of power towards the districts, supporting the development of a prosperous private sector which takes over from the political profession as a way to wealth, disseminating ICT, fighting ignorance and poverty, professionalising the army to warrant the security of the country, capitalising on the achievements of the reconciliatory justice (GACACA), keeping good relations with the Rwandan diaspora, promoting ethics, equity and the positive values of the Rwandan culture as a foundation of the State, fighting corruption and impunity considered as values unworthy of the Rwandan society, banishing patronising and nepotism, promoting the real regional and international integration of Rwanda.

83. The setting up of a system able to manage public affairs and the Rwandan State lies within the ambit of political parties which will contribute to the development and implementation of a social project warranting a real State of law founded on safe fundamentals and never again on ethnic ideology. This mission concerns the different state institutions in their effectiveness and their

complementarity whilst mutually respecting their independence. It also calls on the civil society to complete this state action and not thwart it. Religious groups will contribute to this by their attitude and their moral and positive social development action without interfering in State matters. Official and private media will involve themselves in all this through objective information to all development partners. The Rwandan community will be involved in State matters in an effective and in a decentralised way. The diaspora will contribute to the image of the country, will defend its interests abroad and will participate in the mobilisation of foreign investments. The regional and international communities will facilitate different initiatives from the Rwandan State.

4.3. HUMAN RESOURCES

84. This pillar concerns the areas of Population, Health, Education and the gender issue, which, in other respects, is considered as a crosscutting area.

4.3.1. Population

85. The Rwandan population was estimated at 8.3 million in 2000, with the highest density of Africa (± 340 inhab/km²), and with a high demographic growth of almost 2.9% per year. It is characterised by a poor level of training (48% of illiterate people) and an obvious intellectual and cultural isolation. The population confines itself for more than 90% to subsistence agriculture where more than half of the active population is underemployed and factors of production often misused. The lack of skills of the population affects all the sectors of the economy. Unemployment, although not well estimated, is a strongly felt reality. Furthermore, 60% of the population live under the poverty line and malnutrition is acute. Poverty and malnutrition coupled with a high frequency of malaria and 13% AIDS prevalence, deprive the population of a good health status. Nevertheless Rwanda looks at its population as a fundamental resource and particularly relies on it for its future development. However, cumulated backwardness is so important that the challenge to shift the demographic issue into a comparative advantage will require many in-depth qualitative transformations at individual and social levels.

86. The demographic dynamics are mainly due to the women's high fertility itself linked (1) to a pro-birth culture that has always targeted manpower and numerical strength, (2) to the negative experience of high infant mortality rates, (3) to a relatively low mortality owing to a climate and topography which are less favourable to diseases related to lack of environmental sanitation and notably the availability of drinking water, (4) to the absence of internal clashes and slavery raids, (5) to the low prevalence of sexual diseases among young women following the social requirement of bridal virginity, (6) and to the reduction of global mortality, due to modern medical facilities since the second world war.

87. The economic policy focussed on subsistence agriculture, the poor level of responsibility and rights for women, the role of religions in reproductive health and the low level of the educational system inherited from the colonial era have contributed to the delay in qualitative transformations of the Rwandan population, to the insufficient level of skills to control economic and demographic dynamics.

88. In fact the Rwandan population has been characterised, during the last century, by a strong demographic growth without improvement in skills or economic and technological performances. This demographic trend is one of the main causes of the depletion of natural resources and the structural impoverishment of the population.

89. Controlling demographic growth with regard to capacities for sustainable economic growth, the improvement of the health status and the building of the population's human capacities so as to make these become a true valuable resource at the level of national and foreign markets, constitute a major challenge to be taken up by Rwanda.

90. In fact, the Rwandan population will be close to 14 million in 20 years if the women's fertility rate progressively went from 6.5 to 4.5 children and the population growth rate from 2.9 to 2.2%. Taking into account these demographic parameters, the means needed to cover basic needs (education, drinking water, health care, shelter, etc.) would multiply by 1.6 (See table 3). To accommodate for this, while still targeting a considerable improvement in the well-being of the population, economic indicators would have to treble.

91. The existence of the Rwandan national Population (ONAPO), the new population policy with its current more inclusive approach (going beyond the simple family planning aspect and including education, information, reproductive health, gender issues), decentralisation, primary health care proximity, reduction of infant mortality as well as the education for all policies, are assets to face up to the challenge of pro-birth attitudes. However, the low level of education and learning, structural poverty and social vulnerability due to genocide are genuine handicaps to the effort to control demographic pressures and to qualitatively improve the valuable resource, namely the Rwandan population. In this context, malaria and AIDS might increase the infant mortality rate and provoke a pro-birth reaction. The position of religions and religious sects might also remain a handicap to reproductive health control.

92. On the contrary, the gender positive policy that makes women more responsible, the education for all, the fight against poverty, the literacy of all, the development and dissemination of ICT, are all steps on the way to controlling demographic pressures and improving the quality of life.

Box 7 : Population forecast by main age groups

Age group	Period					
	1997	2002	2007	2012	2017	2022
00-04	1274	1576	1655	1645	1834	2045
05-09	1214	1202	1498	1583	1765	1968
10-14	662	1193	1183	1478	1648	1837
15-19	513	1139	1172	1166	1300	1449
20-24	482	937	1112	1147	1279	1426
25-64	2213	2533	3195	3998	4457	4970
65 and above	268	258	253	265	295	330
TOTAL	6.626	8.838	10.068	11.282	12.578	14.025

- Source : the basic data are those of the 1996 socio-demographic Survey.

- Remark: The natural growth rates applied are:

- 2.84 %for the period from 1997 to 2002
- 2.61% « 2002 to 2007
- 2.27 % « 2007 to 2012
- 2.20% « 2012 to 2017
- 2.20% « 2017 to 2022

These data are based on the optimistic hypothesis of fertility reduction, and they will be specified or rectified on the basis of the 15th August 2002 census.

93. Relying on the efficiency of current and projected policies, Rwanda intends between now and the year from now 2020 to reduce the women's fertility rate from 6.5. to 4.5 and the demographic growth rate from 2.9 to 2.2 . All Rwandans will then be literate and the level of professional capacities will be raised and diversified while only 50% of the population will be employed by basic farming activities.

94. To achieve this, it is planned to reinforce the inclusive action of the new population policy, to make all Rwandans literate before 2010, to achieve education for all before 2010, to fight against poverty, to reduce infant mortality, to enhance women's capacity development, to connect the rural area to modern means of communication, to create human resources having capacities of innovation, creativity with openness to the external world, to transform the structure of the economy by increasing the number of persons employed in non agricultural activities, to improve the performances of the population specifically in professions, to disseminate elementary knowledge of welfare (hygiene, nutrition, health).

95. In these efforts, the country relies on State structures mandated to play a role in the area of population as a resource, on the reinforcement of educational action of religious groups and on their realistic influence on reproductive health and women's fertility. It counts further on the local authorities and communities for the mobilisation towards achieving literacy and education for all as well as for the moralisation of the society. It relies on women and their prominent role in the area of demography, health, education, economic diversification, etc., on the mass media and their information and questioning role.

4.3.2.Education

96. The Rwandan population is not very literate (48%), not very educated and somehow isolated from the world. The level of professional capacities is low and technically qualified staff is rare. The cultural foundation of the society has been jeopardised since the colonial era, society is alienated and the positive cultural values are at a loss. However if Rwanda relies on its population as a resource, the said population must stick to its basic cultural values as a reference in its attitudes and behaviour, be not only literate but also highly educated and trained to acquire professional capacities necessary for its development and blossoming.

97. Formal education for the Rwandan population was introduced by the colonial power. However, this process was curbed by colonial and post-colonial policies, which quantitatively limited entrance into this system (low level of enrolment and high drop-out rates). Other elements which also impeded access to formal education are poverty and ignorance of parents, the role of religions in the equity and the orientation of education, the economic policy that focused on subsistence agriculture, the socio-cultural considerations which set limits to the girls schooling, the shortage of qualified teachers at all levels, the curricula that were not tailored to meet needs of the country and which were not adapted to the realities of post-colonial Rwanda.

98. In Rwanda, admission capacity in the educational system has since long been very limited with regard to demand and this at all levels. The training continued to be of insufficient quality, not oriented to solving the problems of the country and not reflecting the basic national positive values such as humanity, integrity, patriotism, sense of duty and honour, etc. This must change if the level of schooling and the cultural and professional capacities are to be raised to make the Rwandan population a genuine national asset.

99. The improvement at the level of education and the capacities of the Rwandan population will be facilitated by the very youthfulness of the population, likely to rapidly adjust to social transformations through communicative environment (size of the country, population density, infrastructures, uniqueness of the language), through the geographical location of Rwanda conducive to communications with the external world and through exchange of experts, through the private sector which is already involved in the educational area and particularly as user of training products

and through the existence of new public (KIE, KIST, KHI) and private (UNILAC, ULK, UAAC) higher learning institutions and others in gestation.

100. On the other hand, parents' poverty and limited knowledge level, the financial limitations of the country, the shortage of effective professional and technical schools, the shortage of qualified teachers constitute obvious handicaps to the efforts to improve the level of the population's training. Moreover, the poor purchasing power and the narrowness of the labour market in particular, may be difficult obstacles to get rid of, if current trends are maintained.

101. Facilitating favourable changes in the educational level of the Rwandan population, the following factors might be stressed: the positive gender and social equity policy which will more empower women, the policy of education for all, the efforts to train teachers (Secondary schools for potential primary school teachers and KIE), the initiatives of the private sector and faith-based organisations in the area of education, educational qualitative reforms under way, notably the organisation of transparent contests for final students at the levels of different cycles, the willingness of the youth to learn in order to increase job opportunities for them, the efforts meant to fight poverty, etc.

102. It is the wish of Rwanda to see all Rwandans literate with basic education for young people by 2010. By the year 2020, the enrolment level will be at least 60% in secondary schools and 600 per 100,000 inhabitants at the tertiary level. Thus, the country will have enough professional and technical human capacities at all levels.

103. To achieve this objective, the country will have to undertake a large-scale literacy programme in favour of adults. It will clearly define the objectives of education wherein national values will be mainstreamed. It will make basic education compulsory and free. It will more involve parents and communities in the educational process, reduce the school drop-out rate, especially among girls, increase access to secondary and tertiary education. This process would be helped by improving the infrastructure and getting qualified and motivated teaching personnel, by adding value to the teaching career with regard to other careers, encouraging and facilitating private initiatives regarding education, promoting dissemination and adoption of technologies, promoting the culture of reading, information and training, promoting scientific and technological research, integrating culture, sciences and technology in the development efforts, improving and reinforcing the monitoring and evaluation system at all levels.

104. The primary players regarding education are parents and particularly the mothers who educate the children from their earliest infancy, teach them their language, instil their fundamental values and their culture into them and follow them along the formal education and beyond. The official education, which has somehow cut the bridges with society, will have to re-establish the triangle parents - community – teacher around the education beneficiaries. The State, through MINEDUC in particular is in charge of policies and regulations, programmes, infrastructures, monitoring and evaluation, promotion of the teaching career, research and dissemination of technologies. The private Sector for its part is involved in education, training and apprenticeship including on the job training and values technologies and technicians through its activities. The civil society and religious organisations will continue to invest in school infrastructures and the implementation of education. The decentralised authorities will look into the literacy activities, the infrastructures and the promotion of education for all.

4.3.3. Health

105. The level of the health status of the Rwandan population is insufficient. The prevalence of malaria (50% of consultations in health facilities) and HIV/AIDS (11.2% of the population as a whole) is high and constitutes, along with other health problems, a big socio-economic issue. The physically and mentally if not socially traumatised are many, due to the 1994 genocide. The health situation is a handicap to the country's economy and its future.

106. The main causes of that poor health conditions are basically the poverty of the population which limits its level of hygiene and access to health care, the low level of education and information, the financial constraints of the country which limit the health services offered to the population, malnutrition which affects an important portion of the population, the epidemics of Malaria and AIDS, the post-genocide vulnerability, the shortage of qualified health personnel, the sanitation status of the environment and the poor access to drinking water and the non-integration of the traditional medicine into the modern health care framework. However the health status of the population must be improved because it impacts directly on the latter's contribution to the development of the country.

107. The Rwanda assets concerning the improvement of health are communication facilities (small area, uniqueness of the language, communication infrastructure) and a good range of sanitary infrastructures as compared to sub-Saharan countries. and, the poor level of education and information of the population, the high degree of poverty, the limited means of the State, the AIDS prevalence already standing at 13% for people aged between 15 and 49 (around 370,000 people infected) the periodic outbreak of the malaria epidemic, the insufficiency of access to drinking water as well as the diseases with epidemic potential such as cholera, meningitis, bacillary dysentery and typhus epidemic constitute obstacles or threats that may curb the improvement of the health status of the Rwandan population.

108. The following objectives, regarding the improvement of the population's health status, are to be reached by 2020: reduction of infant mortality from 107 to 50 per 1,000; maternal mortality from 1,070 to 200 per 100,000; increased life span from 49 to 55 years, control of malaria and other diseases with an epidemic potential and the reduction of AIDS prevalence from 13 to less than 8%.

109. To achieve those health objectives, Rwanda will implement to the full the programme of fight against AIDS and malaria; it will succeed in providing literacy and education for all, will reduce poverty and malnutrition, will increase the number of qualified medical staff up to the international standards (10 medical doctors, 20 nurses and 5 laboratory assistants for 10,000 inhabitants), will promote and make the health associations effective, will improve the level of sanitation in urban and rural areas, will increase the level of access to drinking water to rise from 45 to a 100% and will promote the control and use of ICTs.

110. Health concerns the Rwandan State in particular through the action of its institutions (MINISANTE(MoH), MINEDUC, MINERENA, MINITRACO, MIGEPROFE, MINAGRI, MINECOFIN, ONAPO...). Those institutions will collaborate with the international community via WHO, religious groups, local authorities and grassroots communities, t parents, the private sector in its capacity of a player in the health sector and individuals themselves.

4.4. TOWN AND COUNTRY PLANNING, URBAN AND INFRASTRUCTURE DEVELOPMENT

4.4.1. Town and country planning

111. Town and country planning is fundamental as a basic tool in planning rural and urban development. For Rwanda which is characterised by its narrowness, town and country planning draws its importance from the need for optimal valorisation of national space by the development of cities and the organisation of housing in rural areas, as well as from the necessity of economical management of resources and from a maximum exploitation of existing infrastructures.

112. The following State institutions are invited to take part in the efforts of managing the urban area: MINITRACO, MINITERE, MINRENA, MINALOC and MINECOFIN. Efforts need to be directed into a legal framework for the management of the space, the formulation of a plan for equipment and development and for putting into place of follow-up institutions. The private sector, as well as grassroots organisations, civil society and development partners, are also invited to invest and to respect the plans that are put into place

(1) Rural area planning

113. The national Rwandan territory is used in an ineffective and unsustainable manner. Housing is scattered, farming activities and the infrastructures are disseminated without any pre-established basic development principles. Inappropriate spaces used for farming purposes, low-lying lands, swamps and other agricultural plots of land are covered with trees, bank basins and fragile humid plots of land are not rationally exploited. All that combines to deteriorate the profitability of space and infrastructures, to worsen the harmful effects of erosion and to reduce the national capacity of rain water retention. The already perceptible consequences of that management style are degradation of land, the decrease in water reserves, the drying up of sources and the devastating floods. The rapid population growth and the uneven topography, which is difficult to manage, have worsened the impact of that disorderly exploitation of the national space.

114. In fact Rwanda has never developed a masterplan for the whole national territory. The absence of a clear land policy and of a law governing the land has aggravated the precariousness of land tenure and contributed to the rapid degradation of natural resources, particularly soils. The situation might be aggravated by the rapid growth of a population with a very poor level of instruction, practising destructive subsistence agriculture, .

115. There is an urgent need to better manage the rural space and locate infrastructures in such a way to facilitate the population's access to basic services (housing, water, electricity, sanitation,etc.), to create well identified development sites and to stimulate the exchange and the complementarity between the city and the rural area and among different regions of the country.

116. The town and country planning efforts would rely on the explicit desire for better management of available resources and the progressive development of grouped housing, the management programme, conservation and more rational use of swamps and their sloppy basins as well as the reforestation programmes of agriculturally inappropriate zones. They will benefit from the decentralisation process, which involves the local authorities and communities into the management of the land capital and other resources; from the land policy and law now being finalised and from the process of education for all. Within this framework, the country already has pedologic maps of recognition at the scale of 1/250,000 and of exploitation at the scale of

1/50,000, the map of the aptitude of the soil is at a scale of 1/250,000 and for the coverage of the soil the map was updated at a scale of 1/200,000.

117. However, the innovations regarding town and country planning will be slowed down by the financial and technical limitations of the country, by the unreasonable attachment to a dispersed settlement system to which people are used, by inertia of the rural population with regard to changes, but particularly by the rapid population growth.
118. The country sets as its objectives for 2020, to avail a global town and country planning and utilisation of the national territory as well as regularly updated local town and country planning to which the use of the complete national space will refer. Rural housing will be brought together and organised in active development sites where the population will have a minimum of basic facilities and services acting as key building blocks to the development of off-farm income generating activities. The land will be developed and regrouped to release sufficient areas for viable and modernised exploitations. The judicious utilisation of the national space will contribute to improving the Rwandans' life standards as well as to reducing poverty.
119. To that end the institutions concerned will have to establish the national masterplan for land utilisation, to develop the monograph of each Province and each District highlighting all the current and potential socio-economic activities as well as the respective necessary supporting facilities. Furthermore these institutions will have to identify and promote development sites, provide them with electricity and basic infrastructures, create a National Centre of land and geographic information, regularise the land status of the populations living in the rural areas and in grouped housing (imidugudu) in particular, facilitate the training of Rwandan officers in what relates to land management and cadastre, promote the industrialisation and the services sector on the basis of regional characteristics and space equity, recover if possible the public funds committed to the town and country planning for reinvestment and create a home savings plan to improve housing.

(2) Development of the Urban area

120. Rwanda is characterised by a poor urbanisation rate. The urbanisation profiles sped up however since the return of the old refugees, to the extent that the current growth rate of cities is unparalleled with the rhythm of realisation of urban development planning tools. The urbanisation rate passed from 5 to 12% of the population between 1995 and 2000. Its magnitude affects large territories often characterised by acute scarcities and cultural alienation, in an uncoordinated, uncontrolled if not anarchic manner.
121. The rapid urbanisation is inevitable. It has actually been artificially blocked for decades due to the fight against rural exodus. However, this should be perceived as an opportunity, for accelerating development and facilitating necessary if not useful structural economic and social transformations. This without losing sight of the shortcomings, which tend to accompany rapid urbanisation such as changes in cultural and social behaviour, which might be regrettable from a moral or civic point of view. In fact our rural space is saturated, there is hidden unemployment and growth of the production factors is very weak, as there is an excess supply of manual labour. The agricultural and rural development model appears unsustainable in the Rwandan context, which is faced with globalisation
122. Urbanisation and the creation of development centres seem to be the way forward to achieve economies of scale through the concentration of infrastructures and the proximity of services and enterprises. This would allow the mechanisation of agricultural exploitation, the development of processing and services sectors, which can more easily, increase output compared to the primary

sector and which reduces the demographic pressure on agricultural employment. These changes will increase food demand from the urban centres and other agglomerations, which is an elementary condition for the modernisation of Rwandan agriculture and for the reduction of the socio-economic gap between the capital, the cities and rural areas; all this through complementarity of exchange.

123. The unplanned space occupation of our urban centres results from the absence of a clear and respected urban orientation. In fact there is no national policy of urban development and housing. The master plans and the cities development plans are not being respected and they are outdated. Human and financial resources are insufficient, etc. All this causes the existence of spontaneous suburbs, of accelerated degradation of the environment and of the deterioration in the living conditions of the urban populations.
124. A genuine weakness is noticed at the institutional level at the time of implementation of agreed measures on field. The disorderly occupation of the aforementioned spontaneous suburbs or the constructions in valleys and other similar cases are good examples of this « laissez-faire ». On the other hand, housing in the form of flats or other height-oriented accommodation has not yet entered the Rwandan's habits and contrasts with his current living mode.
125. How then to improve the management of an urban space which will have its population tripled by 2020? How to avoid the growth of spontaneous suburbs and facilitate access to basic services (settlement, water, electricity, sanitation etc.) in newly set up living areas and how to increase the complementarity and the flow of exchanges between the capital, the other cities of the country and the rural area?
126. The answer to this question has to take into account some constraints, namely the population pressure and growth rates, the financial limitations to make viable the absorption structures become threats in urban centres, the financial heavy consequences of expropriation in spontaneous suburbs and the insufficient number of qualified personnel. However, concerned players involved in the development process will rely on the decentralisation process which makes local committees responsible, on the existence of some cities' development studies, on the increasing population's awareness of the rural and urban problems and on the Government's political will to find solutions to agricultural and land problems within the framework of the transformation and restructuring of the national economy.
127. From now to 2010, Rwanda will have at its disposal urban masterplans and particular development plans will be effected and regularly updated. And each urban space will be used in conformity with these adopted plans. It will have developed in addition the basic facilities in urban areas and in other development sites allowing unblocking agricultural areas, anticipating the urbanisation rate to increase from 10 to 30% of the population. The income differential between the cities and the rural areas will be maintained within reasonable proportions, thanks to the decentralisation of economic activities in the country.
128. To reach the Rwanda's objectives with regards to town planning, the master urbanism plans and the particular development plans will be effected and updated, whilst the Government and local authorities' planning capacities will be reinforced. The urban development will be controlled and co-ordinated and the cities will specialised according to the attractions and typical assets of each urbanised entity, in order to unblock the city of Kigali and limit its development into an uncontrollable megalopolis. The development of the construction industry will be supported. An urban development and accommodation national policy will be elaborated. The land tenure will be made safe. The access to funding and materials will be facilitated. A

management fund will be created to recover management costs, a home savings system will be promoted and mechanisms of funding expropriation costs will be put in place. A good balance between the urban and rural development will be preserved.

4.2. Infrastructures

129. Within this framework, Transport and communications, Telecommunications, Energy, Water and Sanitation are considered.

(1) The area of Transport

130. Rwanda utilises, for exportation and importation, the road and plane, which are very expensive and limit the competitiveness of its economy and its exchanges with the external world. The home road network is not well maintained, the lake and river ways are not developed and almost all the Rwandans carry their products on men's or women's heads by lack of alternative means.

131. This situation of landlockedness is attributable (1) to the shrinking of the country which stretched to Victoria Lake, by the Berlin conference, thus moving the country away from the Indian Ocean and from the railway network of the eastern countries (2) to the poor volume of exported products and to the poor purchasing power of the population that limits the profitability of transport related initiatives, (3) to the difficult navigability of the rivers because of the uneven topography, (4) and to the poor connection to the regional network of transport routes.

132. Yet Rwanda has assets in transport : geostrategic position at the centre of the African continent, home roads criss-crossing the country and linking the provinces, lakes and rivers without pronounced low water, great organisations concerned with the regional integration and existence of Studies and Projects on the issue of transports. It also relies on the increase in the production of coffee, tea and minerals as well as the diversification of its exports.

133. The country's financial limitations, its dependence on external funding for the construction and maintenance of transport infrastructures and particularly the political instability in the Great Lakes Region, constitute huge obstacles to the installation, integration and sound management of regional transport routes.

134. Given the importance of transport in the realisation of the 2020 Vision, Rwanda needs to be sustainably connected to the Indian Ocean, the South of the continent and the Atlantic Ocean, becoming a hub of sub-regional air transport, through broadening and increasing security of Kanombe and Kamembe airports as well as the reduction of transport on people's heads owing to the promotion of non motorised rural transportation, like donkey, animal traction, chariot, installation of téléphériques in mountainous regions..

135. With regard to these objectives, Rwanda will stick to (1) increasing the volume and the competitiveness of its exports (2) connecting to neighbouring countries' railway networks to reduce the transport costs of goods through the Isaka railway and the development of Akagera navigability up to Victoria Lake, the connection to the southern part of the continent by mixed routes railway, lacustrine navigation using ferry-boats up to Lake Kivu, the junction of the Atlantic Ocean by the railway from the west of the continent, from Gisenyi via Kasese towards the port of Matadi in DRC and from Bujumbura via Kalemie towards the port of Lobito in Angola, (3) extending the pipeline from Kenya via Uganda to Rwanda (4) ensuring the tarmacking and regular maintenance of the interregional network, (5) supporting and participating

in sub-regional efforts of economic integration, namely the installation of harmonised railway infrastructures, (6) putting in place a legal and statutory framework facilitating the investments in the transport sector, (7) promoting the animal traction and the introduction of cable cars in mountainous regions, (8) constructing and maintaining the tracks in the rural areas, (8) utilising stones for paving the roads within the framework of High Labour Intensity programmes (HIMO).

136. The state institutions will intervene in the biggest structuring initiatives and the inter-country infrastructures, the private players in the national or local infrastructures and in providing transport equipment, while the communities and other local entities will intervene in providing for regional and local infrastructures.

(2)The area of Communications

137. The penetration rates of communication means are very poor in Rwanda. The telephone density is 1.1%, the density for access to Internet is 0.06% and for television it is 0.2% and there is only one post office for 330,000 inhabitants.

138. That situation stems from the national policy which, over decades, never aimed at fully informing all Rwandans, from the insufficiency of financial resources allocated to communication infrastructures, from the absence of information culture, from the scarcity of human resources in ICT, from the insufficient legal and statutory framework attractive to private investment. In particular, the sticking to oral culture limits the importance given to other forms of communication, including in business and public administration.

139. For future developments, sufficient importance will be attached to communication in its large sense and in whatever mode, to facilitate the opening up of the country, to increase productivity and to expedite the reconciliation and development process.

140. In Rwanda the policy of communication will benefit from the small size of the country and its strong population density, the uniqueness of the local language, the geographic position of the country which can make it a hub between eastern, western and southern Africa, the multilingualism (English, French, Swahili, Lingala, etc.) of the Rwandan population.

141. The development of communications in Rwanda will rely on the liberalisation of the telecommunications sector, on the new technologies (wireless phones, mobile phones, electronic mail, etc.), on the decentralisation process which will unblock the capital to the benefit of other development sites, on the ICT development policy, the policy of education for all, the emergence of cyber cafés and on the new dynamics of the postal system and of the financial system towards the rural area, on the tourist potential, etc. However, the low level of training of the population and its limited purchasing power as well as the financial limitations of the country will slow down the development of complete communication coverage throughout the country.

142. In the year 2020, Rwanda wants to have, at the level of each administrative sector of the country, and of each secondary school and even of a part of primary schools at least one office for postal services and a community tele-centre associated to various communication systems and connected to regional and intercontinental networks. The telephone density will be at least 20% and the hinterland will be opened up as regards communications.

143. To achieve these objectives, the country will endeavour to (1) put in place the legal, institutional and structural framework, favourable to the unfolding and the integration of ICT in the economy and within society, (2) encourage the private initiatives in the communication sector

(3) improve Rwandan skills in using and managing ICT, (4) adapt technological co-operation to the transfer of ICT to Rwanda, (5) improve communication facilities.

144. The main players in the development and dissemination of ICT are the State as promoter of infrastructure and development initiatives and the private sector as an investor and a good manager.

(3) The area of Energy

145. The insufficiency offer of electricity constitutes a blocking factor for most development sectors: approximately 2% of the population has access to electric energy and each Rwandan citizen consumes on average 30 kwh per year (against 130 in Sénégal, 100 in Bénin and 80 in Uganda). In the national energy consumption, wood takes 94%, oil products 4.9% ; electricity 0.9%; and other sources 0.1%. Imported oil products constitute more than 40% of export revenues. The pressure on the biomass is detrimental to the environment, because the abusive use of wood provokes deforestation, which leaves the soil bare, and expose it to both hydric and wind erosion. The insufficiency of energy impedes especially the promotion of industries and transport, and the development of housing and services.

146. The insufficiency of electricity and energy in general is due to the poor installed energy production and distribution capacity (low level of investment in the energy sector and non-implementation of the master plan of electrification of Rwanda towards 2010), to the priority given to basic production activities requiring few energy other than human, to the status of state monopoly of the electric energy sector and to the non-diversification of sources of energy, the essential being drawn from the biomass.

147. Rwanda has to increase the production and use of energy at national level, as a factor of development and socio-economic transformation. It also must diversify its sources of energy to relieve the biomass from population pressure and reduce the amount of foreign exchange now devoted to the import of oil products. To achieve this, it has the yet unexplored hydroelectric potential, and renewable of methane gas estimated at 60 billion cubed metres in Lake Kivu, possibilities of direct or photovoltaic solar energy to the benefit of the rural areas in particular, reserves of 155 million tons of peat, of which a third is currently exploitable, high potential of wind energy further to the altitude and topography of the country and exploitable geothermal sources in Gisenyi, Kibuye and Cyangugu.

148. However, the decay of power stations and the electric network, the rural and even urban scattered housing, the insufficiency of public funds to invest in the sector of energy, the limited purchasing power of the population and the climatic changes with tendency to periodic droughts, constitute checks or risks to the development of the sector of energy.

149. Within the framework of its vision for the energy sector, Rwanda envisages that, by 2020, at least 35% of the population will be connected to electricity, the consumption of the biomass will be balanced to reduce the use of wood from 94 to 50% in the national energetic balance sheet and the use of alternative energies will have allowed to reduce the deforestation for energetic purposes.

150. To achieve these objectives, Rwanda will increase and diversify its energy production , will improve the distribution and access to electric energy, will rationally manage energy resources while ensuring the protection of the environment, will accelerate the process of grouped housing

and rural electrification. The State will favour the participation of private operators in the energy sector, support technically and financially local institutions and organisations in the management of new and renewable energies and will achieve regional energy integration while reducing its dependence vis-à-vis the external world.

151. This development will benefit from the liberalisation of the energy sector, from the grouped housing policy, from the efforts to reduce poverty and from the decentralisation in decision making which will include the area of energy.
152. The energy development players are state institutions, in particular the ministries (MINITRACO, MINERENA, MINITERE, MINEDUC, MINECOFIN) and the research institutions, the private sector and local communities.

(4) *The area of Water*

153. Water becomes more and more rare in Rwanda. The rate of drinking water supply remains 52% of the population, the average daily consumption of water per inhabitant is estimated at 8.15 litres in the rural area, therefore far below the international standard of at least 20 litres per day and per inhabitant. The regions of Umutara, Kibungo, Mayaga, Bugesera and the areas around the volcanoes have very low water consumption, as the daily water consumption is on average approximately 5 litres/inhabitant. However, during the rainy seasons water constitutes a danger and causes important damage, if no technique is implemented to conserve or retain it.
154. The destruction of the vegetal cover, inadequate agricultural methods and inappropriate drainage of marshes have brought about a reduction in the capacity and the length of time that water can be retained, and a drying up of springs and lakes. This makes water resources less and less available in Rwanda. The monopoly in production and distribution of drinking water by the public state institution, ELECTROGAZ, the insufficiency of the production stations and the outdated state of drinking water distribution network, the absence of master plans for the water sector, for the cities and rural areas, are the main factors that contributed to maintaining to a low level the rate of drinking water supply.
155. In fact the Rwandan tradition clearly considers water as an abundant, free and forever flowing resource. That is why very little technological progress has been achieved regarding water management and water use. While one notices climatic changes more frequently as well as a progressive decrease of natural water reserves in the country, the low level of control of water management techniques is a handicap to the populations' welfare, and puts people periodically at risk concerning food insecurity and reduces in the long run the potential of sustainable take-off for an economy founded on agriculture.
156. The country has assets that may allow a sufficient water supply for consumption and agricultural use, namely: high rainfalls on average (between 900 and 1800 mm of water/year), abundance of sources and water streams, except in the volcanic region, in the region of Mayaga, Bugesera and Umutara, of many lakes disseminated throughout the country, the abundance of water in the high altitudes of the western part of the country with possibilities of water supply by gravitation to the benefit of disadvantaged regions in the south and the south-east.
157. A framework favourable to the efforts of progressive control of water management is being progressively put in place through the liberalisation policy of the water sector against the current monopoly of ELECTROGAZ, the process of decentralisation in decision making, the ongoing

strategy to reduce poverty, the efforts in providing education for all, the grouped housing policy and the country reforestation programme, etc.

158. . On the contrary, scattered housing that makes the collection of water in the rural world hard, the insufficiency of public funds to invest in the water sector, the uneven topography which makes it hard to access water sources unless a costly pumping system is used, the limited purchasing power of the population which jeopardises the profitability of investments and the climatic hazards with long dry seasons linked to the EL NINÑO phenomenon, are all obstacles if not threats to the availability and the supply of water to the population.
159. . To achieve the 2020 Vision concerning water, the country sets as main objectives (1) an average annual increase of 2.5 units of drinking water service from the current rate of 52%, so that in 2020 the whole Rwandan population has access to drinking water, (2) the generalisation of the control and management of water for agriculture on low-lying lands and partly on hills, (3) the sufficient and continuous water supply warranted to all the users of the transformation sector.
160. To reach these objectives, Rwanda will regulate the water sector, will take necessary measures to maintain or improve the balance and the essential hydro-ecological processes. It will fight against the progressive decrease of natural water reservoirs due to the deforestation and the uncontrolled drainage of marshes. It will put in place management, use and conservation plans for underground, surface and rainwater. It will sensitise its population concerning the importance of water issues, of the environment and the protection of basins and involve it in its management. It will support the rational use of water in all areas. It will progressively augment the infrastructures for water supply. It will fight against poverty to increase the population's purchasing power. It will provide the private sector with an increasing role in water exploitation. It will develop co-operation at the level of the development and the protection of crossborder water resources and regional or sub-regional basins, notably the Akagera basin.
161. Water directly concerns everybody in one way or another; from State institutions to households and individuals through the private sector, the civil society, communities, local authorities and the regional community. That is why all these actors will put their efforts together towards sustainable management of this indispensable resource in the life and development of all.

(5) Sanitation

162. . The coverage rate of sanitation services is 85%, while the presence of latrines in rural areas is equally high, though 64% of them do not meet the necessary hygiene conditions. In rural areas, in t cities and in urban centres, one still finds garbage in the streets and homes. Wastewater is often poured in the courtyard. The situation shows that, regarding sanitation and hygiene attitudes and practices, the population is not informed or sensitised enough.
163. Many rural areas harbour various parasites and other disease carrying animals. Necessary precautions for drinking water protection are not taken and consumption of unclean water is often at the basis of many water-borne diseases. Disorganised constructions in cities without provisions to handle the removal of domestic and rainwater aggravate the problems of sanitation. These waters can destroy public roads and if they are not removed, they make for places favourable to the development of mosquitoes and other human and animal carrying diseases.
164. Public sanitation facilities are rare and generally lack hygiene. Human and industrial facilities dump effluents, in their raw state or after transit through septic tank, in different receptive areas (rivers, lakes or valleys) without carrying about their impact on the environment.
165. In rural areas, hygiene and sanitation problems are particularly due to inhabitants' ignorance and to the insufficiency of sensitisation and education on the importance of hygiene and sanitation for the individual and population health. In urban areas, it is particularly the insufficiency of specialised technicians in the area of sanitation, the insufficiency of waste collection systems, the absence of waste management and recycling means, as well as unplanned urbanisation, without effective sanitation policy.
166. Most dwellings are located at the top or along the slopes of hills. As such, water sources risk regular pollution by domestic waste and human activities that transports dirty water, particularly because insufficient attention is paid to the healthiness of the environment.
167. The unhealthiness of the environment has a negative impact on the Rwandan population's health situation and the latter does not seem to be aware of such a situation. It is necessary to sensitise the population on the real benefits of sanitation and this at all times and through voluntary action. The proliferation of unplanned centres that make the collection of waste in the cities difficult, the low level of education and information, the poor families' income that does not allow the payment of fees for waste management services and the lack of effective waste recycling services constitute serious obstacles in the effort to bring sanitation to all areas.
168. Yet the country has assets to improve the healthiness of the environment, namely the control of compost techniques in urban as well as rural areas, the existence of quite functional hygiene and sanitation services at the level of provinces and some districts. The country will also benefit from the existence of small wastewater management stations in the city of Kigali, from the presence of a wastewater purification pilot station at Nyarutarama, from the organisation of solid waste collection systems in some cities, and the drafting of master plans for the sanitation of dirty water for the cities of Kigali and Ruhengeri.
169. By 2020, the Rwandans aspire to a satisfying situation of healthiness in the rural and urban environment without any discernible pollution. They aspire to sanitation of all the marshes to reduce the development of malaria carrying parasites in particular, to the availability of a unit adapted to management and compression of solid waste in each city or development site to

facilitate their use or burring. It is also hoped that by then households will have a minimum knowledge as far as hygiene and sanitation are concerned.

170. To achieve this, existing sanitation facilities will be rehabilitated and public and private sanitation facilities in the cities and rural areas will be increased according to the already established master plans. The solid wastes and wastewater collection, management and recycling systems will be established or reinforced. The private sector will be encouraged to invest in the sanitation systems. The permanent education of the population regarding hygiene and sanitation will be ensured through a partnership organ MINEDUC-MINISANTE (MoH)-MINERENA, for the integration in school curricula of hygiene and sanitation subjects (HAMS). Sound hygiene practice in dwellings, working places and public centres will be required and controlled. The deforestation, source of erosion and pollution of water will be fought. The environmental sector will be well regulated and the polluters punished.
171. . Sanitation concerns the State institutions, the private sector, civil society, local authorities, households, individuals and sub-regional partners.

4.5. DEVELOPMENT OF THE SERVICES ORIENTED PRIVATE SECTOR

172. . The Rwandan private sector is yet to be very active and the level of private investment of almost 13% of the GDP remains low. However, it is known that sustainable economic development depends especially on private investment. The Rwandan private sector creates few jobs, generates little wealth and does not contribute enough to the reduction of poverty.
173. The main causes of poor development of the Rwandan private sector are especially the following : important business monopolies in the hands of the State (this has inhibited private initiative and created a dependence-to-the State mentality in the Rwandan population); the fact that 90% of the population are involved in subsistence agriculture and are hence outside the monetised economy, an economic structure focused on primary production, the deterioration terms of trade which has limited the enrichment of producers in the primary sector, the weakness in the national savings rate, the narrowness of domestic market which discourages potential investors, the deterioration of Rwanda's image abroad (by the war, the genocide, insecurity), the undeveloped financial system which is not adapted to the country's economic problems, the insufficient promotion of the private sector, the low level of the entrepreneurship culture, Rwandans' negative cultural values vis-à-vis the initiative (jealousy, lack of mutual trust, living beyond one's means, gossip, divisions,etc.).
174. The strong involvement of the State in business management has not promoted the development of a private sector capable of sustaining economic growth. Furthermore, colonisation inhibited the spirit of initiative and self-confidence, the spirit of innovation and creativity of the Rwandan people. Moreover, the negative cultural and religious attitudes vis-à-vis entrepreneurship and accumulation of wealth have only discouraged the setting up of a strong private sector. In this context, traditional economic structures have oriented themselves preferably towards the primary sector and short term management.
175. . As a result, a lot of capital assets are in the primary agricultural production. Rwandan enterprises are not very competitive; the administrative bureaucracy is cumbersome and less encouraging for the private sector; the dialogue and the understanding between the public and the private sector are absent or insufficient. However, without important investments by the private sector, Rwanda will not be able to achieve its objectives, that is to say: invest up to 30% of GDP, in order to reach an average growth of 8% by 2020 and reduce poverty in a significant way.

176. The rapid development of the private sector, particularly in the area of agriculture and in the rural areas, will benefit from the political will for the restructuring, promotion and sustained economic growth, the population's multilingualism and diversified experience, contacts with the Rwandan diaspora, positive national values (patriotism, integrity and fight against corruption, a culture of saving and moderation), support from institutions such as FRSP, ORPI, NTB, ORN, Secretariat of Privatisation, CAPMER...which are already operational. The climatic factors, the differences in altitude and the country's geographic position equally constitute important assets, as well as the regional integration of Rwanda through COMESA, the NEPAD, the free trade Zone and others.
177. Moreover, the laws and regulations, the legal system, including the commercial court are in the process of being put in place; the liberalisation of the economy is going forward and the progressive reinforcement of the State of Law will facilitate the improvement of the security situation and the general image of Rwanda.
178. . On the contrary, the private investment remains hampered by the poor competitiveness of Rwandan enterprises, the regulatory and institutional framework still being insufficient. Also there are still severe distortions and bottlenecks in the international trade, the financial and banking systems are less adapted to the conditions of local entrepreneurs and there is insufficient infrastructure (in transport, electricity, water, and communication) at national and regional level. Finally, there is the insufficiency of the qualified labour force, the poor purchasing power and poverty of the population, insecurity and political instability in the region and the long distance from ocean ports and the high cost of access thereto.
179. . Rwanda would like to maintain an average investment rate of 25% of GDP at least until 2020, so as to reach an average annual growth of 8% during that period. It wants to rise the amount of private investment from current 10% to 20% of GDP during the next 10 years, for it to constitute more than 60% of total investment.
180. . To accomplish this, the country will support the promotion of an entrepreneurship culture, improve the competitiveness of the economy, increase the management capacity of the private sector in a modern context (ICT, Science and technology), increase the flow of private capital, particularly direct foreign investment. It will also balance the space distribution of private activities over the national territory, reduce poverty and promote participation from national players.
181. . An environment conducive to business will be created. This will be mainly a matter of reinforcing good governance, transparency, democracy, decentralisation while reducing bureaucracy and corruption, of putting in place a relevant legal framework that stimulates economic activity and private investment, of instituting attractive measures for foreign investors, of initiating efficient fiscal and customs policies and their administration, of promoting and restoring domestic savings and alleviating the current excessive dependency of Rwanda on external savings, of instituting and making operational the unique window and the investor's guide, of putting in place free zones and an industrial park, of inciting the development of high value added industries, of involving the private sector in all the structures of formulation and implementation of development policies and strategies.
182. In particular, a solid partnership between the public and the private sectors will be initiated and maintained, the access to the markets of industrialised countries for products for which Rwanda is competitive will be improved. The access and efficiency of bank services will be

improved owing to the development of new financial services such as insurance, the agricultural guarantee fund. The security and the stability at the regional level will be restored and the regional and world integration of the Rwandan private sector promoted.

183. The private investment and the economic competitiveness require the rehabilitation and the establishment of necessary infrastructures such as roads, electricity, communications and water supply at competitive prices. They also require human resources endowed with competence and enterprise culture (creativity and innovation). The social and cultural transformations will be favoured and oriented so as to promote entrepreneurship, a culture of openness to the external world, economic rationality, and the spirit of self-confidence as well as the spirit of association and partnership in business. Negative cultural attitudes will be discouraged. Training institutes involved in entrepreneurship and management of private sector business will be created; the programme of experience transfer and training of officials abroad will be reinforced; the women's role in all activities of the private sector will be promoted and Rwandan entrepreneurs' creative talents encouraged.
184. The government's role in the development of private activities is first to establish an appropriate legal and commercial framework, to promote foreign private investments in Rwanda and to provide the basic infrastructures necessary for competitive private activities. The other players are the private sector, but also authorities and local communities, who will be sensitised to facilitate the work of the private investors.

4.6. MODERNISATION OF AGRICULTURE AND ANIMAL HUSBANDRY

185. Rwandan agriculture employs 90% of the labour force and cannot meet the food and nutrition needs of the population showing a high prevalence of malnutrition. It cannot either supply the country's economy with substantial revenues. In fact, it has since very long remained a subsistence agriculture yielding barely surplus for the market. Coffee and tea constitute the main sources of hard currency in Rwanda. Nevertheless, with the poor production of these crops as well as the drop in prices on the world market, the value for these exports represent only between a quarter and a fifth of imports.
186. The weaknesses in the agricultural sector stem from many factors some of which are very old. Notably the food self-sufficiency approach which has inhibited agricultural monetization and specialisation, the diversification of income sources in the rural areas and, the strong population growth which has accompanied overexploitation, erosion and loss of soil fertility, the poor economic profitability of crops, poverty of the farmers which hinders reliance on agricultural inputs, the poor performance of agricultural research and dissemination systems, the low level of marketing and processing of agricultural products, the low level of valorisation of production factors such as manpower, elementary tools and water, and the excessive priority given to primary production vis-à-vis the processing and services sectors.
187. Yet, Rwandan agriculture has to perform better and contribute to the country's economic take-off. It must feed the people well, secure a marketable surplus in order to integrate itself into the monetary economy, process its products to increase their added value, diversify its export products and make them competitive, produce in a more sustainable fashion to preserve basic resources, etc.
188. To reach this, Rwanda has a favourable moderate and diversified climate and sufficient rain water, an abundant and cheap labour force, a population endowed with an empirical and extended expertise in the area of biology, agriculture and processing of agricultural products. Moreover, it

is a hardworking population of which some total more than 8 hours of field work per day. To these assets we must add the intervention of different agricultural projects, programmes and services which have susceptible financial and human means so that results and the impacts do materialise in a couple of years .

189. The country will also take advantage of (1) the privatisation and the extension of the growing of tea, which constitutes an attraction for private investors and an opportunity to increase exports; (2) the emergence of new marketable opportunities such as the processing of tomatoes, passion fruit, potatoes, pineapples, milk, etc. likely to stimulate the intensification of their production; (3) the programmes of marshes reclamation with dams to retain water for irrigation ; (4) the ongoing efforts to adapt and improve the financial system regarding particularly the modernisation of agriculture and animal husbandry.
190. However, Rwandan agriculture remains dependent on direct rainwater. It is obvious that the Great Lakes Region is often hit by periodic droughts linked to the EL NINŌ phenomenon. As such climatic disturbances constitute one of the biggest threats to agricultural production and the food security of the country. Moreover the still rudimentary agriculture tools handicap the improvement of productivity. Globalisation might also damage the competitiveness and the development of promising crops like coffee, rice, maize and even potatoes, given agricultural subsidies from developed countries.
191. By 2020 Rwanda nevertheless aspires to at least 50 % of arable areas being occupied by modern farms, the global vegetable production being trebled and milk production quintupled in volume, while agricultural products for export would represent a value of 5 to 10 times the current value of agricultural exports.
192. To reach these objectives, the country will mobilise all the resources to (1) fully protect the soil against erosion and this covering the whole national territory, categorise and utilise it according to its vocation and aptitudes, (2) control and implement irrigation and marshes management techniques, (3) build strategic reserves for survival during starvation period, (4) promote fertilisation of the soil centred around organic amendment going through the recapitalisation of the rural areas in livestock and through the control of keeping cattle in sheds, (5) promote land reform, improve the security of land tenure and establish land titles that can serve as commercial assets and as a means to obtain credit 6) improve the food quality for animals, 7) improve genetically livestock through artificial insemination 8), improve rural infrastructures (roads, electrification of rural zones, equipment and refrigerating trucks), (9) support the development of processing and marketing agricultural products, (10) promote the research and dissemination of scientific and technological innovations in the agricultural sector, including animal husbandry, (11) support the centres and institutions of education and training as well as trade fairs, (12) reinforce women's participation in economic operations and partnerships regarding the programme of agricultural modernisation, (13) put in place an agricultural guarantee fund, (14) diversify and increase agricultural products for export, (15) reinforce human resources in general and ensure practical training for farmers in particular to increase their technical skills with respect to sustainable production and economic management, (16) put in place mechanisms of collection and dissemination of information on production and agricultural markets, (17) promote the creation of profit making off-farm activities to attract the surplus of agricultural manpower.
193. The key areas of policy, which require urgent attention to envisage productive agriculture comprise notably institutional legal reforms to ensure the security of land tenure, the development of basic market for land tenure, in- depth research and effective services for popularisation,

investment in rural infrastructures (roads, electricity, water, etc.), the use of varieties with high profitability and intensive inputs and the promotion of an agriculture-based industry.

194. The State will work to modernise agriculture by creating an environment favourable to the activity of the private sector (macroeconomic framework, regulation, encouragement, research, popularisation, co-ordination, education and training, etc). The private sector will contribute to this by investing and mobilising resources, the NGOs by investment, supervision, and popularisation, the donors by funding and grassroots communities by funding and the labour.

4.7. GENDER

195. Women participate more than men do in subsistence farming activities. They bear children, feed them and ensure their fundamental education before formal education takes charge. They make up almost 54% of the population since 1994. However until recently girls were a minority in secondary schools and women were still underrepresented in decision making and leadership posts according to the year 2000 following data : 26% in Parliament, 9% Ministers, 29% General Secretaries, 0% Prefects, 4% Mayors, 5% Directors of public institutions, 15% diplomats.

196. The discrimination against women originates from the Rwandan culture and tradition, which consider the girl as inferior to the boy, physically, intellectually and socially. As such, the woman might be submitted to the man. The women benefit from the man's protection, but this tends to distance them from the ownership of properties and reduces their role in the management of the society. The division of labour exempted them from tasks considered as heavy but, as a consequence, the civic merit and even the material wealth which were at the basis of individuals' social status were kept out of their reach. The advent of the Judaeo-Christian religion with colonisation has reinforced the woman in her position of inferiority and submission to the man. This is how Rwandan girls have far less benefited from schooling particularly schooling organised by religious groups: less access to formal education, drop-out rates clearly superior to those of boys, less subjects leading to profit making careers, etc.

197. Rwanda endeavours to progressively rectify this situation but cultural inertia is hard to overcome and as such changes in terms of gender come very slowly. Nevertheless the woman must, as a human being, enjoy all her rights without discrimination, in conformity with the open will for social equity and serve her country according to her competencies as a human resource.

198. The process towards equality and complementarity between the sexes risk being curbed by the passivity of the culture and traditions, by the low level of parents' education -especially with respect to mothers, by the parents' poverty, by other sorts of inequalities related to gender roles and by the attitude of religions and religious sects.

199. The process will benefit (1) from the Rwandan culture which is already quite « *gender soft* », compared to many other cultures in the region, (2) from the fact that women numerically outnumber men following the 1994 genocide and massacres, (3) from the current policy which recommends the eradication of any discrimination, the social equity, the education for all, the fight against poverty, the valuing of human resources, (4) from the existence of MIGEPROFE which illustrates that political will and is in charge of seeing to it that this is put in practice, (5) from the existence of several mixed secondary schools, (6) from the international community's advocacy for the gender complementarity.

200. . As such, by 2020, Rwanda will have reached parity between the two sexes in tertiary education and women will represent at least 30% in posts of responsibility and will thus be empowered at all decision making levels.
201. . In order to aim at equitable parity between the two sexes, which constitutes a strong aspiration of the country's vision, Rwanda will often update and adapt its laws to mainstream gender aspects. Furthermore, Rwanda will support education for all, will eradicate all forms of discrimination, will fight against poverty, practice a discrete positive segregation in favour of women, integrate gender as a crosscutting theme in all the development policies, promote women's presence in association and co-operative networks, and will generalise training and information with respect to gender and population issues.
202. The gender issue is a concern for the state institutions such as Parliament, the MIGEPROFE (MIGEWD), the MINEDUC, the MINALOC, the MINISANTE (MOH), etc., the religious organisations and the civil society in general, t parents and women and teachers in particular, the private sector as economic operator and manager of employments.

4.8. MANAGEMENT OF NATURAL RESOURCES AND ENVIRONMENT

203. The major problem regarding the environment lies in the imbalance between the population and natural resources (soil, water, flora and fauna and non-renewable resources) which have been deteriorating since decades. The deterioration is observed through massive deforestation, the lowering of the bio-diversity, the occupation of marginal land by agriculture, erosion, landslides, the channelling and silting up of marshes and low-lying lands, the hydrobio-climatic perturbations such as droughts and floods, the piles of domestic and urban garbage, pollution of water courses, the deterioration of fragile ecosystems notably the marshes and humid soils, the appearance of particular ecological imbalances like the fall in the level lakes and streams and the drying up of sources, the increasing level of harm stemming from noises and motors exhaust gas, the increase of CO₂ in the lower atmosphere.
204. The deterioration of the natural resources and environment is due to the imbalance between the population and natural resources. The average population growth rate of 2.9% per annum is indeed superior to that of growth in agricultural production estimated at 2.2%. This leads to the occupation of more and more marginal zones and a rapid and continuous deterioration of the country's ecosystems in particular the fragile ones.
205. The deterioration of existing resources and environment is in general, underlain by unsustainable and short term management of the national heritage, which has become a habit among the Rwandan population and which is associated with a pro-birth tradition and a tradition which limits initiatives at the level of the primary production sector. Consequently, natural resources are clearly in a phase of regression. This evolution must be slowed down and if possible reversed. Added to that is also the bad installation of industries and direct waste disposal in the streams and lakes without prior treatment, the absence of appropriate measures of rehabilitation of mines and quarries, the lack of a performing system of collection, analysis and regular dissemination of meteorological, seismic, agro-meteorological and environmental data.
206. Currently, there is the political will to correct the way in which resources are managed. There is also sensitisation concerning environment protection programmes, the environmental law and the land law which is being finalised, the existence of ORTPN, responsible, amongst others, for

the protection and conservation of tourist sites, a climate still favourable to the regeneration of bio-diversity, the intervention of the international community for the protection of natural resources and environment. One may also rely on the establishment of the Rwandan Office of Environment Management (REMA), the policies of decentralisation and privatisation, potentially favourable to the improvement of resources and environment management.

207. However, the persistence of a high population growth rate, the recurrent droughts linked to climatic perturbations as well as the low level of diversification of energy sources still constitute constraints and threats to Rwanda's natural resources and rational environment and sustainable management efforts.
208. Regarding natural resources and environmental management and protection, Rwanda's objective by 2020 is to see the number of households directly practising primary agriculture fall from 90% to less than 50%, to have an effective and updated regulatory system, adapted to the protection of the environment and to the sustainable management of natural resources, to reduce by 60% the rate of illnesses linked to the deterioration of environment and to reduce the contribution of wood in the national energy balance sheet from 94 to 50%.
209. To reach these various objectives, Rwanda will endeavour to (1) mainstream the environmental aspect in all policies and programmes of education, sensitisation and development and in all the processes of decision making, (2) promote the participation of grassroots communities in the protection and management of the environment and involve more women and young people, (3) institute the principle of precaution to reduce the negative effects caused to the environment by socio-economic activities, (4) diversify the sources of energy and make them accessible to the population in order to reduce the pressure on the biomass, (5) institute the principle of "the polluter pays" and set up preventive and penal measures to ensure the safeguarding of environment, (6) require the study of the environmental impact of each development project and programme, (7) plan the establishment of industrial sites and control their effects on environment and on the population, (8) promote less polluting technologies of transport, storage and possibly of the ways in which used products and industrial waste are taken care of, (9) enforce the regulations related to the exploitation of mines and the management of waste coming from mines 10) rehabilitate the old mines, (11) reinforce the organ in charge of the control of quality and standards for local and imported products, (12) put in place a statistical data base for natural resources and environment as well as a rapid warning system to prevent natural catastrophes and create a fund for the victims of natural disasters, (13) institute and support the REMA, (14) co-operate with other countries and international institutions in the protection and management of environment.
210. It is in the interest of public institutions to invite the private sector, the civil society, the donors and the grassroots communities to effectively take part in the management of natural resources and the protection of environment.

4.9. SCIENCE AND TECHNOLOGY, INCLUDING ICT

211. In Rwanda, the level of adoption and integration of science and technology in the socio-economic life is very low and the scarcity of technically qualified officials is very noticeable at all levels.
212. Since the colonial era, the country's economic policy has focused on the primary sector and particularly on subsistence agriculture. The then known and actively practised technologies

(casting, forge, medicinal plants, food processing, etc.) are no longer developed. Therefore, for mostly they have disappeared. The educational system inherited from the colonial system and still inadequate has not been oriented towards the appropriation of science and technology. The dissemination of the latter was slowed down by the population's poverty coupled with the low level of access to electric energy and other factors of production. The non-integration of the country on a regional level has also limited the exchanges of technologies.

213. In Rwanda, the change in the mode of life as well as the adoption of technological innovations are very slow processes and the Rwandan population, not well trained and locked into itself, seems to willingly adapt to the situation. There is a clear need to adopt science and technology to modernise society and reinforce our human resource capacity in order to integrate technology in the national development.
214. The scientific and technological progress and appropriation in Rwanda are slowed down by the insufficiency of qualified teaching personnel, of relevantly equipped schools for science and technology and by the financial limitations of the country against the high cost of scientific and technological training. There is need to add also the narrowness of the employment market and the fact that socio-economic life does little to integrate modern techniques in its day to day functioning .
215. However, the country can draw on the experience acquired in other countries as regards technology due to the fact that many Rwandans have lived in exile for a long period. It also has a network of education and communication infrastructures, a hydroelectric potential to be developed and alternative sources of energy (gas, solar energy, wind energy) to exploit. The population is young and, subsequently, likely to adopt innovations. It is also necessary to rely on the proximity of countries like Uganda, Kenya and India whose technological expertise is useful to Rwanda.
216. The development of science and technology will be supported by the political will to transform the Rwandan economy in the sense of the diversification of activities and exit from subsistence agriculture, the education for all policy now being implemented and the development of ICT to which the population has more access as days elapse.
217. By 2020, Rwanda would like to have scientists and technicians sufficient both quantitatively and qualitatively to meet the needs of the national economy. The country will be able to generate, disseminate and boast scientific knowledge as well as technological innovations and integrate them in its socio-economic development.
218. To achieve this, Rwanda will do whatever possible to develop science and technology education at secondary and tertiary levels and adapt it to the needs of the country, integrate science and technology in primary education, increase the number of effective professional and polytechnic schools, favour the emergence of on- the- job training institutions, the installation of enterprises using recent intermediary technologies, develop the access to ICT up to the level of the administrative sectors in conformity with the National ICT Plan, promote research and dissemination of technologies, increase the electric energy production and distribution capacity up to cover also the remote rural areas, take into consideration the national culture and gender issues in the development and adoption of science and technology.
219. The state institutions: MINEDUC, MIJESOP, MIJEPFOP, MIFOTRA, MINECOFIN and research Institutions are involved in policy making concerning science and technology, the regulation, the training, the promotion, and the dissemination of knowledge and technologies. The

private sector will reinforce its participation in the training, the use and the promotion of technologies. Parents and faith-based organisations already ensure the follow-up and the funding of an important part of activities pertaining to educational programmes.

4.10. REGIONAL AND INTERNATIONAL INTEGRATION

220. Rwanda is a landlocked country very far from oceanic ports with the highest population density in central Africa. The country has very few natural resources and exports basically tea and coffee that represent only 3.2% of GDP and whose value represents only a quarter of imports.
221. The Rwandan industry, still embryonic, has been conceived to reduce the imports of some goods for regular consumption in order to save the scarce available foreign currencies. It only represents 19% of the Rwandan economy while agriculture accounts for 41% . The number of industrial jobs is only 24,603; that is to say 2% of the total labour force, against 90% for the primary (agricultural) sector and 7% for the tertiary sector. The basic infrastructures in Rwanda remain very insufficient and this constitutes a considerable handicap to the country's development.
222. The supply of the country relies largely on road transport by trucks from the ports of Mombassa and Dar es Salaam, which are almost 1,500 km away. The distance between Rwanda and the sea is one of the major obstacles in its economic development. In fact, the cost for transporting imported and exported products represents between 40 and 60% of export revenues.
223. The country is not yet connected to the sub-region railway network and the lake and river potentials are not yet exploited as alternative routes. Domestic transport is little developed while it is likely to strongly contribute to poverty reduction. In fact, the distribution of inputs, the collection of products and the supply of markets are determinant factors in the process of increasing production. The Kanombe international airport constitutes the single opening for the country to the world as regards air transport.
224. The context of internal and external landlockedness, the scarcity of natural resources, a development process still based on the subsistence primary sector and the poor export capacity, the smallness of the territory and the national market, the necessity to import a big part of raw materials for the production of goods, insecurity and wars at the sub-regional level, the high cost of production factors (water, electricity, telephone, transport) and of poor competitiveness of the economy vis-à-vis the globalisation of the world economy, etc., show that it is in the interest of Rwanda to manage to integrate at the regional and global levels.
225. The shrinking of the country by the Berlin Conference which has reduced its dimensions, resources and export capacities, thus reducing its importance in the regional and world economy, the poor economic competitiveness that reduces its exports potential, the political history of the neighbouring countries during the last century (colonisation, geo-strategic politics and personalisation of relations between the leaders during the post-colonial era), constitute obstacles to its integration.
226. Obviously, Rwanda must increase the level of co-operation and trade with neighbouring countries, to facilitate the physical and social opening up in the region in order for the country to be integrated in the world economy. The success of regional and international integration would enable to solve its social and economic problems.

227. For its integration, Rwanda may rely on its political will for socially and economically opening up, the presence of many Rwandans and its traditional allies in neighbouring countries, a dense population constituting a manpower and a potential market, its strategic position between the East and the Centre and between the northern and the southern part of the African continent, the climate and the altitude favourable to tourism, multilingualism , experiences acquired in different countries, an abundant diaspora and a good home security.
228. Rwanda's membership to bigger economic organisations such as COMESA, SADEC, NEPAD, INTERPOL, the possible re-launching of CEPGL and KBO, the ongoing democratisation and liberalisation in Africa which will allow the establishment of relations on safer and more sustainable bases, the process of peace in the Great Lakes, will equally favour the integration of Rwanda.
229. On the contrary, the after-effects of the genocide together with the image of the country, the presence of negative forces and their allies in the region and the world, the poor competitiveness of the national economy and the narrowness of the current Rwandan market, regional instability and insecurity, nurtured by the presence of negative forces and their allies, undermine good relations with neighbouring countries, limit free movement and slow the process of integration of Rwanda at the regional and global levels.
230. By 2020, Rwanda will be opened up in a large sense (infrastructures, communications, socio-economic environment, security, cultural and technological exchanges) and its economy will be regionally and globally integrated.
231. To reach this objective of opening up and integration, Rwanda contemplates improving its image distorted by the genocide and massacres of 1990-1994, to be member to regional and international organisations aiming at economic, political, social, security interest, to promote tourism, to take part in the negotiation and establishment of regional interest infrastructures (roads, railways, satellites...) like the road Mombassa → Lagos via Bukavu ; Caire → Johannesburg through ISAKA in Tanzania and the railway linking the Indian Ocean to the Atlantic Ocean through Rwanda, to respect regional and international commitments that the country ratified, to improve the competitiveness of the national economy, to reinforce multilingualism and human resource capacity and to professionalise the diplomatic career.
232. The integration process of Rwanda at the regional and global levels will mainly fall within the ambit of state institutions (framework, foreign policy, diplomacy,etc.), political parties (image of the country, relations with foreign political formations), civil society and religious groups in their external relations in complementarity with the State. But private cultural and economic players and the Rwandan diaspora can play an important role through their dynamism and their relations tied abroad.

5. IMPLEMENTATION OF THE VISION

5.1. NECESSARY TRANSFORMATIONS AND REFORMS

233. In fact the political, social and economic situation that prevailed during the last century is discredited by most Rwandans for often-justified reasons. The politics were founded on discrimination, disrespect of human rights, impunity and submission of all the powers to the executive power itself wielded by one man. The Rwandan society, undermined by the ideology of division and discrimination, has lost its reference values and has been disoriented by cultural alienation, the adoption of anti-values such as hatred, dissent, partisan interests; all this to the self-destruction of the nation. The economy centred on subsistence agriculture has blocked the development of human capacities and has excluded the majority of the population from economic channels. This agriculture, for too long considered as the single driving force of the economy, producing 40% of GDP and 80% of revenues in foreign currency, has proven to be unable to reduce poverty. Therefore, it could not evolve and has exhausted itself with a decreasing of its productivity.
234. Obviously, this status quo has no future for the Rwandans. A transformation where political framework, social status and economic environment would be separated from each other, or even be separated by related domains, would not meet the expectations of the Rwandan community. It is even perceived as non-viable. All three domains of the national life need a transformation both individually and in relation to the other two to respond to the Rwandans' aspirations and for the attainment of the objectives set for Rwanda by the year 2020.

5.1.1. Political reforms: governance and reconciliation

235. National reconciliation constitutes a fundamental challenge for Rwanda. The reconciliation and the reconstruction of the nation in relation to internal divisions that have marked our history during the last decades are a necessity. It would allow making available and orienting all the strengths and national resources towards a new destiny for a whole people. In fact, without true reconciliation within the community, Rwandans will not be able to develop enough self-confidence to suitably integrate themselves in the development of the country. By 2020, Rwanda must have completed the national reconciliation programme, must have restored the unity of the nation in a climate of peace and security (both domestic and at the sub-regional level), thanks to efforts of good governance, political and economic stabilisation and regional integration.
236. To achieve this, the putting in place of a State guided by the rule of law is fundamental. We need such a State that mainly aims at good governance to safeguard the nation's interests. That state is needed to abolish the old methods of division and exclusion used for the acquisition of power. The state will facilitate the negotiation and decision making processes between political and social partners in order to reach agreement, a social pact or a political platform and an ethic of consensus, which, if put into practice, would preserve the country from continuing to be lost in the complexities of ethnic and regional divisions. The State will put in place efficient laws and management rules making it able to fight despotism, nepotism but particularly clientelism and discrimination, which, in our history, have undermined the nation State and led to disunity within the Rwandan population.
237. To that effect, the public administration will endow itself, at all levels, in transparency and on the basis of competencies, with qualified human resources, who will be familiar with the problems of the public and even the private sector. The recruitment of qualified personnel –

boasting a lot of experience -will allow the State to ensure in turn good governance. Good governance must be understood as managing in an accountable, transparent, efficient and effective way, using internal and external resources in the interest of the country.

238. This is very important particularly at the levels of political and strategic orientation of the country. In fact, it seems that, in our countries, politics is the most profitable profession. However this is contrary to the Rwandan culture and values and will have to change for the political and management posts to be transformed into posts of responsibility and national orientation and not of wealth accumulation. The creation of wealth is for the private sector which, from this fact, will benefit from all the possible support of the public sector.
239. To achieve its Vision, Rwanda needs a State, which brings people together and mobilises them. That state will institute a long-term management system and will use good governance based on national cultural values for the reconstruction of the community fabric and the social capital. It will ascertain and ensure the independence of legal and judicial institutions and will put in place efficient institutions capable of achieving the process of decentralisation and participation, ensuring the management of the public good, regional and international integration while taking into consideration the contribution from the Rwandan diaspora.
240. The restructuring of the Central State, of the local administration and public institutions as well as the decentralisation process will be accelerated in favour of the population's participation. Efficiency in service delivery and in resource management will be better ensured owing to the reinforcement and the clarification of the mission of the Ministry of Local Government and of other line ministries. The process of decision making will be put progressively into the hands of local communities who have better knowledge of their problems than officials living far in the capital.
241. Without this kind of State, social and economic progress would be either difficult to be achieved or fail to be fully enjoyed by the Rwandan population as a whole. Moreover, such progress would be neither sustainable nor able to protect against the self-destructive trends of the Rwandan nation.

5.1.2. Cultural and moral revival

242. Culture, a common denominator of the Rwandan nation, contributes to the human and civic education of the citizens and influences the individual and social attitudes and behaviour. It instils into citizens values that society considers positive and it underlies the conduct of courage, humanism, patriotism, dynamism, dignity, integrity (*kwanga umugayo*), sense of honour and solidarity, self-abnegation, denial of selfish and partisan interests (*kudashyira inda imbere*, etc.). It is for this reason that it is said that education prevails over status at birth (*Uburere buruta ubuvuke*).
243. The positive values of the Rwandan culture which have been, without in-depth justification, strongly disturbed during the last century, deserve to be sublimated, reshown, adapted to the actual context, merged with the positive acquisitions of religions and science, promoted and taught from the early childhood and this at all levels. The culture will then favourably influence Rwandans' life experience and the political, social and even economic attitudes, through self-confidence, initiative taking and entrepreneurship. It will be the starting point of a new social dynamism and will serve as a basis for other political and economic transformations. Will also be instituted, along with the *Gacaca process*, a regional and national type of Senate, composed of

persons of integrity (*inyangamugayo*), to look after the necessary social transformations and the safeguarding of cultural values.

5.1.3. Wealth creation and fight against poverty

244. The execution of the 2020 Vision will depend on the existence of a stabilised macroeconomic framework, which stimulates the growth potential, favours trade and the funding of development and encourages investment and entrepreneurship. This framework assumes the stability of institutions, a regulatory favourable environment, the regular implementation of announced reforms to increase the level of trust and security, the funding of development under debt free forms, the control of inflation through rigorous budget policies, a monetary discipline and a sound exchange rate policy.
245. Yet, the current macro-economic stability is artificial because it is founded on foreign aid and foreign loans. Macro-economic stability coupled with growth in the private sector, might lead to progressive reduction of dependency on aid owing to, among other things, the continuous internal production growth together with the qualitative improvement of export products enjoying comparative advantages. Thus, the promotion of traditional and non-traditional export products and the suppression of anti-exports contradictions in national policies are among the first challenges to be taken up in the short term.
246. Macro-economic measures aimed at reducing the country's dependency and stabilising the economy will focus, among others, on the liberalisation of trade, fiscal reforms, the flexible and competitive exchange rate system and on interest rates that compare favourably to the market interest rates. The government will withdraw from all businesses that are likely to be better managed by the private sector. The major principle of the Rwandan State is the generation of an integrated and sustainable economy, oriented towards the market and where the role of the State will be that of a stimulator and catalyst. To create trust among the national economic operators and to attract foreign investments, the government will strive to maintain a liberal economic environment and economic stability. The stability of the local currency, its convertibility and the control of inflation will remain priority domains.
247. To reassure our partners of the steadiness of our approach, the country will strive to stabilise the debt burden towards third parties. In particular, all the projects requiring funding through credit will be well analysed, planned but particularly well managed to generate wealth allowing enabling to fight against poverty on a sustainable basis, to increase social and space equity and to ensure their progressive reimbursement. External donations will be effectively used in the different economic sectors in order to stimulate the dynamics of the private sector, which is meant to become the true driving force of national development.

5.1.4. Agricultural springboard

248. Agriculture, the profession of almost all Rwandans, will undergo such transformations and improvements, both qualitative and quantitative, that, once modernised, it could, even before 2010, serve not only to reduce poverty and improve Rwandans' income but also serve as the basis for the take-off of the Rwandan economy
249. In fact in its current form Rwandan agriculture has practically peaked and worn out its capacities, by lack of financial and technological influxes. Its performance is regulated by the amount of rainfalls and not by new investment efforts or by technological innovations. Mammoth efforts must be made to ensure an annual agricultural growth of at least 4 to 5% on average over

the period up to 2020, for the agriculture to change its nature and the Rwandan professional farmers to change their vision, their working mode and way of life.

250. Up stream from production, the protection of land, water management and control of irrigation, land issues and space development will be controlled and subjected to particular attention. The access to credit and agricultural inputs will be improved and the number of players professionalised to increase the profitability of the agricultural work will be augmented. The country will particularly encourage the development of hydroelectricity, water supply at competitive costs and profitable exploitation of renewable reserves of natural gas estimated at 60 billion m³ in the Lake Kivu, to serve as a basis for the establishment of agricultural processing industries.
251. The modernisation of agriculture will be in tandem with the efforts to protect natural resources, to preserve environment and to develop eco-tourism. In that way protected zones will be put under the responsibility of local authorities and the local population will be more sensitised to ecological problems and to the role of bio-diversity in the future economy.
252. Down stream from production, it is indispensable to fulfil the conditions, which improve the competitiveness of production factors and favour marketing, processing, storage and domestic and foreign trade. It will be necessary to increase the demand in agricultural products to stimulate economic profitability and investment in the sector so as to ensure the production growth. Urban development and rural development centres will play a significant role in this venture.
253. These transformations of the economic sector assume the commitment of many Rwandans. They also entail peace and security for all, important public and private investments, the reinforcement of research and the dissemination of innovation services, capacities of conception and implementation of harmoniously integrated development policies and programmes. This highlights the importance of an effective State and its impact on the future of the Rwandan agriculture and in the economic future of the country.
254. The efforts of modernisation will go hand in hand with exit strategies from agriculture, because even though the Rwandan agriculture if transformed into a sector of value and great productivity, it will not be able, on its own, to become a sufficient driving force for growth. The country will adopt a strategy for the development of human resources, which will facilitate the development of industry, the promotion of the services sector and reinforcement of the financial market. The Government programme will be oriented towards the transformation of agriculture and animal husbandry in order to make these more attractive and viable. The agricultural sector will develop to have a knock-on effect on other sectors starting from the emergence of agro-industrial units which will progressively integrate into other sectors of the economy.
255. The development of the agricultural processing industry and of other forms of exit strategies towards other sectors will be achieved at short and medium term with the support of fair macro-economic policies, including: (1) land reform to make land a marketable product; (2) the labour reform to encourage self-employment (*Jua Kali*) and remunerated employment; (3) the funding of projects and rural markets; (4) the improvement of rural infrastructure; (5) the increased use of profitable inputs and high output animal and vegetable seeds that are resistant to illnesses and parasites ;(6) the reversing of the environment degradation process and the halt of the decline in soil fertility.

5.1.5. Promotion of Industry and Services Sector

256. In addition to the intensification and the progressive modernisation of agriculture, it will be essential to create an environment favourable to the development of the sectors of industry and services. Emphasis will be put, in particular, on the production of mass consumption goods and services, as well as export products. In this context, the fall of prices of energy, water, telecommunications, transport and improvement of their quality and their credibility will constitute a vital part of the strategy. Also important will be the development of human resources oriented to the development of specialised skills to make the process dynamic.
257. The Government will initiate policies encouraging people to invest in the sector of services, which ensure the country's position and maintain it at a good level of competitiveness in the region. It will institute, among others, a financial policy favouring investment in the sector of services, facilitate the development of integrated groups in Industrial Valley (Silicon Valley) and get the donor community to support projects related to the sector of services, on the basis of the government policy.

5.1.6 Emergence of a class of businessmen and entrepreneurs

258. Having a class of businessmen operating in the country constitutes a crucial element for development. Therefore, the Rwandan private sector will be encouraged to play its essential role in this area in capital formation and in national economic transformations.
259. The private sector's input in economic growth and development will be reinforced, simultaneously with the liberalisation of the economic system, the process of privatisation of public enterprises and the development of strongly synergetic partnerships between the public and private sector for the supply of public and private services. Privatisation will stimulate economic growth and will lead to the broadening and consolidation of the local medium business and entrepreneurial class. The existence of a liberal and viable environment for the business community and the presence of a local private sector as the driving force of national economy, are among the fundamental components of the 2020 Vision.
260. Privatisation is in progress in Rwanda. The transfer of public sector firms to the local private sector will facilitate access for the latter to the relatively wider domain of business operations. The other process the Government would use to promote local businesses is the creation of production free trade zones for exports in which foreign operators would have local partners.

5.1.7. Creation of employments and promotion of self-employment

261. Employment must be a priority in all the sectors of the national economy. Varied programmes of employment generation will be explored because unemployment and under-employment are serious challenges for Rwanda. In fact, almost two thirds of the agricultural labour force is considered as under-employed and the Rwandan economy has over 40 years only created 200,000 stable employments outside agriculture, according to the most optimistic estimates.
262. However if the Rwanda of 2020 is inhabited by 14 million, including 7 million living on off-farm activities, it will be necessary to create at least 1,400,000 stable jobs in the sector of industry and services. This seems to be a mammoth challenge if we consider the previous history

and the characteristics of the Rwandan economy, which creates on average 100,000 employments every 20 years.

263. It will be necessary therefore to have new strategies, to make diversified efforts up to the magnitude of the challenge: increasing of national investment capacities, heavy works of establishment of basic infrastructures, important investments, mainly private, in the secondary and particularly tertiary sector, important programmes of high labour force intensity, rapid development of human capacity, regional integration, cashing in on foreign and international employments, significant improvement of the financial market, promotion of communication, hospitality management and tourism.
264. The job creation policies will be correlated between them and with the modernisation of agriculture and the town and country planning in order for the surplus of agricultural labour force to be absorbed by other sectors. This surplus of labour force will need reconversion to acquire necessary skills to participate effectively in industrial and services sectors. It is through this system of skill development that the economy will generate the competent staff, able to produce quality goods and which attracts foreign investments to Rwanda.
265. Rwanda needs a labour policy conducive to job creation and the fundamental transformation of its large-scale illiterate and unqualified manpower into an apt manpower, which will be an attractive base for investment in the country. This necessary transformation requires several innovations in the approach of the government in the area of development. The Ministry having labour within its remit will be assisted by competent resource people in order for it to formulate the labour policy in general, and the definition of the national training and learning policy in particular. The Government will get the population to understand that industrial development is impossible without qualified manpower and this will be the leitmotiv of the government. Indeed, no foreign investor will be interested in investing in Rwanda unless there are efficient laws and policies on employment and especially qualified manpower. The Government will in the short-term tackle the issue of the labour reform, taking into account public services involved in the 2020 Vision and a better management of time at all levels.
266. The reinforcement of the Rwandan business community will not limit to informal sector. Indeed, the growing demand of services in Rwanda when economy improves, could generate a high number of self-employments from the informal sector of services (Jua-Kali), as this sector is commonly called in Kenya in areas such as retail trade, repair workshops, catering services, craft industry, metal works, etc. Existing technical schools (ETOs) will be promoted and transformed into Polytechnics and Technology Colleges. This measure could in the long run reinforce the sector of self-employment (Jua-kali sector) The system of small-scale credits will be reinforced mainly to enable young self-employed technicians to have access to credits, bearing in mind that priority will be given to those young technicians who are innovative and to Jua-kali entrepreneurs.

5.1.8. Development of human capacities

267. In order for all this to succeed, a highly healthy qualified and motivated labour force would be an asset in this venture. Therefore, the provision of educational services in science and technology would be essential in order to sustain and consolidate the progress made in the short and medium terms. It is obvious that the stimulation of the private sector, especially at the level of export promotion and the economy's competitiveness, cannot be successful without, for instance, the reinforcement and the facilitation of the expansion of the private finance sector, comprising

banks, insurance companies, the processing and management of data and the practice of ICT. And all these subsectors require highly qualified personnel.

268. In the medium term, the Government will engage in a literacy programme for adults and universal primary education in collaboration with parents and their associations. The Government will organise intensive programmes for teachers in each province (and at the district level where possible), in order to improve the level of unqualified teachers and provide new teachers with fast training.
269. Major importance will be attached to the training of professional and technical executives in the areas of technology, engineering and management. The purpose is to have enough technicians who, by the year 2020, will be in a position to meet needs in qualified manpower for the manufacturing industry, the construction sector, the management of machines, the rural technology sector and for industrial transformation. The objective of the training will be to teach secondary school pupils appropriate skills such as computer science, electronics and electromechanical engineering.
270. To mitigate the acute shortage in qualified personnel, industrial and technical training programmes will be developed for different categories of people with or without formal education, with special emphasis on women and the youth. To ensure the success of the venture, the overall educational system and the teaching of scientific subjects in secondary will be particularly improved while existing technical schools will be reinforced and transformed into Polytechnic and Technological Colleges.
271. In order to stimulate skill development, micro-credit systems will be encouraged, especially to make credit available to young self-employed technicians. Moreover, priority will be given to young people who are innovative and to small entrepreneurs from rural areas. To encourage the efficiency and the improvement of skills, appropriate programmes will be launched in national institutions within the framework of the on -the -job training, continual education and distance learning.
272. Rwanda faces considerable backwardness in the area of professional education at all levels, with noticeable insufficiency in the areas of applied sciences and natural sciences. These gaps need to be bridged as fast as possible. Indeed, the country cannot reach sustainable development or effectively take part in regional integration initiatives with such a low level of human capacity. Even though the country continues to be largely dependent on imported technologies, specialised national competencies are necessary to manage and maintain technological systems in areas ranging from health care and agriculture to industry and telecommunications. Corrective measures meant to absorb this professional deficit have to be introduced urgently.

5.1.9. Targeting regional and global markets

273. Rwanda cannot validly participate in the regional integration without firstly proceeding to its opening up physically and socially. Given the high costs to access the ocean by road, Rwanda will develop, within the regional context, low cost alternatives of transport to the sea, notably the extension of a railway from Isaka in Tanzania and the connection to the Uganda railway system. A combined system of railway and Lake Navigation linked to the Benguela railway will be examined.
274. The intent to integrate larger markets will be accompanied by a programme of investment in infrastructures so as to promote Rwanda as a hub in the regional transport and communication

network. The beneficiaries of new investment efforts, the diversification of exports, the high value added manufacturing sector and the promotion of services industries will also contribute to the growth of economy and take advantage of regional co-operation in the consolidation process of the economic growth in the Great Lakes Region and Eastern Africa. The geographic position of Rwanda will be used to specialise the country in transit and storage functions within the framework of the regional exchanges and trade. Free production trade zones for export, combined with the promotion of a class of businessmen in Rwanda, will help the country to consolidate its market niche in the sectors of services and communication.

5.1.10. Increase of investment capacity

275. To achieve its economic and social vision, Rwanda must be able to invest 20 to 25% of GDP by 2010 and up to 30% of GDP between 2010 and 2020. These levels of investment suppose a performing and coherent strategic planning system, an efficient mobilisation and a judicious allocation of internal and external resources, an increased absorption capacity and a participatory and transparent use of available means. Efforts will be made to make efficient institutions such as the Directorate of Strategic planning and Monitoring of Poverty and CEPEX , and to control at a decentralised level other planning and allocation instruments such as sectoral development plans, the public investment programme, the Medium Term Expenditure Framework, the national investment strategy, etc. and to improve co-ordination, efficiency and follow-up of finances.
276. The country will endeavour to increase its own investment capacity, in order to play an effective part in the orientation and funding of development. For this purpose, Rwanda will increase its external revenues by augmenting and diversifying its exports. It will increase its domestic revenues owing to the valorisation and monetization of the agricultural sector and the creation of employment by the private sector, the broadening of its financial basis and implementation of a fiscal policy relevant to the external competitiveness needs of the economy.
277. These efforts will be coupled with those of the reduction of operational public expenditure. The public administration will be alleviated and decentralised, military expenses will be reduced thanks to the re-establishment of peace and stability in the region. The state structure will be reviewed and streamlined, taking into account a simplified categorisation of key sectors of national development while reinforcing the stimulation and co-ordination of actions without forgetting to provide the private sector with much possible space to operate.

5.2. FINANCING OF THE 2020 VISION

278. The financing of the country's Vision will be based on the principles of promoting savings, self-promotion, global partnership, national solidarity and the efficient mobilisation of external resources for well planned programmes in order to ensure efficient allocation and use. This will be based on the national aspirations expressed in the Vision, taking into account the main guidelines in the Poverty Reduction Strategy Paper (PRSP) and the options of the National Investment Strategy which aim at growth in public and private investments as well as the improvement of their impact on the population.
279. Up to the year 2007, most of public investments will be devoted to agriculture, education, transport infrastructure and drinking water. Efforts will equally be made to substantially increase access to energy and the Common Development Fund meant to decentralise decision making at

the level of development planning. Between 2007 and 2020, the private sector will take over and valorise the legal and human framework as well as available equipment to invest, on a sustainable basis, in the agricultural, industrial, communication and services sectors. During that same period, public investments will remain important and will keep increasing in favour of the sectors of transport, energy and water as production factors facilitating the private initiative and the regional integration and in favour of health, education and community development.

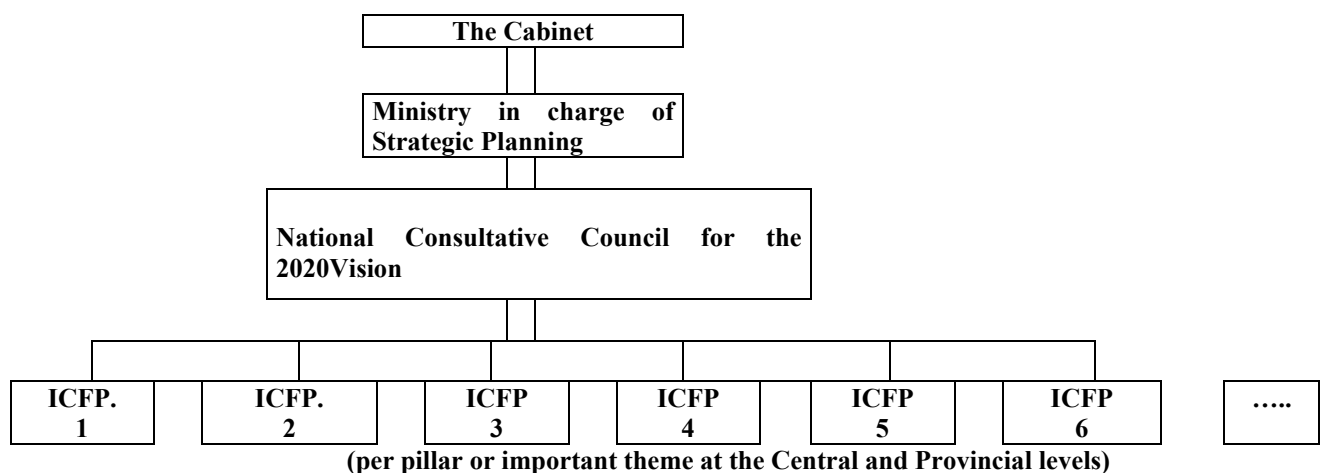
280. The main development funding sources in the medium and long terms will come from the State's own earmarked funds, from the contribution of the population, the domestic private sector, the diaspora, the funding from international financial institutions, the direct private foreign investments as well as from public and private financial assistance.
281. In order to mobilise domestic capacities of development funding, partnership networks (co-funding) among the public sector, the private sector, the civil society, decentralised structures and grassroots communities will be created and consolidated. To achieve this, the government will encourage community funding and contribution through national solidarity on the basis of positive cultural values of mutual assistance (solidarity), self-promotion and collective action at the level of grassroots communities. It will be in particular a matter of funding development through investment labour within the framework of participatory development works (umuganda). The government will also encourage co-operation between regions and between different social categories, including vulnerable groups.
282. On top of macro-economic measures, private savings will be promoted by a national policy aiming at, rehabilitating the culture of temperance, monetising the rural economy, raising rural households' income, providing security, consolidating and stabilising the markets and financial services. New institutions and new markets (bond market, stock market, long term credit institutions and others) will be created, if need be, to bridge the gaps of the private sector.
283. Concerted efforts will be made in favour of the rapid monetization of agriculture, in order to improve and increase the household income and the growth of savings. As most of Rwandans are farmers, there will be a need for transformation of the primary sector and subsistence agriculture into commercial activities. The Government will attach great importance to agriculture and in particular to the establishment of land titles to serve as commercial assets and as guarantee, so as to facilitate the acquisition of funding from banking institutions with the aim of improving productivity.
284. Also, it is necessary to complete the policy of income generation by taking macro-economic measures in order to limit the decreasing value of savings and its shrinking due to inflation or other taxes. The system of funding rural areas will be optimised by making official the micro-credit institutions so as to facilitate the monetization of rural economy.
285. To increase the contribution of domestic and international trade in the funding of the national development, the State will continue to encourage the diversification and increase of exports, by laying stress on the access to industrialised countries' markets and on the exploitation of services like tourism, free trade zones, financial services and communications.
286. The Government of Rwanda will comply with its commitments within the framework of regional and sub-regional agreements of the COMESA free-trade areas as well as bilateral co-operation agreements and will intensify "South-South" relations for the sake of the integration process. It will encourage exchanges at the provincial and regional levels and the storage and circulation of goods within the country.

287. Measures will be taken to extend and reinforce the financial sector reform. The capital market will be thoroughly looked into and will be broadened. The regulation and careful control of banking and financial institutions will be improved. The banking sector will be open to safe domestic and external competition as well as to optimum international practices as regards bank management thanks to the privatisation of existing banks. The financial and commercial legislation and its judicial, banking and institutional framework will be reinforced. Specialised financial institutions and long term savings mobilisation instruments will be put in place. Efficient techniques of opening credits to the rural sector will be established. The micro-finance system meant to promote the activities of micro, small and medium enterprises, notably in rural areas, in favour of women and young people, will be reinforced and a guarantee scheme and services of support to enterprises in order for them to have access to domestic funding will be put in place.
288. Moreover, relevant policies will be put in place to promote a fiscal system oriented to the stimulation of the price-competitiveness of Rwandan enterprises, to the enlargement of the fiscal base, to the promotion of national and international trade in the funding of development and attract foreign private capitals (flow of direct foreign investment capital, flow of bank loans, flow of portfolio investment).
289. Efforts will be made to increase capital flows through the increase in contributions from public assistance to development influxes (APD). The mobilisation of external resources, the capacity of absorption and financial management, the effectiveness of the use and co-ordination of resources as well as the level of the ownership of programmes and projects will be improved. The portion of low interest rate resources will increase thanks to new initiatives taken by the Bretton Woods Institutions, especially within the framework of the initiative in favour of highly indebted poor countries (PPTE).
290. Particular attention will be drawn to the analysis of the economic profitability of debt generating initiatives, to the opportunities from the millennium Fund established in close collaboration between the UN and the NEPAD as well as to the role to be played by the diaspora in the improvement of the public image of Rwanda and in the financing of national development. Efforts will be equally made to improve transparency and efficiency in the management of public receipts and expenditure.

5.3. INSTITUTIONAL FRAMEWORK FOR THE IMPLEMENTATION OF THE 2020 VISION

291. The implementation of the 2020 Vision lies within the ambit of all players : the state, the private sector, political parties, civil society, NGOs, decentralised authorities, grassroots communities, Faith-based organisations and development partners. The organisation chart below will be put in place, in order to ensure the coherence and the co-ordination of initiatives from all players.

Organisation chart of the 2020 Vision implementation.



IBFP = Inter-Institutional Board of Follow-up of Pillar X

292. The composition and role of various organs proposed for the implementation of the Vision 2020 are presented under table 8.

Table 8 : Composition and role of implementing organs :

Organ	Composition	Role
Inter-institutional Council of follow-up per pillar (C.I.S.P)	Each inter-institutional board of follow-up by pillar (C.I.S.P) is composed of the concerned ministries, the civil society and other concerned institutions.	<p>The Board orients, initiates and co-ordinates initiatives per pillar,</p> <p>Contributes to resource mobilisation for the pillar,</p> <p>Ensures the monitoring and evaluation of the development of concerned pillars,</p> <p>Reports to the national Consultation Board and directly to national institutions concerned by the pillar.</p>
National Consultative Board (N.C.B)	<p>The National Consultative Board (N.C.B) is composed of the chairperson of the C.I.S.P, the representative of the ministry in charge of strategic planning and other resource persons considered useful for the implementation of the vision as a whole.</p> <p>The representative of the Ministry having Strategic Planning within its remit chairs it.</p>	<p>The Board attends to the coherence and harmony of the implementation of pillars, to achieve expected developments,</p> <p>Contributes to the mobilisation and allocation of resources,</p> <p>Ensures the monitoring and evaluation of the implementation of the Vision together with the development of Pillars,</p> <p>Reports to the Ministry in charge of Strategic Planning.</p>
Ministry in charge of Strategic Planning	Many Directorates including that of Strategic Planning	<p>Co-ordinates all the activities related to the implementation of the 2020 vision,</p> <p>Mobilises and allocates resources,</p> <p>Supports the planning organs and other institutions in charge of the implementation of the Vision,</p> <p>Ensures global monitoring and evaluation of the implementation of the Vision,</p> <p>Reports to the Cabinet, with detailed reports on follow-up and evaluation.</p>



Note: Inter-institutional and Consultative Boards will be represented in provinces and, if possible, even in districts.