

Strategy for Sweden's development cooperation with Rwanda, 2020–2024

1. Direction

The objective of Sweden's international development cooperation is to create the conditions to improve the lives of people living in poverty and oppression. Development cooperation will be based on the principles of aid and development effectiveness, the 2030 Agenda, the Addis Ababa Action Agenda and the Paris Agreement.

The strategy applies in 2020–2024 and provides a total of SEK 1 250 million.¹

Activities will contribute to the following objectives:

Human rights, democracy, the rule of law and gender equality

- Greater opportunities for poor and marginalised groups, and for defenders and agents of democracy, to participate in and influence processes that promote democracy and human rights, including conflict prevention.
- Greater gender equality, including increased access to and respect for sexual and reproductive health and rights.
- Increased democratic accountability of public institutions and authorities to rights holders, greater adherence to the rule of law, and more actors delivering independent and effective scrutiny.

Environmentally sustainable development

- Improved conditions for the efficient and sustainable use of natural resources, increased climate change adaptation, and the conservation and rehabilitation of ecosystems and biodiversity.
- Increased access to renewable energy and improved energy efficiency.

Inclusive economic development

¹This strategy governs the use of funds under appropriation item 9 'Africa' in the appropriation directions for the Swedish International Development Cooperation Agency (Sida) for each budget year.

- Inclusive economic development, improved conditions for and increased access to productive employment and decent work, corporate social responsibility, and free and fair trade, including in rural areas.

2. Country context

Rwanda is one of the world's poorest countries, despite significant progress in peace and reconciliation, economic and social rights, and gender equality. The political situation is marked by the genocide against the Tutsi in 1994, and the Rwandan Government prioritises security, national unity and reconciliation at the expense of political pluralism. In 2017, more than half of the population was living below the international poverty line (USD 1.90 per day). The impact of economic growth on poverty reduction has decreased and the economy is not creating enough jobs. Rwanda's strong economic growth has not been sufficiently inclusive and social inequalities threaten to create tensions. Access to land and other livelihood opportunities are challenged by rapid demographic growth that also makes sustainable use of ecosystem services difficult. Climate change is putting severe pressure on the country's natural resources and biodiversity. Rwanda is on the verge of a structural transformation requiring new, environmentally sustainable and inclusive growth patterns.

The country's considerable investment needs, combined with low private investments, limited domestic resource mobilisation and decreasing aid flows, have pushed up the national debt. The State's ability to fill the financing gap is limited and new forms of cooperation and financing are needed to implement the development plan and achieve the Sustainable Development Goals. Corruption is relatively low. Dynamic and innovative development risks being hampered by strong state control and interference in the private sector and civil society. Rwanda has implemented important reforms to improve business conditions, but the lack of basic infrastructure, high energy prices and lack of financing makes business difficult. Small-scale farming is the source of livelihood for the majority of the rural population. Malnutrition and food insecurity are widespread problems, particularly among children. It is estimated that in rural areas, only 5 per cent of households have access to electricity. The use of wood as an energy source is a driving factor in deforestation.

Limited access to power and voice for marginalised groups is a key challenge, and the democratic deficit is significant. At the same time, there are indications that the Government is taking measures to strengthen human rights, and two new parties were elected to parliament in 2018. Accountability mechanisms are weak and affected by complex registration procedures for civil society and media self-censorship. Access to social media is increasing and helping to strengthen debate. LGBTI people are stigmatised, which means equal treatment is side-lined. Rwanda is taking active steps to strengthen gender equality and the position of women. Despite this, women face discrimination, limited access to land and financial services, and gender-stereotypical views of the role of women. Poverty also affects women more harshly. The proportion of children who start school is high, but only about 37 per cent complete lower-secondary school. Due to the low level of education, high-skilled job

opportunities are difficult to create. Women have lower education levels than men. Gender-based violence and corporal punishment of children are still prevalent.

Regional instability contributes to unpredictable dynamics that increase the risk of conflict. With people from neighbouring countries needing protection, those returning after the genocide, and the integration of demobilised armed groups, Rwanda has responsibility for refugees, mainly from the region. Regional integration has a significant impact on development in Rwanda.

3. Activities

Overall governance of activity implementation and follow-up is set out in the Government's guidelines for Swedish development cooperation and humanitarian assistance strategies (UD2017/21053/IU).

Swedish development cooperation as a whole will contribute to poverty reduction in the country, better conditions for democratic development and respect for human rights.

Activities will build the capacity of Rwandan civil society organisations to demand accountability and advocate for democracy and human rights. Defenders and agents of democracy will be supported. Development cooperation should contribute to strengthening the capacity of civil society to enable it, through greater popular participation, to serve as a channel for the voice and engagement of poor people, and as an actor in its own right. Development cooperation will promote increased access to, and respect for, sexual and reproductive health and rights. By helping to change discriminatory social norms, activities will improve the conditions for gender equality and non-discrimination. Support should be provided to strengthen women's rights and combat gender-based violence. Furthermore, Sida should contribute to continued peaceful democratic development in Rwanda, including through support to the reconciliation process. Activities will contribute to building capacity to strengthen the rule of law and its institutions, including media pluralism, in their role to review the Government's compliance with laws and policies.

Development cooperation will contribute to inclusive and environmentally sustainable economic growth, and efficient and sustainable use of natural resources. Strengthened governance of land ownership and land use rights, as well as conservation and rehabilitation of protected natural areas important for biodiversity and ecosystem services, should be included. As a whole, activities should help to increase structural climate change adaptation, reduce emissions of greenhouse gases, and curb deforestation. In this context, the enhanced capacity of both national and local actors is important, as is the need for an inclusive transition. Sweden will contribute to increased access to energy and electricity, including in off-grid areas and especially in rural areas. The conditions for involving the private sector in mobilising capital can be examined. Increased use of renewable energy and improved energy efficiency are essential for creating economically sustainable growth driven by higher levels of entrepreneurship and productivity. Sweden will contribute to greater economic

empowerment, including for women and young people, for example through increased access to productive employment and decent work through, among other things, improved social dialogue. Development cooperation will contribute to income opportunities in rural areas, for example through modernisation initiatives, increased sustainability in the agricultural sector and greater opportunities for entrepreneurship and innovation, including in non-agricultural sectors. To increase access to efficient and inclusive markets, the focus should be on developing value chains with high potential for growth and job creation, higher value-added, and access to services that make starting and running a business easier, such as access to financing. Initiatives should be directed at marginalised groups to strengthen their financial resilience. Activities should support increased economic integration, including through free and fair trade in the region. When relevant, the digital transformation should be harnessed to achieve the objectives.

When implementing the strategy, Sweden will work to build broader and more self-sustaining relationships between Sweden and Rwanda. Development cooperation will be adapted to prevailing circumstances; for this reason, development cooperation and humanitarian assistance strategies will be implemented in a flexible and effective manner. Sweden will promote coherent and effective development and aid coordination in the country, primarily through active participation in EU aid coordination and joint programming.

Sida will ensure an integrated approach in the implementation of all Swedish support to the country. The situation of refugees, migrants and returnees will be considered. Synergies between the different strategy areas will be harnessed. Synergies will also be sought with activities within the framework of other strategies, such as strategies for regional and/or thematic activities. Support via multilateral organisations – multi-bi aid – will be consistent with Sweden's priorities and approaches to cooperation with these multilateral organisations. Through its Strategy for research cooperation, Sweden supports the development of Rwanda's national research capacity. Synergies with research cooperation will be sought to promote knowledge, innovation and critical thinking in all of the strategy areas.

Activities within the framework of this strategy will be followed up according to the principles and processes set out in the Government's guidelines for Swedish development cooperation and humanitarian assistance strategies (UD2017/21053/IU).

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