Inclusion of environmental sustainability as a central aspect into the design and implementation of development plans is crucial. Capacity development and technical support to Ministries of Finance are key. Building capacity at national and district levels for government officials is essential. Support district level planning in the environment and mainstreaming, from policymaking to budgeting, implementation and monitoring.

In Africa, PEI is underway in Botswana, Burkina Faso, Kenya, Mali, Mauritania, Mozambique, Rwanda, Tanzania, Uganda and Malawi.

The contribution of environment and natural resources to development in Rwanda

The vast majority of the rural and urban poor in Rwanda are critically affected by environmental conditions and access to environmental assets. Widespread environmental degradation is undermining access by the poor to land and natural resources on which they depend for their livelihoods, and is leading to worsening environmental conditions in urban areas. The result is a steady decline in economic opportunities and well-being among poor and vulnerable groups throughout Rwanda. The five major causes of poverty as identified in the Uburdehe survey conducted in 2005, are the lack of land, soil infertility, weather conditions, lack of livestock (often linked to soil infertility) and ignorance (ROR 2007). The first four causes are directly linked to the environment. The major employer for the population over 15 years is the primary sector, which employs 83.3 percent of active population in urban and rural areas.

About half of Rwanda’s farm land has shown evidence of modest to severe erosion. The deterioration of soil reduces food availability for people who depend solely on agriculture. Indeed it is estimated that about 40,000 people each year fail to be fed due to soil erosion. Moreover, through domestication and direct harvesting from the wild, Rwandans derive food, medicines and a wealth of other products from biodiversity and genetic resources. For instance, the value of ecological goods and services provided by Nyungwe forest is estimated at a minimum of US$ 285 million a year, with the major beneficiaries being hydroelectric companies, tea and coffee plantations and the tourism sector.

Basic facts of the PEI in Rwanda

Overall goal: To contribute to poverty reduction and improved wellbeing of poor and vulnerable groups through mainstreaming of poverty-environment linkages into national development processes.

Objectives at country level:
- Inclusion of environmental sustainability as a central objective in national development strategies, such as poverty reduction strategy papers (PRSPs), MDG implementation plans or equivalent
- Increasing national budget allocations in support of pro-poor environmental outcomes
- Building the long-term capacity of the government to integrate poverty-environment concerns
- Into the design and implementation of development plans

The main purpose of the first phase of PEI-Rwanda (November 2005-May 2007) was to ensure integration of environment into Rwanda’s new PRSP, the Economic Development and Poverty Reduction Strategy (EDPRS). The second and current phase (August 2007-December 2010) is articulated around Rwanda’s medium term needs, namely building capacity for sound environmental management at the local, district, and national level, in collaboration with other ongoing initiatives to enable the implementation of the EDPRS and its environmental commitments.

Main activities of PEI-Rwanda

- Building capacity at national and district level for government officials in understanding and analysing links between poverty and environment and integrate environment into development planning. Moreover, increase awareness and more effective participation of stakeholders in environmental policy and planning processes.
- Support to six key sectors in the integration of poverty-environment in Sector Strategies and implementation plans, based on the EDPRS.
- Support district level planning in environment mainstreaming, including training in collection of environmental data and development of indicators aligned with the MDG 1 + 7.
- Capacity development and technical support to Ministry of Finance to improve environmental mainstreaming in budgets across sectors, developing financial instruments, conduct mainstreaming of environment in public expenditure reviews and environmental fiscal reform.

From President Kagame’s speech during the African Ministerial Conference on Climate Change:

“The environment is our life-blood; indeed the real surprise is not that ministries of finance are now talking to ministries of the environment - but that it has actually taken this long (...) Even when we look beyond agriculture, tourism, mineral
wealth and fisheries, our economies depend critically on good environmental stewardship Countries that depend on hydro-electric energy, geothermal electricity or even methane gas – as we propose to do here in Rwanda – must put appropriate water management policies in place as Africa is one of the world’s driest continents.”

President Kagame, the African Ministerial Conference on Financing for Development, Kigali 2009.

What have been the main achievements to date?

- Development of a knowledge base on poverty-environment linkages in Rwanda through e.g. an economic analysis of costs of environmental degradation, identification of poverty-environment-energy linkages, and a pilot integrated ecosystem assessment.
- Environment is mainstreamed in the EDPRS. The evidence and advocacy provided by PEI were instrumental in this accomplishment. Most sectors have taken on board environmental recommendations and planned actions and reflect environment and poverty in Sector Strategic Plans and priorities.
- Increased public awareness about poverty-environment linkages through productions for TV, radio, newspapers and print media, as well as training of journalists.
- Strategic collaboration with the Ministry of Finance to support environment as a cross-cutting issue in budget calls and improved budgeting for sustainability across sector ministries.
- A Public Environmental Expenditure Review and training manual has been produced presented and disseminated with some contributions from the Government of Rwanda and PEI project.
- Improved skills among government personnel and local government officials on the use of tools for environmental mainstreaming (i.e. indicator development), on environmental data management and on poverty and environment linkages.
- The project is executed by Government of Rwanda through Ministry of Natural Resources and implemented by Rwanda Environment Management Authority in close collaboration with Ministry of Finance and Economic Planning. It is a joint Government of Rwanda, UNDP Rwanda and PEI project.

The main national partners are the Ministry of Natural Resources, the Rwanda Environment Management Authority, the Ministry of Finance and Economic Planning, the Ministry of Local Government and Good Governance, the Ministry of Agriculture, the Ministry of Infrastructure, Energy, Transport and Telecommunications and the Ministry of Commerce, Industry, Investment Promotion, Tourism and Cooperatives. The donors which funded phase one of PEI included the Government of Belgium and the Government of Norway (through UNEP) and UNDP-Rwanda. The Government of Ireland (through UNEP) is providing the vast majority of the funds for the second phase with some contributions from the Government of Rwanda and UNDP-Rwanda. The total budget is over USD 3 million: USD 610,000 (2005-2007) and USD 2,470,000 (2007-2009).

PEI Rwanda contributing to the restoration of the Rugezi-Bulera-Ruhondo wetland

Rwanda was in October 2010 given the prestigious Green Globe Award in recognition of its efforts to restore the Rugezi-Bulera-Ruhondo wetland. PEI Rwanda was part of these efforts from the beginning and provided the initial economic analysis showing the costs of degradation of the wetland in the study called: “Economci Analysis of Natural Resrouce Management Project Rwanda” (2006). The study showed that the degradation of the Rugezi Wetlands during the last three decades had resulted in falling water levels and consequently an energy crisis. By 2004 the water levels in Bulera and Ruhondo hydropower plants, usually supplied by Rugezi, had fallen by 50 per cent of the average level between 1957 and 1970. The result of the fall in water levels led to an escalation of Electrogaz tariff from RWF 48 to 120 and in order to address the energy problem the government purchased diesel generators. It is indicated by EUI (2006) that it cost the government US $ 65,000 a day to maintain the generators in operation. But more devastating was the impact of degradation on the livelihoods of the communities in and around Rugezi. Wild animals and medicinal herbs had disappeared while fish was on the verge of being decimated. Due to the degradation the Rugezi area was experiencing floods because of loss of water regulation and distances to water sources had gone up. All in all, life around Rugezi was no longer the same and well being has been negatively affected.

However, with the intervention of the Rwanda Environment Management Authority, the damage to the wetland has been reversed and is now characterized by lush vegetation and rich fauna including the endangered Grauer’s swamp warbler (the semi-aquatic Sitatunga antelope, and the globally threatened Papyrus Yellow Warbler). Not only has the biodiversity been recovered, so has the economic infrastructure that had previously ceased to operate. Today the hydropower plants supported by the Rugezi marshland are operating at nearly full capacity, reducing by half the use of diesel generators.

Implementation Arrangements

The project is executed by Government of Rwanda through Ministry of Natural Resources and implemented by Rwanda Environment Management Authority in close collaboration with Ministry of Finance and Economic Planning. It is a joint Government of Rwanda, UNDP Rwanda and PEI project.

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