

Opportunities for Rural Development in Musanze District, Africa: A Rural livelihood Analysis

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Abstract:

The study shows that to increase the quality of life through rapid and sustainable economic growth and accelerated poverty reduction The Musanze District's mission is to ensure its development through the facilitation of access, self-generation and good use of financial resources by its population, to reach all these objectives, Musanze District set out the District Development Plan as a guiding document for achieving its purpose and set up all opportunities for Rural Development. Therefore, the Musanze District rural opportunities is based Landscape, Physiography, Climate, Administration, Population, Primary resources, Industries and Financial Institutions. In the following analysis an attempt has been made to identify the potential opportunities for a better Rural livelihood. The major potentials identified one the Mountain range, Volcanic rocks, River and Soil, Climate and land use pattern on one side and the Demographic profile, industrial structure and the financial institutions on the other side play a major role in deciding the Rural livelihood and Rural Development.

1. BACKGROUND AND CONTEXT

Rural is men and women, especially in poor households, engage in diverse and multiple activities to improve their livelihoods by maximizing income-generating activities, while minimizing vulnerability and risk, and achieving other household objectives (improved health, nutrition and education, etc.). These activities may include farm and non-farm actions, many times linked with other activities carried out by rural, as well as non-rural households. The effectiveness and profitability of these diverse livelihood systems will vary depending on the general development environment, each household member's access to and control of the asset base, their productive and reproductive roles and responsibilities, their capabilities and their linkages with other rural and urban actors. Hence, improving rural people's livelihoods in a sustainable manner involves

- viewing poor rural people as primary actors in the development process;
- generating a favourable macro environment for rural and agricultural development in accordance with specific comparative advantages;
- promoting positive micro-macro linkages;
- promoting grassroots participation, in a practical and democratic way;
- improving access by the poor to different forms of capital (human, social, financial, physical, natural) to enhance their livelihoods;
- increasing the flexibility and dynamism of responses and projects;
- adopting an interdisciplinary approach; and
- ensuring that interventions promote activities that will be socially, economically and environmentally sustainable

2. RURAL LIVELIHOODS.

Between one-quarter and one-fifth of the world's population derive their livelihood from small-scale agriculture. Most of these people are members of what we call peasant farm households or are dependent upon the activities of peasant farm households. The large number of rural people and their involvement in peasant agriculture and other activities makes the understanding of rural people, peasants, and their livelihoods important for many reasons.

In global terms, poverty is predominantly a rural phenomenon (as noted earlier although there are large and increasing numbers of urban poor people, a greater proportion of poor people in the world live in rural areas and poverty tends to be more severe in rural areas). Many of the rural poor depend directly or indirectly upon peasant livelihoods. Peasant agriculture is significant in both national economies and the world economy in terms of – its contribution to production of livestock and of food, beverage and industrial crops – its effect on the environment and scarce natural resources (peasant agriculture is an important form of land use often found in marginal areas where land is vulnerable to degradation and subject to competing uses and other natural resources, such as water, may be scarce) Poor rural people's livelihoods are significant in national economies and the world economy in terms of – the potential market for increased demand for consumer goods and services if rural people become more wealthy – their potential contribution to, or drain on, resources either as a dynamic and growing part of national economies generating employment, tax revenues, and so on, or as a stagnant sector demanding welfare support for a poor and large part of the population. Understanding these livelihoods is therefore important for our understanding of, and action to address, rural poverty, the resulting human suffering, and the pressures it then places on urban areas (through rural–urban migration, national, regional, and global economies, and the environment). The majority of poor rural people are what we may call peasants, or their livelihoods have many of the characteristics of peasants' livelihoods. These people engage in part-time farming activities with a mode of agricultural production distinct from that of other farms (such as commercial, smallholder family or co-operative farms) with multiple economic activities which are predominantly in small scale (often household) activities and enterprises in the informal economy. These activities also tend to have a heavy dependence on family labour and little use of capital. The distinctive features of poor rural people's activities require analysis of the livelihoods of these people using different techniques from those generally used in analyzing commercial agricultural or non-agricultural enterprises in the formal sector.

3. RURAL DEVELOPMENT

Rural Development (RD) is a process, which aims at improving the well-being and self-realization of people living outside the urbanized areas through collective process.

According to Agarwal (1989), rural development is a strategy designed to improve the economic and social life of rural poor. Rural Development is a process of change, by which the efforts of the people themselves are united, those of government authorities to improve their economic, social and cultural conditions of communities in to the life of the nation and to enable them to contribute fully to national programme. Rural Development is a process of bringing change among rural community from the traditional way of living to progressive way of living. Rural Development is a strategy to enable a specific group of people, poor rural women and men, to gain for themselves and their children more of what they want and need." Chambers (1983) “.

According the World Bank (1997) “Sustainable Rural Development can make a powerful contribution to four critical goals of poverty reduction, wider shared growth, household, national, and global food security and sustainable natural resource management.” (World Bank, 1997). The Scope and Importance of Rural Development is a dynamic process, which is mainly concerned with the rural areas. These include agricultural growth, putting up of economic and social infrastructure, fair wages as also housing and house sites for the landless, village planning, public health, education and functional literacy, communication etc. Rural development should be central to poverty reduction and has great opportunities to lift up the standard living of rural livelihood in different ways.

4. OPPORTUNITIES FOR RURAL DEVELOPMENT MUSANZE DISTRICT-POTENTIALLY

4. 0 .Natural setting

1. Location

Musanze District is one of the 5 Districts of the Northern Province created by the organic law n°29/2005 dated on 12/23/2005 related to administrative entities of the Republic of Rwanda. It is boarded by: North: Uganda & Democratic Republic of Congo (DRC) through Virunga National Park (VNP), South: Gakenke District, East: Burera District, West: Nyabihu District, Virunga Park: (60 km²), Lake Ruhondo: (28 Km²) in the south west. Musanze district is divided into **15 sectors** (imirenge): Busogo, Cyuve, Gacaca, Gashaki, Gataraga, Kimonyi, Kinigi, Muhoza, Muko, Musanze, Nkotsi, Nyange, Remera, Rwaza and Shingiro. These sectors are split into **68 cells** (with an average of 5 cells per Sectors) and **432 villages** (average of 29 villages per sector). The current population is 368, 267 with a density of 694 habitant/Km² (2012). Musanze has one District Hospital and 15 Health Centers and 17 working Health Posts. The total Area of Musanze district is 530, 4 km². Musanze District is situated in the northwestern highlands of Rwanda and is one of the five administrative districts within the Northern Province. The study was carried out within Musanze city, which covers a total area of 61.97 km² and is comprised of four sectors: Muhoza, Cyuve, Musanze, and Kimonyi. Musanze is one of the largest and fastest growing urban centers in Rwanda and is a central hub for businesses, trade, and tourism. The PNV with its famous mountain gorillas, the Buhanga eco-park, and the Ruhondo Lake are found in Musanze and make the city a popular destination for national and international tourists.

Rwanda Map



Source: "District Development Plan 2008-2012", July 2007

4.2. Landscape

Musanze has a landscape divided in two main areas: the volcanic plains and the mountain range. The volcanic plains covers the central and North part of the district, including the Musanze, Muhoza, Muko, Kimonyi and Cyuve sectors; its average altitude is 1,860 m. The mountain range is located in the South-East of the district, covering over a third of the total surface of the district. Its altitude ranges from 1,900 m to 2,000 m, covering the Muhoza, Cyuve, Gacaca, Rwaza, Gashaki, Remera and Nkotsi sectors. The highest peaks are Kalisimbi (4,507 m), Muhabura (4,127 m), Bisoke (3,711 m), Sabyinyo (3,574 m), and Gahinga (3,474 m).

4.3. Physiographic.

The biophysical environment of the Parc National des Volcans and its environs is influenced by its volcanic chain made of five volcanoes. The high altitude of these volcanoes (between 2300 and 4507 m above sea level) and the presence of volcanic soils make the region naturally diverse in terms of relief, substrate and vegetation cover. Most details in this section are referenced in three documents: Park Management Plan 2005-2009 (ORTPN, 2005b), Parc National des Volcans: Plan de Zonage (CGIS-NUR/ORTPN, 2005) and The Socio-economic status of People Living near Protected Areas in the Central Albertine Rift (Plumptre et al., 2004). The PNV geographically covers two parts: the western made of two volcanoes, Karisimbi (4507 m) and Bisoke (3711 m), and the eastern part made of Sabyinyo (3634 m), Gahinga (3434 m) and Muhabura (4127 m). The zone adjacent to the Park (the peripheral zone) is made of five districts and divided into two topographic units: the volcanic region and the Crête Congo-Nile region.

The volcanic region extends from the foot base of all volcanoes to the top and is made of the districts of Bukamba, Kinigi, Mutura, part of Mutobo and part of Buhoma. This region is prone to soil erosion due to steep slopes on the southern aspect of the volcanoes and high rainfall. The Crête Congo-Nile region is composed of granitic soils of high altitude and is made of other parts of Mutobo and Buhoma districts. The volcanoes found in the Park are steep and eroded in different forms with deep gullies,



4.4. Geographical Division

Musanze is the most mountainous part of Rwanda and contains the largest part of the Volcanoes National Park. Five of the eight volcanoes of the Virunga chain, Karisimbi, Bisoke, Sabyinyo, Gahinga and Muhabura, are within the district boundaries. Karisimbi is the tallest point in Rwanda at 4,507m and is the sixth tallest peak in Africa. The Rwanda-Democratic Republic of Congo border crosses over the peak of Karisimbi.

4.5. Plateau

Forest managers should advocate for planting trees in all areas with steep slope on hills and mountains and in areas where agriculture has no potential with good sylvicultural practices and expanding the agriculture in lowland where the erosion risk is minimum.

4.6. Hill tract

Musanze Cave is named after the district where it is located, the Musanze District. It was developed for tourism in 2013 by the Rwanda Development Board's (RDB) Tourism and Conservation Department. There are trails, stone staircases and railings, but no electric light. Visitors are equipped with helmets, rain coats, gum boots, and hand lamps. Most of this is probably for show, to make the visit more interesting. The mandatory safety briefing by the guides is definitely a good thing. Musanze Cave is a rather young lava cave in the Albertine Rift Valley. The volcanism started here with the Cretaceous 65 Million years ago, and is still going on. The cave was formed by a lava flow from the Bisoke and Sabyinyo volcanoes. It has a huge, 10m high, entrance portal and a length of two kilometers. Multiple roof collapses, which are common for lava caves, make a total of 31 entrances. However, this is not the average lava tube, it is a much rarer type of cave called blister cave. Volcanic gas bubbles or blisters were collecting in solidifying lava and so the blisters solidified and became caves. The cave is a series of huge oval chambers, many of them connected, but not all of them. The result is actually a number of caves which all together are called Musanze Cave. Some of the Musanze Caves contain the remains of early human inhabitation. Two caves were excavated in 1983 by VAN NOTEN. He called them Akameru and Cyinkomane, names which seem to be forgotten now, as all caves are called Musanze Cave. Between 2006 and 2007 JOHN GIBLIN from the University College London excavated Musanze II, III and IV. The caves had extremely good bone preservation and produced large quantities of decorated ceramics and a range of metal objects.

The dating is not very good, but there is a single radiocarbon date for the earliest occupation around AD 875±95, so the found remains are from the Iron Age. The cave was the site of a massacre during the genocide, so locals considered it a tomb and were not very happy about tourists visiting the cave. We do not know how the government convinced them about the necessity of a tourist cave. But obviously it produces jobs, especially if the amount of visitor is high enough; so many locals are welcoming the development.

4.7. River and Soil

The main types of soils found in Musanze can be grouped into three categories: volcanic soils; lateritic and humus-bearing soils; and clayey soils. Its relief is mountainous with volcanoes (Sabyinyo and Karisimbi) on its upper limit. The region was characterized by a lot of flooding resulting from a high energy runoff due to the relief. The water mainly channels in three perennial rivers called Muhe 18 km, Susa 19 km and Rwebeya 17 km. These perennial rivers are found with a lot of sediments and wastes in them. Mostly; stones from high lands, soil sediments resulting from soil erosion due to agriculture and organic debris from plants surrounding their flow path are found in the river waters.



This picture analyses flooding and landslides impact in Musanze district.

Households again are living in the volcanoes spot lines where houses are built on high risks of being exposed to future Landslides by the chemical weathering processes.

(Source: MIDIMAR research and Public Awareness Unit, June 2012).

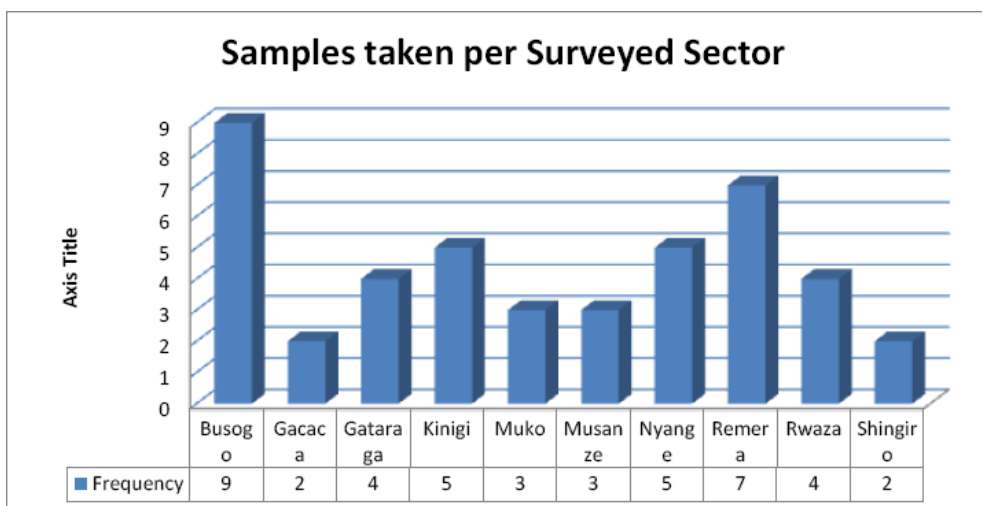


Fig 1:

The analysis of data collected in assessed sectors of Musanze District revealed great impacts on the socio-economic profile of community livelihoods living in District sectors prone areas. According to the current socio-economic situation, the Agriculture is the lifeblood of the District. At least 91% of the population is engaged in agriculture. Four hectares of land has been prepared for planting Silk weave plants. Another 8 ha of land has been planted with plums. Use of Fertilizers has been emphasized on by agricultural officers and more than 102% of the required fertilizers have been secured for farmers, out of that, 1.500 tones is given to farmers per season. The 8 ha of land has been planted with plums. The flooding cases that happened in the above listed sectors of Musanze District impacted heavily on the socio-economic profile of the community in place. The agricultural sector has been the mostly affected than others. Therefore, comparing the number of households living with agriculture in all over the District (91% as above said), this will impact on food security if nothing done.

4.8. Climate

The district has a high altitude tropical climate, with an average temperature of 20°C. Rains are generally abundant, ranging from 1,400 mm to 1,800 mm annually. There are two rainy seasons as well as two dry seasons: the big dry season, going from June to mid-September; the short rainy season, from January to mid-March; the big rainy season, from March till the end of May; and the short rainy season, from September to December. Situated at an altitude of 1,850m, Musanze has one of the most agreeable climates in Rwanda. Warm and breezy days are followed by cooler nights in which it is not surprising to find most Rwandans in a light sweater. However, depending on the time of year, you may want to bring your rain gear, as the rainy season can be pretty intense in Rwanda. April and May bring about the heaviest rains, whereas October and November have a much more moderate rainy period. Average amount of rainfall during the rainy seasons is 1,000-1,200mm per month Climate

4.9. Temperature

A significant temperature anomaly was recorded in Musanze where 13°C below normal minimum temperature was recorded

4.10. Rainfall

The hydraulic network in the district is formed by temporary Torrents and permanent watercourses. Torrents surge during strong storms, and they are provoked by water coming downhill from the volcanoes, some 20 Km away. These torrents cause severe erosion, sedimentation and crop losses. The main torrents identified are Susa, Muhe, Rwebeya, Rungu, Cyuve, Kansoro and Mudakama. The district is drained by two main permanent watercourses, which origin is the water table. There is the Mpenge spring, with a rate of flow of 2.3 m3 per second, and the Kigombe spring, with a rate of flow of 0.7 m3 per second. The district is also crossed by the Mukungwa River, which drains Ruhondo Lake. All these watercourses belong to the Nile basin, and they converge into the river Mukungwa, which, in turn, discharges into the Nyabarongo River, which is an affluent of the Akagera River.

4.11. Land use pattern

Water though the region around PNV experiences an average precipitation of 1500 mm a year, its geological nature mainly composed of permeable rock means that there is no flowing water which can be easily tapped. The problem is particularly severe in all sectors adjacent to PNV. This problem was compounded by the consequences of 1994 war and the insecurity of 1997-1998, in which hydraulic infrastructure was damaged (water pipes, public water points, water tanks). Water is indeed still a big issue in the area, despite effort by government to rehabilitating some of the water sources. Only 41.3% of households have access to clean water (ORTPN, 2005b). Some people have to walk an average distance of 3.9 km to reach a source of water.

National Water and Sanitation programs aim to make measurable and sustainable improvements in water supply, sanitation, hygiene, and the overall environment in the whole country. Musanze district has made some progress in terms of improving water and time spending to main water source. Despite much have been accomplished regarding the issue of improved water source and access to main water source, there a lot to be done in terms of sanitation and water access. Some of the challenges to be addressed are: Insufficient access to clean water supply especially those living in the slope hills of the district. There are various institutions that have provided water supply in support of the district. However, the maintenance and perfect management of these water supplies still remain a challenge. The district lacks a centralized sewerage system that would bring together a central district sewage control and management station. The district experiences inadequate storm water Management that later cause's soil erosion to the farmers. Because of the mountainous topography of the district, storm water management remains a great challenge. With no proper water collection channels, the water storm causes landslides and washes away the top soil layers thus causes erosion. Insufficient public latrines in the town of Musanze and along the trading centre of the district remain a huge challenge as far as sanitation is concerned.

5. ADMINISTRATION

Rwanda is governed through a highly decentralized administrative structure that is rapidly devolving to increase citizen participation in influencing development. This has a number of implications for environmental governance including policies and programmes geared at enhancing Rwanda's climate change resilience. The central government sits at the top of the hierarchy while five provinces (Northern, Eastern, Western and Southern and the City of Kigali) occupy the second tier of the administrative structure followed by 30 districts. The districts are administratively structured in 416 sectors (Imirenge). The Imirenge are themselves organized into 2 148 cells (Utugari). The Utugari (plural for Akagari) are split into several thousand villages (Imidugudu) with the village level (Umudugudu) forming the base of Rwanda does elaborate local government hierarchy. According to the 2008 Community Development Policy, this structure is specifically designed to empower local communities to effectively participate in policy making and implementation. It is also designed to ensure local community cooperation in a variety of development initiatives aimed at poverty eradication, fostering self-reliance and ensuring sustainable exploitation of natural resources (RoR/ MINALOC 2008).

The Provincial Administration oversees the implementation of the District Development Plans (DDPs) by coordination programming and resource mobilization. It is also responsible for ensuring that the governance mechanisms are participatory and promote peace and unity and for imbuing them with accountability safeguards. An additional mandate of the Provincial Administration is to ensure that district policies and programmes comply with national policies, laws and regulations, including those that promote environmental protection and climate change resilience.

The District Council is responsible for ensuring urban, economic and demographic development and for assisting Sectors to provide improved physical and ICT infrastructure as detailed in the relevant DDPs.

The Umurenge (Sector) Council is tasked with coordinating all Cell level activities including the provision of basic community services and the management of public resources and environmental protection. In addition, it sees to the implementation of the Vision 2020 Umurenge

Programme (VUP). was launched in each of the country's 30 districts in 2007 in order to accelerate the attainment of the Vision 2020 objectives particularly those pertaining to poverty eradication, rural growth, and social protection by providing a framework for integrated multi-sectoral interventions (RoR/ MINALOC/ MINECOFIN 2007). It is predicated on the realization that Rwandans who occupy the lower portion of the socio-economic cluster can transform their socio-economic conditions based on seed support, it serves as a stimulus for the relatively majority Rwandan poor to move out of poverty thus accelerating poverty reduction at the national scale.

The responsibility of the Cell (Akagari) Council is to coordinate all administrative activities at Umudugudu level and to ensure that the projects carried out are environmentally sound. The Umudugudu (Village) Committee harmonizes all the development activities at the village level through a process known as Ubudehe which provides a framework for every village to access government funding for development (RoR/MINALOC 2008). Crucially, the Umudugudu Committee Musanze District is a second-order administrative division and is located in Northern Province, Rwanda.

5. 1. Basic Administration

Musanze is a district in the Northern Province of Rwanda. Its capital city is Ruhengeri, which is also sometimes known as Musanze.

5.2. Development of Administration

Joint Action of Development Forum - Musanze began with 57 organizations which included churches, local NGOs, international NGOs and other public organizations, cooperatives and diverse enterprises. The district currently has around 90 registered JADF members and has designed and implemented its own statute and internal regulations. The JADF has a meetings calendar, holds coordination meetings on time and presents its

plan of action which is sponsored by JADF members. In all, JADF Musanze has a good record of having executed its plans. JADF Musanze is comprised of the following operating sub-commissions: Education, chaired by Educational Institute INES. Health, chaired by Ruhengeri hospital. Tourism, chaired by RDB and PNV

5.3. Administration and policy making

In 2000, the Government of Rwanda adopted a decentralization policy meant to transfer substantial public functions, authority and responsibilities from the central administration to local government led by elected representatives. The Rwanda Decentralization Strategic Framework (RDSF) set out the overall objectives and strategy lines and the Decentralization Implementation Policy (DIP) provided the guidelines for implementing the decentralization strategy. The purpose of the DIP is “equitable, efficient and effective pro-poor services and local development in an environment of good governance”. Activities are designed to promote political, economic, social, managerial, administrative and technical empowerment of local populations to fight poverty by increasing their participation in the planning and management of the local development process. Two main developments in a framework of democratization have contributed to this: administrative reforms and liberalization.

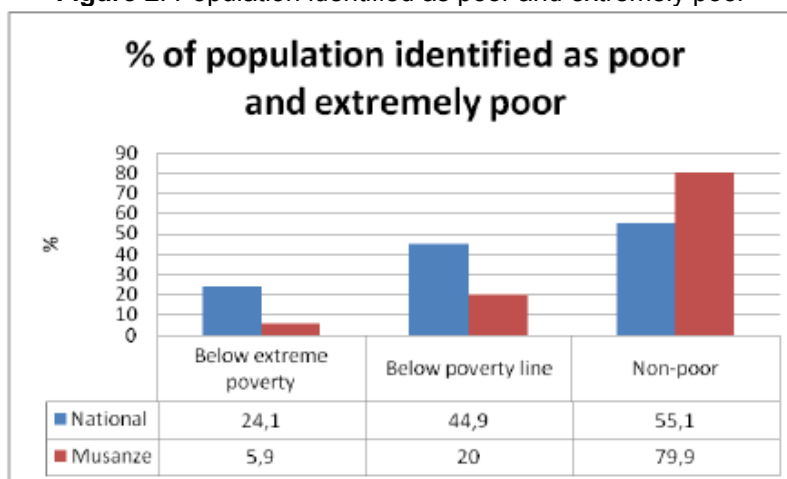
Decentralization saw the relocation of, most government functions at district level to fall under the mandate of the district authority. And secondly, as a result of liberalization, the central government reduced its scope and responsibilities both in economic activities and in social sectors. Expanding options for collaboration between sectors civil society Local government Private sector Civil Society Local Government Private Sector JADF

6. DEMOGRAPHIC DIMENSIONS

6.1. Population Characteristics

With a gross surface area of 530.4 km², in 2002, Musanze district had a total population of 307,078; in 2002, and in 2012, the total population was 368,563 for a gross density of 695 habitants per km². It has an average of population growth rate of 1.8%, where Males stand at 174,760 and Females at 193,803 (NISR, Census 2012).The poverty line used in EICV 3 is set with reference to a minimum food consumption basket, which was judged to offer the required number of calories required for a Rwandan who was likely to be involved in physically demanding work, along with an allowance for non-food consumption. An extreme poverty line was also set as the cost of buying the food consumption basket if nothing was spent on non-food at all; this line corresponds to RWF 83,000 and the poverty line corresponds to RWF 118,000. Musanze district is ranked third lowest (20.1%) by percentage of extremely poor and poor population categories. In Musanze district, 79.9% of the population is identified as non-poor, 14.2% as poor and only 5.9% as extremely poor, as shown by the figure

Figure 2: Population identified as poor and extremely poor



Source: EICV 3, NISR (2012)

This performance is mainly due to the high level of agriculture production, as shown by the figure 2, and the sale of the production. The EICV3 survey results show that the total population of Musanze district in 2010–2011 was 416 thousand. This represents 21% of the total population of Northern Province and 3.9% of the total population of Rwanda. Females comprised 54.1% of the population of Musanze district. The majority is young with 84% of the population aged less than 40 years old. As shown in the Figure 2.2, Musanze district has 118 females per 100 males, which is above the national average of 111 females per 100 males. Musanze is third after Nyamasheke and Rubavu districts for the number of females per 100 males. The average size of the household is 4.8 for Musanze district, which is the same as the national average. Although Musanze is mainly an urban district, where we would expect a lower average size of household, it is ranked on this indicator above

many rural districts (Figure 3). This may be due to the inclusion of some per-urban and rural areas, which are administered as part of Musanze.

6.2. Rural population

The Musanze District is an area which is mainly rural, and where at least 91% of the population is engaged in agriculture. Musanze district has a total population of over 380,000 having the highest density in the country that is 70 persons per km². Most families (about 65%) live below the poverty line. In addition; many families have been destroyed by the 1994 genocide and the repetitive 1997–1998 wars in the region, leaving survivors with disabilities, widows and orphans. Musanze is the most mountainous district in Rwanda and therefore has difficult geographical access and transport.

6.3. Urban population

Urbanization and rural Settlement are going to be pivotal in driving the country and Musanze district in particular to the desired goals of rapid growth and reduced poverty. This is because they enable easy roll out of infrastructure. Developments such as roads, electricity and water and also avail sufficient land for extensive and commercialized agriculture which will accelerate development hence transforming the lives of the citizens. Musanze city has been identified as one of the six secondary cities to be promoted as poles of economic growth. Apparently, the percentage of households in Musanze District living in a modern planned area is 2,9% compared to 0,6% at the National level, and the percentage of households living in agglomeration in Musanze is 7% while at the national level is 4,8% . But in terms of living in grouped settlements (Imidugudu), Musanze still face some challenges, because the percentage of people living in settlements is still low (25,8%) compared to the national level (37,5%). In October 2008, Musanze got its Land Use Master Plan, but its implementation still faces challenges. Some of the challenges are:

- Lack of proper urban planning and development tools, and disorganized settlement prior to the master plan adoption;
- Limited affordable housing due to expensive building materials and insufficiency of funds to implement Musanze master Plan (expropriations, rehabilitation and construction of roads...);
- Limited involvement of Private Sector in urban housing construction which slowed down the housing development;
- The presence of an airfield in the town center preventing expansion of the town.

Musanze District population is occupied by agriculture production activities at an average of 91%. Three quarter of its population are in rural area and are generally farmers. The main crops available in Musanze are Coffee, Irish potatoes, beans, maize, wheat, banana, sorghum and various vegetables. In addition of these crops there is pyrethrum as District principal industrial plantation and income generation for some of the population. The tourism and hospitalities facilities are the positively affecting the agriculture and Crafts production. The cooperative settlement and income generating groups improved the economic situation of the District. Thus the EICV 3 ranked Musanze District among the District with less population in extreme poverty

Table 1: Economic situation of Musanze District

Classification by economic categories	MUSANZE	Percentage
Extreme poor and Poor	89,998	25%
Medium Income	232,962	65%
High revenues	6,977	2%
% of poor/Total population	28.3%	

(Source: District 2012)

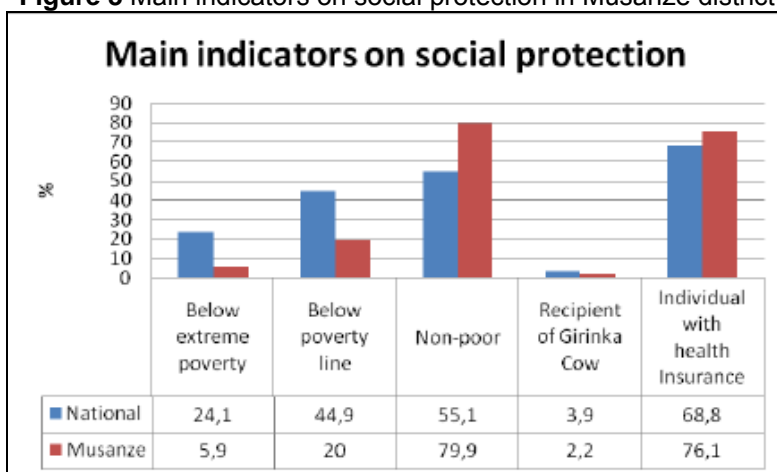
6.4. Pattern of employment

The Government of Rwanda delivers a set of core social protection programs through the Ministry of Local Government (MINALOC), supported by a number of complementary initiatives delivered by other ministries. Vision 2020 Umurenge Programme (VUP), a flagship of the EDPRS 2008–2012 is an integrated rural and human capital development programs that aims to eradicate extreme poverty by releasing the productive capacity of the poor. It has been the main channel of these Social Protection Interventions and is composed of three components: VUP public works (for the poor but able to work), VUP direct support (cash transfers for very poor households without labour capacity) and VUP financial services (financial services such as the Ubudehe Credit Scheme).

In addition to VUP, MINALOC runs two other social assistance schemes: the Genocide Survivors Support and Assistance Fund and the Rwanda Demobilization and Reintegration Commission. Outside these core programs are the social protection initiatives run by other ministries such the Girinka 'One Cow per Poor Family' program run by the Ministry of Agriculture, the free basic education program, subsidized subscriptions for mutual health

insurance, and in-kind social care services run by the Ministry of Gender and Family Promotion. These programs greatly contribute to the tremendous reduction of poverty in Musanze district.

Figure 3 Main indicators on social protection in Musanze district



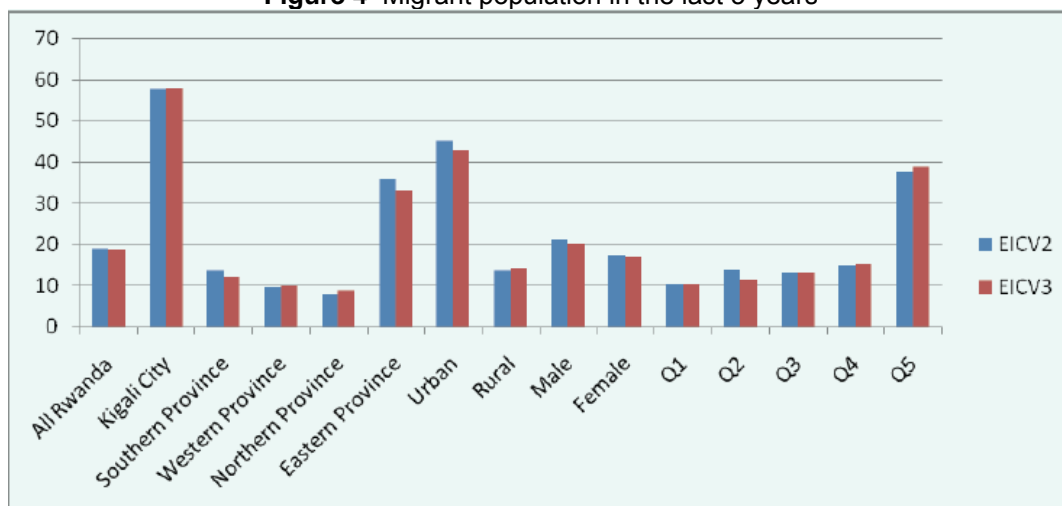
Source: EICV3, NISR, 2012

Figure presents the percentage of the population classified into extremely poor, poor and none poor. Musanze district is ranked third lowest (5.9%) by percentage of extremely poor and below poverty line (20%). In Musanze district, 79.9% of the population is identified as non-poor, whereas at the national level we have 55.1% of non-poor. This is one of the biggest achievements of Musanze district. We also notice that the use of health insurance (76.1%) is higher than at the national level (68.8%). The majority is young with 84% of the population aged less than 40 years old. This group is not only the district's future but also the most productive age group of the present. Given the fact that underemployment is a great challenge in the district. This means that during the non-working hours, given the existence of negative pressures of globalization, the youth are more susceptible to engage into dubious activities such as drug abuse, having unprotected sex that could cause HIV/AIDS, unwanted pregnancies among others. The youth are thus a key resource to protect and develop into complete and able citizens that are drivers of the district's development and not its burden. This therefore justifies the numerous interventions that the District plans to undertake in the next five years in a bid to address the challenges that the youth face whilst still releasing their productive potential.

6.5. Migration

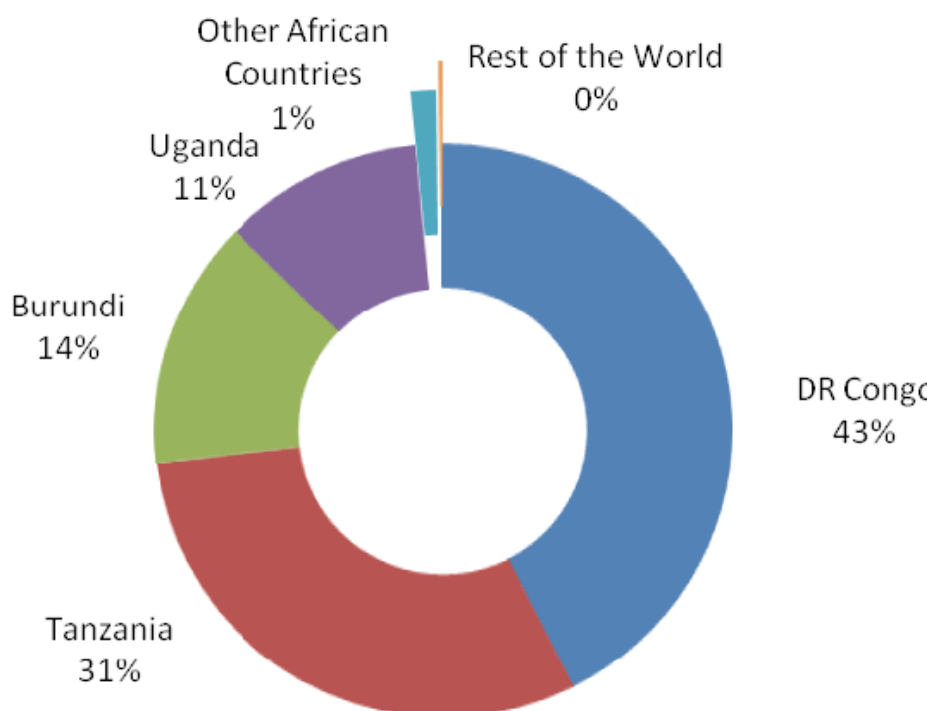
About 19% of the population has migrated within the country in the last five years, which is no change compared to the EICV2. The trends across consumption quintiles suggest that the proportion of migrants tends to grow with the level of consumption, with richer individuals moving more often. International migrants represent about 1% of the population. Most of the international migrant population originates from the neighbouring countries of DR Congo and Tanzania (together about 74% of all international migrants). About 19% of the population aged 15 and older has migrated across the country in the last five years, which is constant when compared to EICV2.9 The trend across consumption quintiles suggests that the proportion of migrants tends to grow with the level of consumption, with richer individuals moving more often.

Figure 4 Migrant population in the last 5 years



Data presented in this section for both EICV2 and EICV3 is only for persons aged 15+ as migration information was not collected for children in EICV2.

The migrant population can be divided into international and internal migrants. International migrants represent about 1% of the population aged 15+, as presented in this figure shows that most of the international migrant population originates from the neighbouring countries of DR Congo and Tanzania (about 74%).



Internal migrants represent 17% of the population aged 15 and older. This table presents the internal migrant population according to main reason for their migration. Family and employment reasons are stated most frequently, both in EICV2 and EICV3. The table shows the direction of migration for internal migrants. The direction tends to grow towards the capital city compared to EICV2. In the last five years, the proportion of the migrant population opting for the capital city increased from 19 to 27%. Human migration is the movement by people from one place to another with the intention of settling temporarily or permanently in the new location. The movement is typically over long distances and from one country to another, but internal migration is also possible. Migration may be individuals, family units or in large groups. The data indicate that migration in the country, be it lifetime or recent, is an urban phenomenon. About 48% of the resident population in urban areas and 14% in rural areas have experienced a lifetime migration. Similarly, about 25% of the resident population in urban areas and 6% in rural areas have experienced a recent migration. The distribution of the resident population by their migration status, sex, province and area of residence reinforces shows that 6% in the Northern Province include Musanze district

After independence, internal population movements in search of better land and livelihood became common. From 1978 to 1991, 76% of all rural communes experienced net emigration; however, as the agricultural frontier closed, the rural zones of immigration became few and were mostly of marginal agricultural potential (Olson, 1995, p. 26). Environmental scarcity caused people to move to ecologically fragile upland and arid areas. Urban areas had few opportunities for employment, and rural-urban migration was restricted after the onset of the civil war. Migrants had little choice but to move to and settle in hillside areas, low-potential communes adjacent to western parks and forests, wetlands requiring drainage.

6.6. Poverty

The poverty line defines a level of household consumption per adult below which a household is deemed to be poor. The poverty line used here is set with reference to a minimum food consumption basket, which was judged to offer the required number of calories required for a Rwandan who was likely to be involved in physically demanding work, along with an allowance for non-food consumption. An extreme poverty line was also set as the cost of buying the food consumption basket if nothing was spent on non-food at all; this line corresponds to RWF 83,000 and the poverty line corresponds to RWF 118,000. Musanze district is ranked third lowest (20.1%) by percentage of extremely poor and poor2 population categories. In Musanze district, 79.9% of the population is identified as non-poor, 14.2% as poor and only 5.9% as extremely poor. Compared with other districts in Northern Province, Musanze district has the highest percentage of non-poor..

7. PRIMARY RESOURCES AND PROMOTIONAL AGENT

The crops mostly exploited in the district are: potatoes, maize, wheat, beans, bananas, fruits and vegetables and flowers. The latter are in the initial phases of development. Vegetable-growing is also limited, although some groups of producers have seen the day in the district. In addition, pyrethrum and coffee are also grown in the district.

Table-2: Production and yields, different crops (2006)

Crops	Surface (Ha)	Production (in MT)	Yield (T/Ha)
Potatoes	5,142.8	53,999	10.5
Beans	4,406	5,287	1.2
Maize	5,532	8,298	1.5
Wheat	1,050	1,313	1.25

For Musanze district, the mean size of land cultivated per household is 0.45 ha, which is below the national average (0.59), the rural average (0.6) and the urban average (0.46). This is among the lowest mean sizes country-wide. Musanze district has 87% of households cultivating under 0.9 ha of land. Musanze district has 69.8% of households that have been exposed to the LTR programme; the country-wide average is 54.1%. Farming practices presents the percentage of cultivated land which has been protected against soil erosion by district. The percentage of land that has been reported as protected against soil erosion in Musanze district is 53.3%. Around 78% of cultivated land nationally is reported as being protected against erosion, with Northern Province having the lowest percentage and Southern Province the highest. In Musanze district is 46.5%. The national average is around 29% with Gakenke district incurring the highest percentage (63%) and Nyarugenge district the lowest (2.2%).

7.1. Agricultural Potentially

Musanze district is part of the Northwest Volcanic Irish Potato Zone. Though years of agricultural production has made the once highly fertile volcanic soils less productive, this zone is rarely at risk of acute food insecurity, producing surplus food in normal years. Rain-fed agricultural production serves as the basis for rural household livelihoods. Irish potatoes, maize and beans are harvested twice annually while the main cash crop pyrethrum is harvested throughout the year. Land tenure defines wealth in the zone as it is the principal productive asset. The population of the zone is dense, and as a result most households are constrained to cultivating relatively small plots. The poorer sector of the population cultivates less than 0.5 hectares of land which limits the amounts of crops it is capable of harvesting, including the availability of crop residues which is a limiting factor for keeping livestock. Most poor households in this zone reserve their harvest for consumption and do not sell. Labour sales, both on and off-farm, are the only means for the poor to earn cash. Though some households will work on the farms of wealthier households, most find construction labour opportunities in Musanze or Gisenyi towns.

Agriculture is the lifeblood of the District. At least 91% of the population is engaged in agriculture. Musanze is considered as a country granary. Agricultural products for this region include also some cash crop like coffee, tea, pyrethrum, wheat, bananas, beans, sorghum, and potatoes. There are two large factories located within the district; the pyrethrum factory in the center of Musanze town, and the wheat plant located on the outskirts of the district near the road to Kigali. The production of Maize, Irish potatoes and Fruits and vegetables is significantly high and so the challenge here is to diversify Musanze economy with agro processing industry in context of an embryonic private sector. In terms of livestock, 68% of all households in Rwanda own some type of livestock, a slight decrease in Musanze District where 69% of all households own some type of livestock. This shows that Musanze District is above the national average in terms of households raising livestock.

Table 3: Percentage of households raising livestock

	% of HHs raising livestock	Cattle	Sheep	Goats	Pigs	Rabbits	Chicken	Number of HHs raising livestock (000)
Rwanda	68	47,3	15,7	53	24,1	22,9	45,5	1 536
Musanze	69	46	1,5	57,6	9,1	11,5	66,4	46

However the number of population raising livestock in Musanze is still low, the ratio is about 3% for the whole country. This means that Musanze is still depends on agricultural production. Although Musanze is performing well in agriculture production, the district still faces some challenges. The main challenges are about:

-Soil erosion and use of chemical fertilize;

- Available cultivatable land use does not maximize the agricultural production. It requires modern agricultural techniques;
- Low agricultural productivity due to non-mechanized agricultural and terracing systems at low levels;
- Small agro processing units and industries for value addition to agriculture production for targeting the regional and international market;
- Insufficient livestock and its market development.

7.2. Animal Husbandry

Livestock In addition to crops, livestock is another important source of income and food for agricultural households. Figure 4 presents the percentage of households raising livestock over the last 12 months by district and shows that 62.6% of all households in Musanze district raise some type of livestock. This percentage is 68.2% at national level, 72.8% in rural areas, 41.8% in urban areas and is between 69% and 76% in other provinces, excluding Kigali City where it is 34.5%.

7.3. Forest-mines and water Resources

Climate change is expected to worsen existing stresses including poverty, land degradation, food insecurity, rising epidemics and natural disasters through rising temperatures and likely increase in rainfall. Recent floods occurred in Musanze, Nyabihu and Rubavu districts in April-May 2011 and the steep hilly topography makes Rwanda particularly vulnerable to landslides. Rwanda’s energy. Key environmental and natural resources problems Population growth, declining resources and poverty leads to over exploitation of natural resources. The key environmental problems are land degradation, deforestation, wetland and biodiversity loss. . About 40% of land is classified by FAO as high erosion risk with about 37% requiring soil retention measures before cultivation. Nutrients and eroded soil reach Lake Victoria primarily through River Kagera that accounts for 1/3 of the river inflow in the lake and is a major contributor of water hyacinth infestation. Rapidly growing urban areas are also creating problems of waste management (including electronic waste), air and water pollution. Another downstream effect is reduced potential for Rwandan hydropower generation due to siltation (reduced water storage) and lower water levels. Climate change is expected to increase vulnerability to existing stresses mentioned above, thus putting additional burdens notably on the rural poor. Rwanda, highly dependent on rain fed agriculture, existing problems with land degradation, low economic diversification and high poverty rates, is particularly vulnerable to climate change.

7.3. Tourism and potential

Musanze is Rwanda's most mountainous district, containing the largest part of the Volcanoes National Park, and its head office at Kinigi. Five of the eight volcanoes of the Virunga chain (Karisimbi, Bisoke, Sabyinyo, Gahinga and Muhabura) are within the district boundaries. It is also in this district that most of Rwanda's mountain gorillas are found, making it the most popular tourist destination in the country. Musanze's capital, Ruhengeri, is one of the largest cities in Rwanda and serves as a hub for tourists.

The Lake Ruhondo is located in the Musanze District which is one of the districts that belong to the Northern Province. The district of Musanze is already well positioned as a tourism destination, due to the fact that it is part of the Volcanoes National Park VNP, which is the highlight of Rwandan tourism as it is home to the unique and world famous mountain gorillas which attract every year nearly a 30.000 tourists from all over the world. The gorilla tourism is the spearhead of tourism development in Rwanda and provides the potential for further increase in visitors and in tourism investments. This figure shows the existing potentialities tourism in Musanze District.

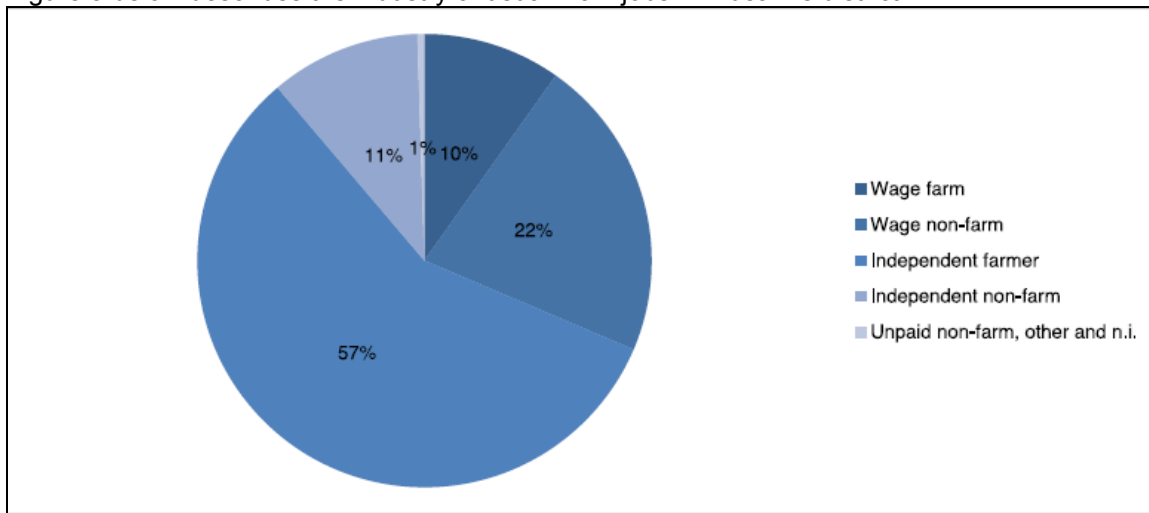


7.5. Industrial Structure

Figure 4 presents employment types by the usual main job in Musanze district. It shows that most people aged 16 years and above in Musanze are independent farmers (57.4%). The second most frequent main job is wage non-farm work (21.6%). Figure 5.2 Employment types (usual main job) in Musanze Source: EICV3. Note: Based on all persons aged 16 and above usually working.

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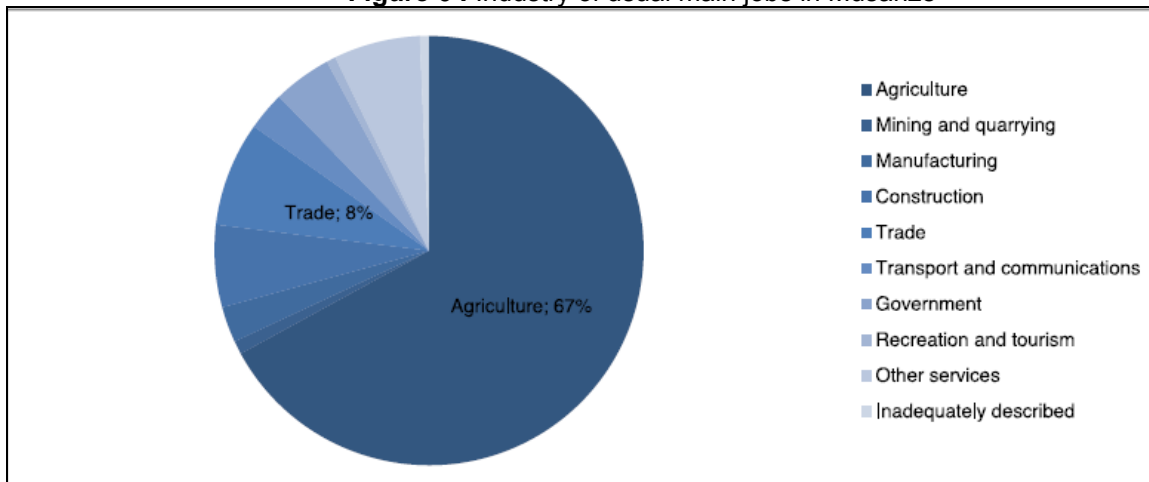
Figure 5 below describes the industry of usual main jobs in Musanze district.



Source: EICV3. Note: Based on all persons aged 16 and above usually working.

Agriculture is the main industry for 67.1% of the population aged 16 and above, followed by Trade (7.9%), other services (6.5%), and Construction (6.2%).

Figure 6 : Industry of usual main jobs in Musanze



7.6. Distribution –Types and growth

The landscape of the Musanze District in the Northern Province of Rwanda has been undergoing major changes due to rapid urbanization driven by a fast growing human population Human density in this region can reach up to 1,000 people per km² and it is estimated that more than half of the total Rwandan population is expected to live in urban areas in less than 40 years High rates of land conversion into urban use in Musanze is threatening the wild avian diversity, as it is the case for other fast growing cities in the world More than half of the total Rwandan population is expected to live in urban areas in less than 40 years While wild avian diversity has been a subject of research in natural habitats of the Northern Province, especially in the Parc National des Volcans (PNV) and the Buhanga eco-park, the biodiversity of the neighboring Musanze city, like many other

anthropogenic landscapes, remains understudied. Thus, this study aimed to address the issue of ecological bias in bird diversity and distribution in fast growing cities and proposes strategies for effective conservation of birds in urban areas of Rwanda and of Musanze city, in particular.

Landscapes of Musanze city can be classified into two major categories: open fields and built-up areas. Open fields can include agricultural land, cemeteries, wastelands, stream banks, forests, and the aerodrome, which is a no paved strip covered by a regularly mown lawn of about 1.5 km length. Built-up areas include business centers, institutional grounds, settlements, and residential neighborhoods. In this study, agricultural land referred to cultivated lands located within Musanze surrounding urban areas, where maize and beans are the most common crops. We included two cemeteries in our sampling sites, which were located in the Muhoza and Cyuve sectors. Wastelands were defined as areas dedicated to household solid waste disposal. Two wastelands were considered for the study, one close to Musanze business center and another in Cyuve. We considered stream banks as land that encompassed habitats on both sides of permanent or seasonal river flows. Forests included areas covered by tree plantations, mainly Eucalypts. Natural forests were not found within the city boundaries. The Musanze aerodrome is a non paved strip covered by a regularly mown lawn of about 1.5 km length. Business centers included market places and areas with a high concentration of shops. Institutional grounds were comprised of large institution gardens, including the district office, Musanze hospital, one university, one high school, and the city abattoir. Informal and non formal settlements included organized village settlements and rural type scattered settlements, where banana plantations were the most common crop in the home gardens. Residential neighborhoods were high standard settlement areas of the city.

7.7. Industries and Raw materials

The development of small scale industries, especially agro related industries in Musanze District, is being affected by inadequate supply of raw materials and enough infrastructures, an official has said. Speaking to The New Times, the vice Mayor in charge of Economic Affairs, Jerome Mugenzi, said the district is encouraging residents to join cooperatives, and work together to produce enough materials necessary to feed the available industries. Some of the industries include SOTIRU, wheat processing industry which lacks raw materials and imports raw materials from Brazil, SOPYRWA, pyrethrum processing company, which also reportedly lack enough raw materials. 'There is need to provide quality seeds, and set up particular zones where crops like wheat could be grown on large scale to sustain the factories,' Mugenzi said. It was reported that failure to grow wheat in the area affected SOTIRU's productivity and the company had cut down on its staff. Mugenzi revealed that residents, especially youth would, be facilitated to get loans to invest in the production of the required materials.

7.8. Industries and employment

A 15-member cooperative in Musanze District is setting business prototype that should be used to redesign the *Hanga Umurimo* programme currently facing a high loan default rate. Members of Reba Kure Cooperative pooled Rwf35, 000 each and invested in buying and selling of produce. As their name suggests, they chose to focus ahead through savings, not loans. Today, Reba Kure is an investment group worth millions of francs – having diversified into fabricating machines for small-scale industries. This has created jobs for the 15 founders as well as 20 employees. By the time they went for Rwf45 million loans, guaranteed by the government under the *Hanga Umurimo programme*, the group was only looking for a push to another level. Entrepreneurs are not made by bank loans; they are self-made people who can only be supported to grow bigger with the right form of financing.

Therefore, instead of trying to coach people, some of whom have never even managed a small vegetable kiosk, to become multi-million franc investors on borrowed funds, *Hanga Umurimo* should focus more on supporting existing businesses expand and create jobs. It makes business sense to guarantee a bank loan for a lodge operator seeking to expand into a three-star hotel and create 100 more jobs than invest in a start-up idea of someone without any experience and demonstrable commitment to succeed in that business. The high failure rate of start-up projects is clear testimony that while it is an act of magnanimity to look out for those young and unemployed Rwandans for support to create their own jobs, lack of business acumen is working against them. So, the correct policy intervention is in using available funds to support those small enterprises with potential to grow and create jobs.

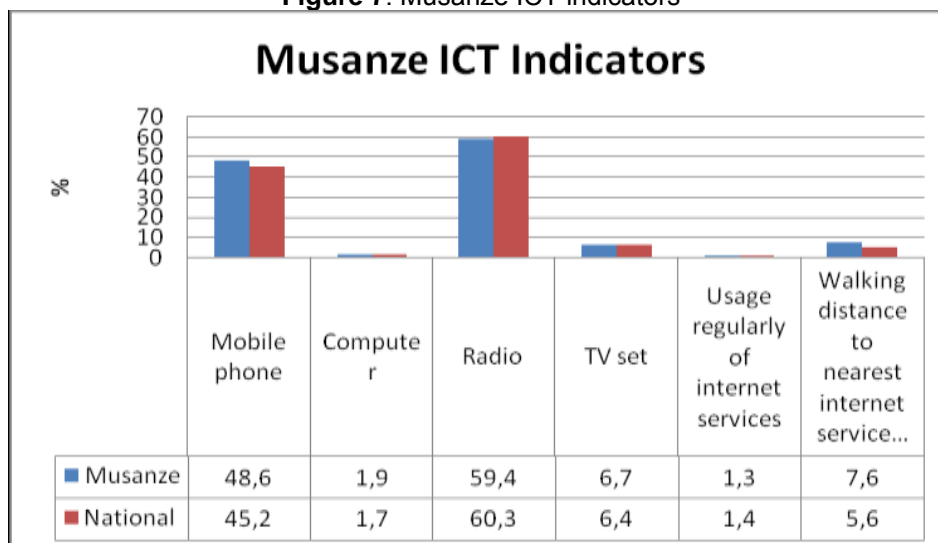
7.9. Transport Net

The ICT sector has been regarded a key element of Rwanda's development process. It is expected to create jobs, facilitate general economy development, and ensure that Rwanda will transform into a globally competitive, information-rich, knowledge-based economy. In line with these aspirations, the EDPRS defines two sector-relevant progress indicators: ICT penetration in terms of voice (i.e. phone) and data (i.e. internet) services.

According to EICV 3, Musanze district has 48.6% of households owning a mobile phone, ranking the district first in Northern Province on this indicator. In urban areas, 71.5% of households own a mobile phone; in rural areas the figure is 40.6% and 45.2% country-wide. According to the EICV3, among the urban population, 14% can be classified as computer literate, but only 2% of the rural population. Only 4% at national level can be

classified as computer literate. This shows the progress that has been made. But Musanze faces some challenges in terms of use of internet, as show by the figure 7.

Figure 7: Musanze ICT indicators



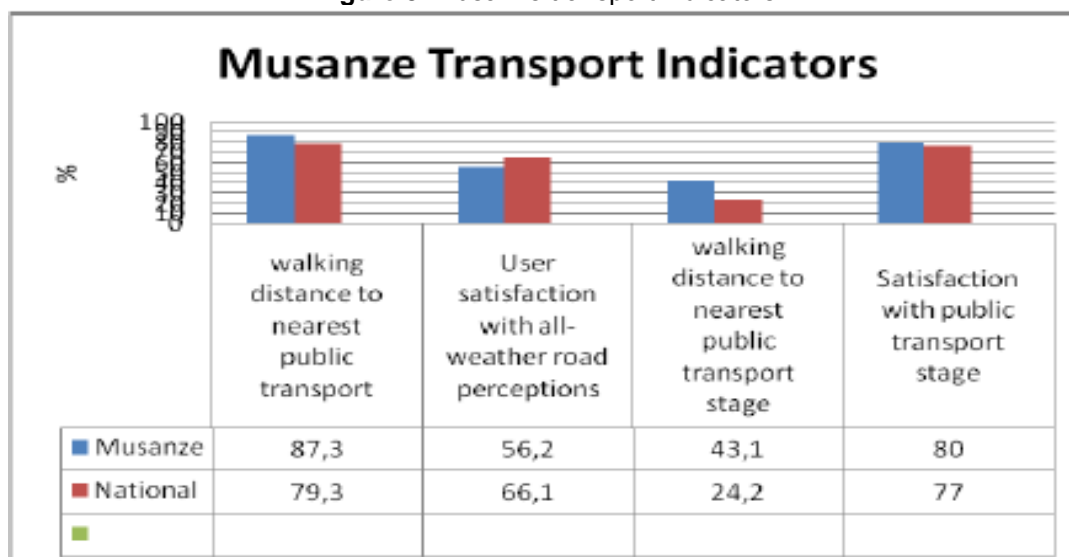
Source: EICV3, NISR, 2012

The figure shows that usage regularly of internet services in Musanze is still slightly lower (1.3%) comparatively to national level (1.4%). This may be due to the fact that walking distance to nearest internet service (0-19 minutes) is higher in Musanze than to the national level.

7.10. Road work

The energy and transport sector is influential sector in the development of Musanze district. The ultimate growth of the private sector will depend on how energy and transport sector is well established to lure private entrepreneurs into investments in the district. This sector however, is faced with various challenges that the district will in the next five years transform into opportunities. In terms of transport, the figure 8 illustrates some of these challenges.

Figure 8: Musanze transport indicators



7.11. Accessibility Source:

The graph 8 shows that even if satisfaction in using public transport is higher in Musanze comparatively to national level, much still have to be done in terms of accessibility to public transport. Some of the challenges are:

- Maintain and rehabilitate roads in the rural and town centers, and roads link the sectors to the district
- Feeder roads to connect different sectors and cells to facilitate agriculture and livestock production. This is intended to widen the market and potential for farmers to have access to markets.

□□Bridges construction and maintenance of different roads. The district has various roads constructed in valleys. This necessitates the need to construct various bridges that link sectors and cells, since the district is a mountainous. As regards to the energy, the EICV 3 categorized the primary sources of energy used by households as follows: electricity, oil lamp, firewood, candle, lantern, battery, and other unspecified sources. In Musanze, 14.5% of households use electricity as the main source of lighting, ranking the district first within Northern Province. Urban areas have 46.1% of households using electricity as the main source of lighting, compared with only 4.8% in rural areas and 10.8% at national level.

8. FINANCIAL INSTITUTIONS

Musanze district has 15 Umurenge SACCO Cooperatives, 15 commercial bank branches and IMF. According to EICV3, much have to be done in terms of accessibility to financial services. Because in Musanze district, 38.6% of households have at least one saving account. At national level, 39.4% of households have at least one saving account, while the average for Northern Province is 40.1%. Further still, it is worth noting that majority of the districts' citizens are farmers with less collateral and limited financial literacy, therefore access to finance is still a challenge. The district is also mindful of the unlocking power of financial literacy and access to finance towards poverty alleviation, individual economic empowerment as well as overall national economic growth. It is against this that multiple strategies shall be undertaken not only in promoting financial literacy but facilitating individuals, cooperatives, SMEs and companies in the district to access finance at affordable interest rates and flexible repayment mechanisms. These will supplement existing initiatives that promote financial inclusion such as the VSLGs (Village Savings and Loans Groups

8.1. Public sector Bank

The study has chosen the most important banks which are operational in Musanze district and the there as following:

1. Bank of Kigali (BK) officially launched its agency banking service as part of its initiative to extend financial services to the unbaked and under banked population in Musanze district The existing of Agency banking of Bank of Kigali (BK) is a prime example of our banking strategy to enable customers carry out transactions in their communities in the same way as they would have in our branch location Through the platform, BK's agents will perform cash transactions and open accounts for new customers as well as process applications for microloans and this will help citizens access efficient banking services conveniently in their neighborhood. Musanze population should embrace banking as a saving tool to secure their future livelihoods

8.2. Banque Commerciale du Rwanda

Banque Commerciale du Rwanda (BCR) is a strong bank that can only grow stronger. BCR is the first bank to start operations in Rwanda in 1963. The bank has been performing at its best because of innovation, great customer care and its people-centered bank products.

8.3. Rwanda Development Bank

Rwanda Development Bank (BRD), is the Leader of productive investment and the most profitable Bank at the service of poverty reduction. It is the investment arm that finances the nation's development objectives with a focus on the priority sectors of the economy. The bank has to be innovative and dynamic, in order to provide good financing tools or products, and financing conditions to the customers

8.4. Kenya commercial Bank

Kenya commercial Bank (KCB) Group's net profit for the first quarter of this year has increased by 25 per cent to Ksh3b (Rwf22.9b) compared to Ksh2.4b (Rwf18.3b) reported in a similar period last year. The bank's loan book grew by eight per cent to Ksh211.9b (Rwf1.6 trillion) compared to the Ksh195.3b (Rwf1.5b) recorded in a similar period last year, but only by 0.09 per cent since December. Its net interest income increased by six per cent to Ksh7.4b (Rwf56.6b) compared to Ksh7b (Rwf 53.4b) in the first quarter of 2012. KCB's net non-performing loans and advances, however, increased significantly to Ksh7.5b compared to Ksh5b in March 2012, a 51 per cent increase. The group's cost to income ratio is on a steady decline at 59.6 per cent in the first quarter, down from 62 per cent in March 2012. It has attributed the pay-off to a Ksh1.6b (Rwf12.2b) one-off restructuring cost in 2011.

8.5. Agaseke Bank

Agaseke Bank's main target is to support small-and-medium businesses that are not served by the mainstream banks to bolster their growth.

8.6. Fina bank

Fina Bank serves a wide range of customers, primarily offering business and corporate banking services. The Group is particularly active in the manufacturing, trade and services sectors

8.7. Bank Populaire du Rwanda

Bank Populaire du Rwanda offers a full range of financial services in the urban and rural areas in a market driven and financially sustainable way; based on cooperative characteristics. Special attention is given to farmers, agribusiness enterprises, private individuals and micro as well as small and medium enterprises. BPR Offer be the leading retail bank of Rwanda

8.9. Zigama CSS

Zigama Credit and Savings Society posted strong earnings last year indicated by a net profit of Rwf2.4 billion. The bank currently operates 20 branches countrywide and the bank gave its clients' welfare and service provision more priority than the profit. Zigama CSS contributes a lot towards the country's macro-economic stability and this profit gives a good picture of how the bank is striving to achieve that. Zigama CSS was established in 1997 with a mission to improve the welfare of military families. In 2011, it received a commercial banking license from the central bank and since then, the cooperative bank accepted membership from Rwanda Police Force and Rwanda Correctional Services.

8.10. Scheduled Bank

A scheduled bank is eligible for loans from the Reserve Bank of Rwanda at bank rate

8.11. Zigama Credit and Savings Bank (ZCSB), is a microfinance bank in Rwanda. The bank is one of the financial institutions licensed by the National Bank of Rwanda, the national banking regulator

8.12. Cooperative Bank

Financial sector development Musanze district has 15 Umurenge SACCO Cooperatives, 15 commercial bank branches and 6 IMFs. According to EICV3, much have to be done in terms of accessibility to financial services, because in Musanze district, 38.6% of households have at least one saving account. At national level, 39.4% of households have at least one saving account, while the average for Northern Province is 40.1%. Further still, it is worth noting that majority of the districts' citizens are farmers with less collateral and limited financial literacy, therefore access to finance is still a challenge. The district is also mindful of the unlocking power of financial literacy and access to finance towards poverty alleviation, individual economic empowerment as well as overall national economic growth. It is against this that multiple strategies shall be undertaken not only in promoting financial literacy but facilitating individuals, cooperatives, SMEs and companies in the district to access finance at affordable interest rates and flexible repayment mechanisms. These will supplement existing initiatives that promote financial inclusion such as the VSLGs (Village Savings and Loans Groups).

8.13. Rwanda Bank and the people of Musanze District

Rwanda Federation of Transport Cooperatives (RFTC) officially opened Musanze Taxi Park that was constructed with financial lending from Development Bank of Rwanda (BRD) and will accommodate vehicles mainly plying the Kigali-Musanze-Rubavu route is the key partners for the work well done in steering socio-economic development in the province. MUSANZE IS is gratitude to BRD for its sustained drive to spur development specifically in Musanze district through financial lending that has considerably engineered investments in the district renowned for its booming tourism as well as being the country's food basket. The park whose operation will economically improve the cooperative's revenues as well as enhancing job opportunities for a lot of people.

MTN and Rwanda Development Bank (BRD) played a big role in the implementation of the initiative. Through the efforts of the initiative, the cost of a mobile phone has been slashed from Frw28, 000 to Frw13, 000. The relaxed credit scheme will enable a person to own a phone and pay only Frw1, 000 per month in a period of 13 months. Over 53,000 handsets have so far been dispatched to 15 out of 30 districts. The initiative is described as milestone in rural development. The suppliers have to increase the number of phones to meet the increased demand as a result of fruitful agricultural harvests in the Northern Province. Stakeholders in this project should bear in mind that the people of Musanze know the importance of ICT and demand more access to ICT infrastructure. This affordable mobile phone per household is in line with our rural communication access strategies. We realize the importance of rolling out ICTs to rural areas because this is where we have got the biggest percentage of the population.

9. SUMMARY AND CONCLUSION

The percentage of the poor in Musanze is 20.1%, which is considerably below the national average of 45%. The district ranks third nationally after Nyarugenge and Kicukiro as those with the lowest percentages of poor; it is first in Northern Province. The percentage of households in Musanze district with access to an improved drinking water source is 74%, which is below the EDPRS target of 85% (to be reached by 2012). The percentage of households having improved sanitation facilities in Musanze district is 51.7%, which is lower than the national average (74.4%) and the EDPRS target on sanitation, which is to provide 65% of the total population with access to hygienic sanitation by 2012. The percentage of households that use electricity as their main source of lighting in Musanze district is 14%, ranking the district first in Northern Province. The mean walking distance to a primary school in Musanze district is 21.6 minutes, which is higher than the mean distance in urban areas (19.4), though lower than the country-wide average (27.2 minutes). The mean walking distance to a health centre is 44 minutes and 71.1% of households walk for under an hour to reach a health centre. The industry of usual main jobs in Musanze district is agriculture; it occupies 67% of the working population aged 16 year and above. Agriculture provides the main source of income for 46% of households. The percentage of agricultural households incurring expenditure on chemical fertiliser in Musanze district is 46.5%, which is the second highest in Northern Province after Gakenke and fourth highest at national level.

Musanze is among the districts with a lower percentage of households raising livestock (62.9%). The percentage distribution of individuals aged six and above that have at some time attended school in Musanze district is 89.6%, ranking it among the districts with the highest percentages. However, the literacy rate among the population aged 15 and above is 65.6%, which is below the national average of 69.7%. The survey results show that 14% of Musanze district have used a computer before and would feel confident using one again. Musanze ranks second in Northern Province on this indicator and sixth at national level

Conclusion

Poor rural people's livelihoods are significant in national economies and the world economy in terms of – the potential market for increased demand for consumer goods and services if rural people become more wealthy – their potential contribution to, or drain on, resources either as a dynamic and growing part of national economies generating employment, tax revenues, and so on, or as a stagnant sector demanding welfare support for a poor and large part of the population. Understanding these livelihoods is therefore important for our understanding of, and action to address, rural poverty, the resulting human suffering, and the pressures it then places on urban areas (through rural–urban migration, national, regional, and global economies, and the environment). Musanze District is going to provide a source of reference for every intervention in the district by all the stakeholders and development partners. It will ensure enhanced coordination, monitoring and evaluation of implementation of the district's priorities by informing its Monitoring Evaluation Framework and annual action plans and budgets. It will elaborate the district's medium-term goals and improve the quality of life and standard of living of the people of Musanze

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