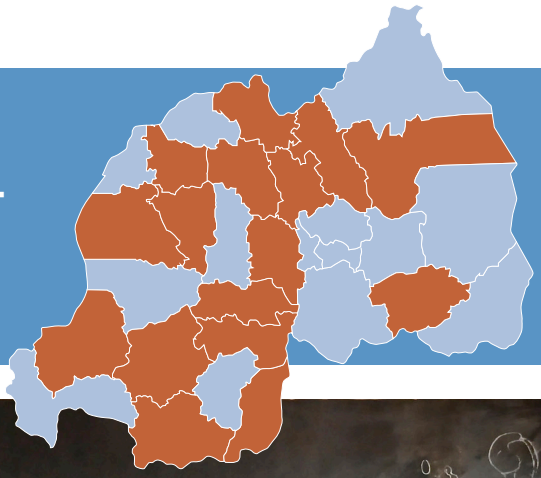
BASKET FUNDING FOR PRO-POOR DEVELOPMENT (PPD-BASKET)



SECTOR | Socio-economic development

DURATION | 42 months (December 2023-June 2027)

TARGET GROUPS

Local communities, micro, small and medium-sized enterprises (MSMEs) and entrepreneurs in the most disadvantaged districts.

SECTORAL POLICIES AND REFERENCE STRATEGIES

- Rwanda's Vision 2050;
- National Strategy for Transformation;
- Local Economic Development Strategy.

INSTITUTIONAL ANCHORAGE

Ministry of Local Government and Local Administrative Entities Development Agency (LODA)

BUDGET | EUR 57.08 million
(Luxembourg grant: EUR 10.08 million; AFD loan: EUR 16 million, KfW grant: EUR 31 million)



Rwanda's rural areas lag significantly behind in public investment, economic development, and access to services, compared to urban areas. The PPD-Basket fund aims to bridge this gap by financing local projects that promote inclusive growth, address infrastructural deficits, and support sustainable development to improve living conditions and economic opportunities in vulnerable districts.

OBJECTIVES

The PPD-Basket project aims to reduce poverty and inequality by supporting local economic development through improved infrastructures, sustainable agricultural practices, and better access to public services like health, education, water, and sanitation. It also strengthens local governance and builds capacity of local authorities to manage projects effectively.

The approach is based on three pillars:

1. regulatory and operational frameworks: enhance policies, institutional capacity, and tools for local economic development;
2. financing and implementation: fund inclusive, sustainable infrastructure projects in key sectors such as transport, health, education, agriculture, water and sanitation;
3. technical support and capacity building: train district authorities and strengthen LODA for effective project management.

IMPLEMENTING PARTNERS

The project is implemented by LODA and the administrations of the 16 beneficiary districts. Technical assistance for implementation is offered by KfW, while LuxDev and AFD contribute expertise to strengthen alignment with climate resilience objectives.

GEOGRAPHICAL COVERAGE

The project is implemented in Rwanda's 16 most disadvantaged districts, selected based on population, poverty levels, and geographic size. The 16 targeted districts are Gisagara, Nyanza, Ngoma, Nyaruguru, Gatsibo, Nyamagabe, Ruhango, Kamonyi, Rulindo, Gakenke, Burera, Gicumbi, Rutsiro, Nyabihu, Ngororero, and Nyamasheke.

BENEFICIARIES

Intermediary beneficiaries of the PPD-Basket fund are district and local authorities responsible for selecting and implementing local economic development projects, usually through community-based approaches and tenders. Final beneficiaries include local communities, MSMEs and entrepreneurs, with a strong focus on women and youth, ensuring their active participation and leadership in economic activities.

EXPECTED RESULTS AND MAIN ACTIONS

- inclusive economic growth achieved through improved infrastructure and increased economic opportunities and access to essential services (transport, health, education, water, and sanitation) in the targeted districts;
- reduced poverty and inequality through improved living conditions and economic well-being of vulnerable populations, supported by community engagement in planning and inclusive decision-making;
- strengthened local governance through enhanced capacity of district authorities and technical assistance to LODA for the management and implementation of local economic development projects;
- enhanced climate resilience via governance improvements, climate-resilient infrastructure standards, and budget allocation based on climate vulnerability;
- development and implementation of regulatory reforms and policies supporting local economic development.

ACHIEVEMENTS (AS OF 2026)

626 km water pipelines built or rehabilitated — **serving 577,796 people** — across **9** districts

455 classrooms constructed or rehabilitated — **serving 29,808 learners** — in **14** districts

41 health centres constructed or upgraded — **serving 600,475 people** — in **16** districts

133 Ha of terraces constructed — **2** greenhouses installed — **32** bridges constructed or rehabilitated — in **11** districts

**These achievements reflect the overall efforts underpinning the project, with Luxembourg contributing 20% of the total budget.*

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