Republic of Rwanda
Ministry of Education

National School Feeding Programme Financing Strategy

October 2024

Executive Summary

Rwanda's National School Feeding Programme has expanded rapidly within very few years. Based on the National Comprehensive School Feeding Policy of 2019, the programme provides hot meals to all students in all public or government-supported pre-primary, primary and secondary schools since 2020. By 2024, the programme has reached more than 4 million students. The Government has constantly increased the funding for this programme, both to keep pace with increasing student numbers, but also by increasing its share of contributions in pre-primary and primary schools, relieving parents correspondingly.

The programme is expected to yield significant benefits for students and their households, but also for local farmers and economies, and the national as a whole. Some of these benefits maybe only materialise in many years, when students have acquired better and longer schooling and are becoming more productive than they would have been without school feeding. Other benefits, by contrast, will be almost immediate. This is the case for local farmers, agriculture and food systems, in particular if the stable and local demand of the school feeding programme is complemented by additional supply-side support to food systems actors. Another immediate benefit of the programme is the creation of thousands of jobs throughout the entire country, be it for cooks, for food suppliers, or processors and service providers along the supply chain. Not least, an important immediate benefit includes the relief of households from the costs of the meals provided at schools – which in particular for poor households can mean a significant increase of their available income, which they then can invest into their livelihoods and resilience.

The Updated National School Feeding Strategy provides clear guidance on how all of these benefits can be materialized in a cost-efficient way. The present Financing Strategy complements the School Feeding Strategy by showing how the programme can potentially be financed.

The expected costs of school feeding

The costs of school feeding include (1) the costs of food, (2) the transport of food to schools; (3) costs of implementation (cooks; school staff using time to support the programme; fuel for cooking; utensils, utilities and deworming); (4) infrastructure investments, including maintenance and eventual replacement, for kitchens, storerooms, access to safe water and WASH installations; (5) programme management at national and district level; (6) monitoring, reporting and evaluations; and (7) capacity strengthening. All costs are extrapolated using realistic forecasts for future numbers of students and schools; and apply an average rate of inflation of 5 percent.

Total costs are expected to increase from increase from 347 billion RWF in 2023 to 665 RWF in 2032 – if no efficiency gains are made. The annual cost per child will increase from 86,000 RWF to 115,000 RWF.

The present level of contributions from national actors

The level of annual Government contributions to school feeding in 2023 was estimated at 110 billion RWF. Parental contributions are estimated to increase from 25.4 billion in 2023 to 74.9 billion in 2032.

This means that the Government and parental contributions combined sums up to about 138.24 billion RWF to the programme. The remaining funding gap will increase from 211 billion RWF in 2023 to 480 billion RWF in 2032. It should be noted that most of these increases will be due to the assumed average annual rate of inflation of 5 percent.

Potential efficiency gains

Efficiency gains can be made without decreasing coverage or programme quality through re-designed procurement processes, systematic use of electronic meal planning and optimization tools, a tax waiver, or increased fuel efficiency. If optimal savings are achieved, the funding gap will increase from 211 billion RWF in 2023 to only 285.3 billion RWF in 2032, i.e., almost 200 billion RWF less compared with no savings being made.

Potential additional contributions from national actors

The Financing Strategy explored and quantified potential additional contributions from three different national sources: the Government, parents, and the private sector.

Additional contributions from the Government

Based on past trends, IMF expectations and Government strategies, the Financing Strategy developed three scenarios for potential future Government contributions, using the above variables as follows:

Scenario	GDP growth (%)	Average growth of tax-to-GDP ratio (%)	Share of increased revenue that can be used for school feeding
High	12.0	0.30	6.0
Medium	11.5	0.25	5.0
Low	11.0	0.20	4.0

Additional contributions from parents

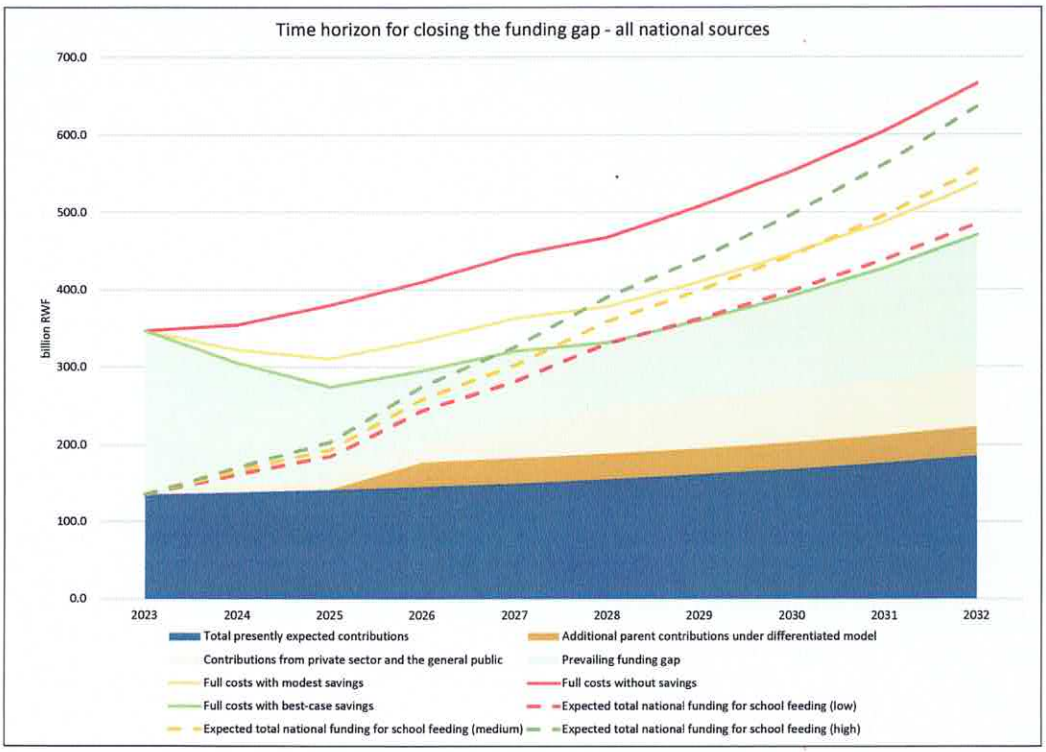
Increased parental contributions may be possible and feasible under a differentiated model described in the Financing Strategy. If a review of the implementation of the Financing Strategy – proposed for 2025 – determines that such a differentiated model can be introduced, this could generate additional 30 billion RWF as of 2026 (and thereafter increasing corresponding to growing student numbers and inflation).

Additional contributions from the private sector

The Financing Strategy assumes that 10 billion RWF can be mobilized in 2025, whereafter this amount should increase by 50 percent per year (plus inflation) until 2029, and thereafter remain stable (only increasing due to inflation).

Summary

This means that in the best case, national actors could jointly cover the funding gap by 2027 – if best-case savings are achieved, if high additional government revenues are generated, and if additional resources from parents and private sector, civil society and the general public are mobilized as foreseen. The same high scenario for additional resources would close the funding gap by 2028, if modest savings are achieved.



Temporarily required external support

The Financing Strategy developed five scenarios, which combine different combinations of savings, and additional contributions from government and other national sources. Under the two most probable scenarios, the cumulative funding gap that has to be closed through external support would be US$ 672 million over 8 or million over 7 years – corresponding to an average annual required support of US$ 84 million over 7 or 8 years.

The need for external support can be reduced (amounts or duration) if higher than modest savings are achieved – which should therefore be a priority.

Recommendations

The Financing Strategy recommends the following interventions – which are fully endorsed by the present National School Feeding Strategy:

- ☐ Promoting significant efficiency gains
- ☐ Establishing National School Feeding Funding models
- ☐ Mobilizing temporary external support
- ☐ Increasing national contributions
- ☐ Inscribing measures into NSF Strategy and Operational Guidelines
- ☐ Monitoring and reviewing progress, documenting achievements, and adapting

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Foreword

The Government of Rwanda recognizes School Feeding Program as a key pillar to achieve human capital development. It has proven to be a powerful and vital investment in the health, education, and future of children. The program provides more than just a daily meal; it offers a pathway to better learning outcomes, improved nutrition, and enhanced community well-being.

The Ministry of Education in collaboration with the Ministry of Finance and Economic planning have developed a 10-year school feeding financing strategy to support the implementation of school feeding policy vision stipulating that *"All school children in Rwanda shall achieve their full development potential through a sustainable school feeding program that provides adequate and nutritious meals at school"* and operationalize recommended policy action of securing sustainable financing mechanisms for school feeding programs.

This strategy represents our commitment to supporting school feeding initiatives as a sustainable, inclusive, and impactful approach to global development. By focusing on sustainable financing, we intend to foster resilient programs that are adaptable and responsive to changing needs. We understand that the strength of a school feeding program lies in its foundation—its financing—making it crucial to mobilize the necessary resources and partnerships to support long-term growth.

The school feeding Financing Strategy provides guidance on how the program will be financed for the next 10 years. It includes expected cost of school feeding, potential efficiency gains, contribution for internal and external actors (Government, parents, public and private sectors, and donors) as well as recommendations and strategies on how funds will be mobilized.

We would like to express our gratitude to all the staff of the Ministry of Education and affiliated agencies, Ministry of Finance and Economic Planning, Districts, private sectors, development partners and other stakeholders who have contributed to the development of this strategy.

The Ministry of Education acknowledge World Food Programme for technical and financial support in the elaboration of this strategy and continued support in advancing a high-quality universal school feeding programme in Rwanda.

Claudette IRERE
Minister of State for Education

Acknowledgments

The Ministry of Education would like to thank the Government's main partner in the school feeding program, the World Food Programme, for its technical and financial support in advancing a high-quality universal school feeding program in Rwanda since 2002, particularly in the development, review, and validation of school feeding and school feeding financing strategies.

Additionally, the Ministry of Education would like to express appreciation for the support and contributions of all stakeholders, including the technical working group members, national school feeding steering committee members, and the education sector in general, who have also contributed to the development of these two strategies including school feeding strategy and national school feeding financing strategy.

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List of Abbreviations

ESSP	Education Sector Strategic Plan
GDP	Gross Domestic Product
GER	Gross Enrolment Rate
IMF	International Monetary Fund
LMIC	Low-and lower-middle income country
MINECOFIN	Ministry of Economic Development and Finance
MINEDUC	Ministry of Education
MTRS	Medium-Term Revenue Strategy
NSFP	National School Feeding Programme
NSSF	National School Feeding Fund
NST 1	First National Strategy for Transformation
PPP	Public-Private Partnership
RPPA	Rwanda Public Procurement Authority
RWF	Rwandan Franc
VAT	Value added tax
WEO	World Economic Outlook
WFP	World Food Programme

1. Introduction

1.1. Background and rationale for the Financing Strategy

The Government of Rwanda has supported the provision of foods to students in secondary boarding schools for many years. In 2014 the program expanded to secondary day schools by providing a subsidy of 56 Rwandan Francs[1] (RWF) per day per student and to pre-primary schools by providing one cup of milk. With the endorsement of the National Comprehensive School Feeding Policy in October 2019, the Government has pursued the rapid scale-up of school feeding, aiming to achieve universal coverage of all pre-primary, primary and secondary pupils in public and government- aided schools. Since 2022 the Government increased its contribution to 135 RWF per student per day. This move was based on the realization of the importance to invest in Human Capital Development in support of the objectives and goals for national development established by Vision 2020, Vision 2050, several Sustainable Development Goals as well as pillars 1 (economic development) and 2 (social development) of the first National Strategy for Transformation (NST 1).

Despite the outbreak of the COVID-19 pandemic and the related closure of schools, the Government has managed to achieve the ambitious target of universal coverage of the National School Feeding Programme (NSFP), increasing the number of supported pupils from about 600,000 in 2019 to 4 million in 2024.

The Financing Strategy has been deemed necessary by both the Ministry of Education (MINEDUC) and the Ministry of Finance and Economic Planning (MINECOFIN), for a number of reasons:

- The national budget for school feeding has increased significantly over the past few years. It is important for the Government to have a clear picture how the direct and associated costs of the NSFP can be expected to develop in the future, and how these can be covered to ensure the long-term sustainability of the programme.
- Budgets are presently based on an average food cost per pupil per day of 150 RWF for pre-primary and primary, 356 RFW for secondary day schools and 990 RFW for boarding schools. However, the significant global increase of food prices have meant that this average price – and thus overall budgets – may need to be adjusted.
- Present budgets for school feeding only encompass the cost of food, while ignoring other costs related to school feeding. These costs, often hidden or not or only partially accounted for, should be made explicit to arrive at realistic budgets that can support the future sustainable implementation of a high-quality school feeding – which is the precondition for the achievement of the NSFP's expected development outcomes.
- Not least, until August 2022, the share of parental contributions to food costs was set at 60 percent, i.e. 94 RWF per school day. This proved to be too high a burden, in particular for poor

[1] At the time of writing this strategy, 1 RWF corresponded to 0.0009 US$; and 1 US$ to 1,055 RWF.

families. Since the beginning of school year 2022/23, following MINEDUC Guidelines on the Contribution of Parents to Pre-Primary, Primary and Secondary Education of 14 September 2022, this share has been reduced to 10 percent for children in pre-primary and primary schools.

1.2. Approach and Process of Developing the Financing Strategy

The Financing Strategy was developed in close cooperation between MINEDUC, MINECOFIN, and the World Food Programme (WFP), which supported the elaboration of the strategy. The elaboration of the Financing Strategy was carried out in parallel with a National School Feeding Strategy led by MINEDUC, which aims at guiding the implementation of the Comprehensive School Feeding Strategy towards highest standards of quality and efficiency. The Financing Strategy and the National School Feeding Strategy are closely interrelated:

- The Financing Strategy provides a clear outlook for the future resourcing of school feeding in Rwanda, which informs the School Feeding Strategy of the possible scope, and required activities – not least with respect to achieving a high level of programme efficiency.
- The National School Feeding Strategy provides the overall framework, implementation structure and outline of required programme elements for which the Financing Strategy must aim to secure sustainable resources. In addition, the School Feeding Strategy also articulates a number of principles that concern possible contributions from different national actors, such as national and District/City of Kigali, private sector, as well as parents and communities.

The scope and structure of both strategies were explored during an in-depth inception, which entailed consultations with a wide range of Government Ministries as well as development partners. A detailed inception report documents the results of these consultations and provides annotated outlines of both strategies as agreed on with the Government.

An intensive field mission allowed additional consultations, not least at district level, as well as site visits. Furthermore, during this field mission a wide range of information was collected, such as unit costs of different cost items related to school feeding; and contacts were established which during the subsequent desk work allowed rapid feedback and provision of further information.

In preparation of the drafting of the Financing Strategy, two technical background papers[2] were elaborated, the first one focusing on establishing the full costs of school feeding in its present form[3]; extrapolating these costs for the period 2023 – 2032; identifying three scenarios for potential efficiency gains; and calculating all the contributions already being made to school feeding. The second paper then explored how and by when the remaining funding gap can be covered by sustainable national sources; and to which extent and how external partners would have to be approached for temporary support. These two papers were shared with national stakeholders and

[2] Two papers were prepared for practical reasons – this approach allowed national stakeholders providing feedback on the first one during the time, the second paper was prepared. After the end of all consultations, these papers have been joined into one, and form the background for this Financial Strategy.

[3] As described in the Operational Guidelines of the NSFP of 2021

partners for inputs, comments and feedback. Additional feedback was provided by Kevin Watkins of the Sustainable Financing Initiative under the global School Meals Coalition, of which Rwanda is a member.

The consolidated papers were presented and discussed during a high-level meeting between the two Ministries and their technical teams, which provided further guidance; as well as during a workshop of the school feeding Technical Working Group and consultations with the national school feeding steering committee. Based on the guidance received during and after the mission, the present Financing Strategy was elaborated. This is a non-technical document which summarizes findings and options, highlights Government priorities, and focusses on how concretely the strategy will be implemented. For any details of underlying calculations, reference is made to the technical background paper.

1.3. Structure of the Financing Strategy

The Financing Strategy falls into five sections: following this introduction, the second section briefly refers to the fundamental principles for the financing of the NSFP that have been established by the Updated National School Feeding Strategy developed in parallel to the Financing Strategy. Thereafter, the third section identifies the funding gap which will have to be closed. This is done in three steps:

a) establishing the full costs of school feeding in the base year (2023);
b) extrapolating these costs for the coming decade; and finally
c) establishing present contributions, which can be subtracted from the expected costs.

The fourth section then explores how and by when the identified funding gap can be closed by

a) establishing scenarios for potential efficiency gains;
b) sustainable, national sources, including the Government, parents, private sector and communities; and
c) temporary support from external partners.

Finally, the fifth section establishes an action plan summarizing concrete interventions to pursue the options prioritized by the Government.

2. Fundamental principles

The constant, high and increasing costs of the NSFP need to be sustained to ensure that the programme can operate at high quality and in a reliable way. This requires stable and sustainable funding sources.

The overriding priority of school feeding financing is therefore the need to establish a sustainable resource basis. This priority guides all the principles with respect to the funding of the programme and the whole comprehensive package of school health and nutrition:

Affordability – to ensure that neither the Government nor other contributors (e.g. parents) are expected to carry an unsustainable burden of the programme funding, at the detriment of other investment or consumption needs;

Equitability – to ensure that all contributors agree on the level and share of expected contributions (in particular the cost-sharing regime between the government and parents) and are ready to contribute their fair share;

Cost-efficiency – to reduce the budgetary burden of the programme and make it easier to cover any existing funding gap – and to make the programme more affordable;

Accountability – to ensure that all contributors are satisfied that programme funds are used in an efficient and transparent way;

Effectiveness – to ensure that the programme is implemented and managed in a high-quality manner that enables the achievement of expected programme outcomes;

Multi-sectoriality and partnerships – to ensure that the programme receives the support from and provides benefits to all the relevant sectors.

Sustainability – to ensure that resources are ultimately mobilized exclusively from national sources and independent from external partner support; this does not exclude such external support for a period of time, until full self-sufficiency is achieved.

3. The funding gap to be closed

3.1. The Full Costs of School Feeding (2023)

The Operational Guidelines of 2021 describe in detail, how the National School Feeding Programme (NSFP) should be implemented. This leads to a number of cost items that have to be considered. In reality, not all of these costs are presently covered, and not all of the costs covered are done so explicitly. The present section seeks to make all costs visible and explicit. Section 2.4 will then establish, which of these costs are presently covered, be it explicitly or not.

The cost of food represents by far the largest, but not the only cost item. This cost of food depends on the number of children that will receive school meals on each school day, as well as on the prevailing food prices.

In Rwanda, the average days of school meals is 195 days in day-schools, and on 273 days in boarding schools. Finally, based on updated food prices obtained in April 2022,[4] the daily cost of the reference food basket would be estimated at 190 RWF in pre-primary, 259 RWF in primary, 301 in secondary, and 1194 RWF in secondary boarding schools.

Food costs	RWF (million RWF)
Pre-Primary schools	9 967
Primary schools	147 775
Secondary schools	41 400
Boarding schools	44 021
Total:	**243 162**

Table 1:The cost of food in 2023 by school level

[4] See National School Feeding Operational Guidelines, to which the Financing Strategy is applied.

Additional cost items that need to be considered in order to enable the NSFP to be implemented with a high level of quality include the following:

Transport of food: Where schools buy food, they also cover the costs of transport – either as part of the food price, or by separately paying external transporters. Parents pay for the transport of food that they bring to schools.

Implementation costs: The daily provision of hot meals to students requires the work of cooks as well as school staff dedicating a part of their work time to ensuring quality programme implementation and adequate accounting and reporting. At present, cooks receive an average of 20,000 RWF per month for their work. This is a very low payment and may not be sufficient to encourage and retain cooks. In line with the goal of promoting quality programme implementation, the cost calculation considers an increase of this cost to 30,000 RWF per cook per month. Additional implementation costs include fuel, cooking and eating utensils, utilities (water and electricity), and not least deworming. Deworming is not a direct cost of school feeding – however, no school feeding programme should be carried out without simultaneous deworming campaigns being implemented at regular intervals.

Infrastructure costs: MINEDUC has developed a standard kitchen-cum-storage construction which should be available at every schools. In addition, school kitchens have to be equipped with fuel-efficient stoves – which eventually should be replaced by stoves using other sources of energy than wood or charcoal. Furthermore, any school should have access to safe drinking water; and provide adequate sanitation facilities. While the two latter items are not strictly school feeding costs, the absence of safe drinking water and adequate sanitation would jeopardize the health of children, as well as the intended outcomes of the NSFP. These costs are therefore included in the comprehensive costs of school feeding.

Management costs: These include the salaries of staff at central and district level, as well their equipment. With a view to promoting high quality programme implementation and management, this strategy includes the salary of one additional officer at each District Education Office fully dedicated to supporting the NSFP.

Monitoring, reporting and evaluation: Given the high level of resources dedicated to the programme, it is crucial that reliable and timely information on programme activities and results is collected, analysed and shared. While salaries of monitoring staff are covered under implementation and management, more specific monitoring costs include a tablet at 4,923 schools; vehicles at central and district level; budget for travel (daily subsistence allowance and fuel); as well as budgets for the reproduction and dissemination of reports, the organisation of events at national and district level to discuss programme performance and improvements; and a budget for an annual survey and an external evaluation every five years.

Capacity strengthening: As there will be turnover of implementation and management staff, continuous efforts are required to strengthen the capacity of these actors. Cost items included in the calculations include annual training cycles, the production and dissemination of guidance material, and not least a system of standing support to all actors.

All investment costs are complemented by an annual running budget for maintenance and depreciation.

As a result of these considerations and calculations, the full costs of school feeding in 2023 are estimated to amount to 334.6 billion RWF.

shows that the costs of food and infrastructure stand for 72.7 and 15.7 percent of total costs respectively.

Full costs of the NSFP (2023)	billion RWF	million US$	%
Food costs	243.16	218.85	72.7
Transport of food to schools	4.13	3.72	1.2
Costs of providing meals at school	32.10	28.89	9.6
Infrastructure	52.58	47.33	15.7
Management	0.33	0.29	0.1
Monitoring, reporting and evaluations	1.46	1.31	0.4
Capacity strengthening	0.84	0.76	0.3
Total:	**334.61**	**301.15**	**100.0**

Table 2: Full costs of the NSFP (2023) by cost item

This total cost corresponds to an annual cost per student of 86,000RWF. In 2020, the average annual cost per child of national school feeding programmes in low and lower-middle income countries was 55 US$.[5] It must be noted, however, that these costs rarely include all of the cost items included in the comprehensive calculations applied here, in particular with respect to infrastructure and deworming. In addition, many of the programmes included in the calculation of this average amount do not provide menus comparable to the high-quality food basket established by the Operational Guidelines. Not least, since the publication of the State of School Feeding 2020, food prices, the main component of the costs of school feeding, have undergone a significant increase. Finally, the NSFP as it actually being implemented for the time being spends far less, as subsidies continue to be based on outdated food prices, and not all costs included in the present calculation of the high-quality programme are not covered. In this light, a total programme cost of 86,000RWF per child does not seem unreasonable.

3.2. The Costs of School Feeding 2023 – 2032 (base scenario)

For the extrapolation of the expected costs of school feeding for the coming decade, the above cost items are sorted into two groups – those that are dependent on student numbers, and those that are not.

The cost items which do depend on student numbers include food, transport, cooks, utensils, fuel, utilities, deworming, as well as the running costs of maintaining and depreciating infrastructure including stoves and water filters.

The extrapolation of future student numbers is based on a number of assumptions:

- Rwanda will continue the path of the medium-scenario for population growth of the Rwanda Population and Household Census Population Projections 2014[6] - the planning figures of the Education Sector Strategic Plan (ESSP) follow the same assumption.

[5] World Food Programme, State of School Feeding 2020, Rome, 2020.

[6] RPHC Population Projections 2014, table 9

- In addition, it is assumed[7] that the gross enrolment rate (GER) in pre-primary schools will reach 90% by 2028, and 100% by 2032. It is further assumed that by that time, the GER in primary schools will have decreased from presently 150% to 120 % as a result of increased pass rates leading to increased efficiency of the school system, more than off-setting increasing student numbers in higher grades due to reduced drop-out. For secondary schools, it is assumed that the GER will increase from presently 44 to 80%. Student numbers in boarding schools are assumed to remain constant.

Based on these assumptions, the total number of students covered by the NSFP is estimated to increase from 4,121,054 in 2024 to 5,7878,000 in 2032.

Level	Type	Level	Type	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Nursery	Day	Nursery	Day	269 100	328 302	400 528	488 645	596 147	727 299	810 938	904 196	1 008 179	1 124 119
Primary	Day	Primary	Day	2 926 000	2 867 480	2 835 130	2 792 603	2 750 714	2 709 454	2 668 812	2 628 780	2 589 348	2 573 744
Secondary	Day	Secondary	Day	705 600	790 272	885 105	991 317	1 110 275	1 243 508	1 392 729	1 559 857	1 747 040	1 954 152
Secondary	Boarding	Secondary	Boarding	135 000	135 000	135 000	135 000	135 000	135 000	135 000	135 000	135 000	135 000
	Total		**Total**	**4 035 700**	**4 121 054**	**4 255 763**	**4 407 565**	**4 592 136**	**4 815 261**	**5 007 479**	**5 227 833**	**5 479 566**	**5 787 015**

Table 3: Estimated number of students by level

Cost items which are independent of student numbers include school staff, new school infrastructure, management, monitoring, reporting and evaluation; and capacity strengthening. While salaries are not automatically linked to inflation, it is assumed that these will be adjusted from time to time to maintain their purchasing power.

While the growing number of students covered will be applied only to the first group, both groups of cost items will be subjected to inflation. Based on medium-term trends before the COVID-19 pandemic as well as the economic outlook for the coming years, it is assumed that the average rate of inflation will be 5 percent per year. In addition, it is assumed that food costs on average will follow the same rate of inflation. While in 2022, food prices have increased far more rapidly than general costs of living, experience has shown that such spikes are normally compensated in other years, where food prices increase less than general inflation.

The result of these calculations is illustrated below. Total costs are estimated to increase from 347 billion RWF in 2023 to 665 RWF in 2032. Over the same period, the share of food costs will increase from 73.5 to 80.9 percent of total school feeding costs, and the annual cost per child will increase from 86,000 RWF to 115,000 RWF. However, it must be noted that this increase of cost per child cannot be interpreted as an indication of decreasing efficiency. Quite on the contrary: the biggest driver of cost increases is inflation. If inflation is discounted, the cost per child would over the same period decrease to 72,000 RWF.

[7] These assumptions are not included in the ESSP, but fully in line with the goal of that plan to increase access to education, and to make the education system more efficient by reducing drop-out and increasing pass and transition rates.

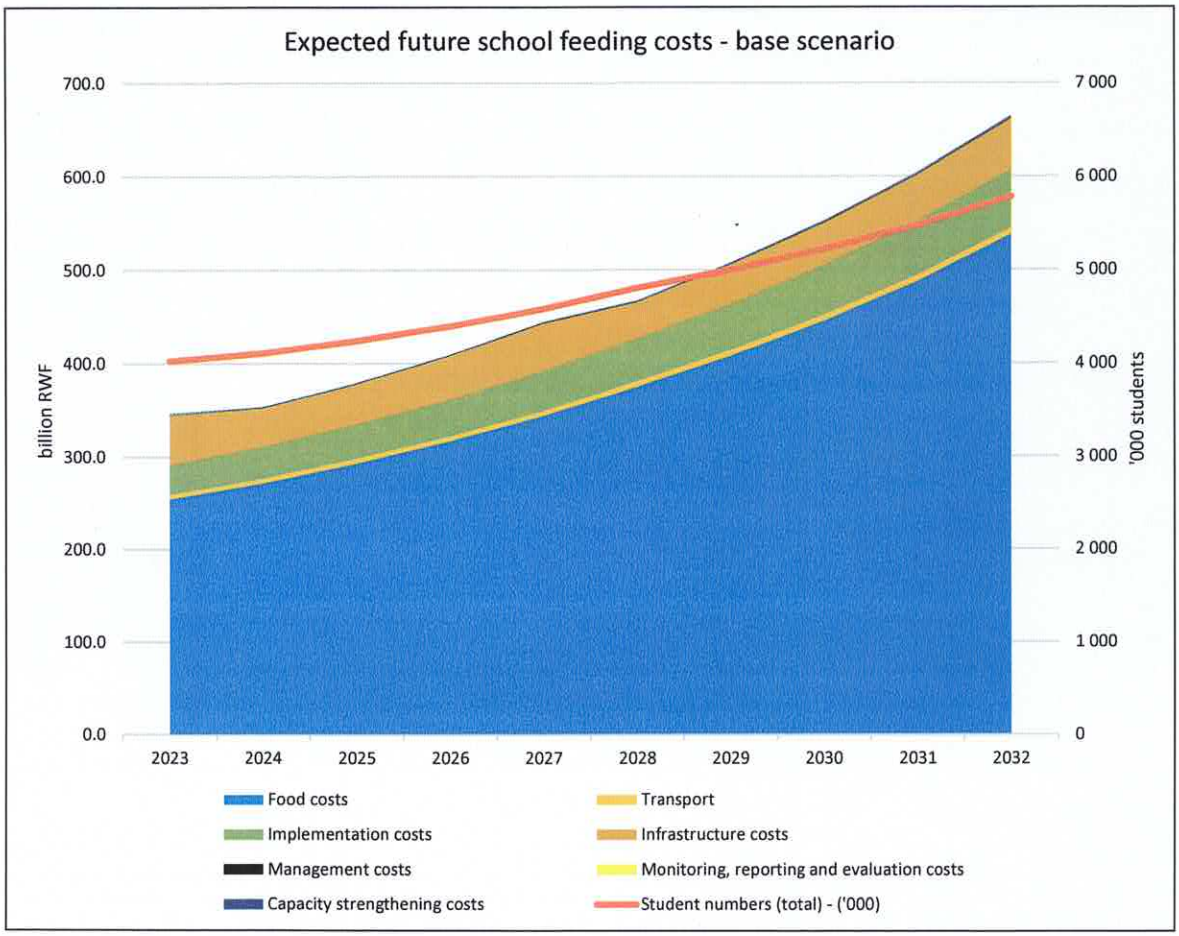


Figure 1: Expected comprehensive costs of school feeding 2023 – 2032

3.3. Present and expected contributions

The last step required to identify the funding gap that has to be addressed by the present Financing Strategy is the identification of contributions that are already being made under the present model, and how these would develop over the coming decade.

Since the beginning of the school year 2022/2023, the Government subsidises 90 percent of the food costs – based on the food prices of 2020 with an average cost per meal of 150 RWF. Due to this change, and considering the growing numbers of students, this subsidy corresponds to an annual budget of 86.4 billion RWF. This contribution will be extrapolated as a constant contribution for two reasons: (1) also in the past, the Government subsidy has not considered increases of food prices, but only student numbers; (2) while the Government in the past has adjusted the total level of its contribution to student numbers, this is disregarded here, as such increases would have to be funded from the future fiscal space available to the government. If such an increase was included here, it would have to be subtracted from the future fiscal space that will be identified in the following section.

Already under its present budgets, the Government provides a number of additional funding which are at present not explicitly considered as contributions to school feeding. However, to the extent that these funds cover cost items included in the calculation of the full costs of school feeding, they also have to be considered here. These cost items include the following:

- School staff to the extent that they spend their work time on ensuring the good implementation, monitoring and reporting of school feeding;
- Costs of management at central and district level (excluding the proposed additional school feeding officer at each district)
- Funds presently used for the establishment of kitchens-cum-storerooms
- A share of the funds presently provided for the maintenance of school infrastructure
- The annual budget for deworming; and
- The share of the capitation grant transferred to schools used in relation to school feeding (for utilities).

In total, the present level of annual Government contributions to school feeding is estimated to amount to 110 billion RWF.

In addition, parents are supposed to contribute 10 percent of food costs in pre-primary and primary schools, and 60 percent in secondary schools. While these costs are presently still based on 2020 food prices, they will eventually have to be adjusted to actual food prices, and thus follow inflation. Due to these considerations, the parental contribution is estimated to increase from 25.4 billion in 2023 to 74.9 billion in 2032.

This means that the actual present Government and parental contributions combined presently provide about 137 billion RWF to the programme, which corresponds to 34,000 RWF or 30.5 US$ per student per year.

With this level of contributions and foreseen cost developments, it can be expected that the funding gap will increase from 211 billion RWF or 187 million US$ in 2023 to 480 billion RWF or 432 million US$ in 2032. Most of these increases will be due to the assumed average annual rate of inflation of 5 percent.

As a result of this section, the expected development of the future funding gap is illustrated as follows:

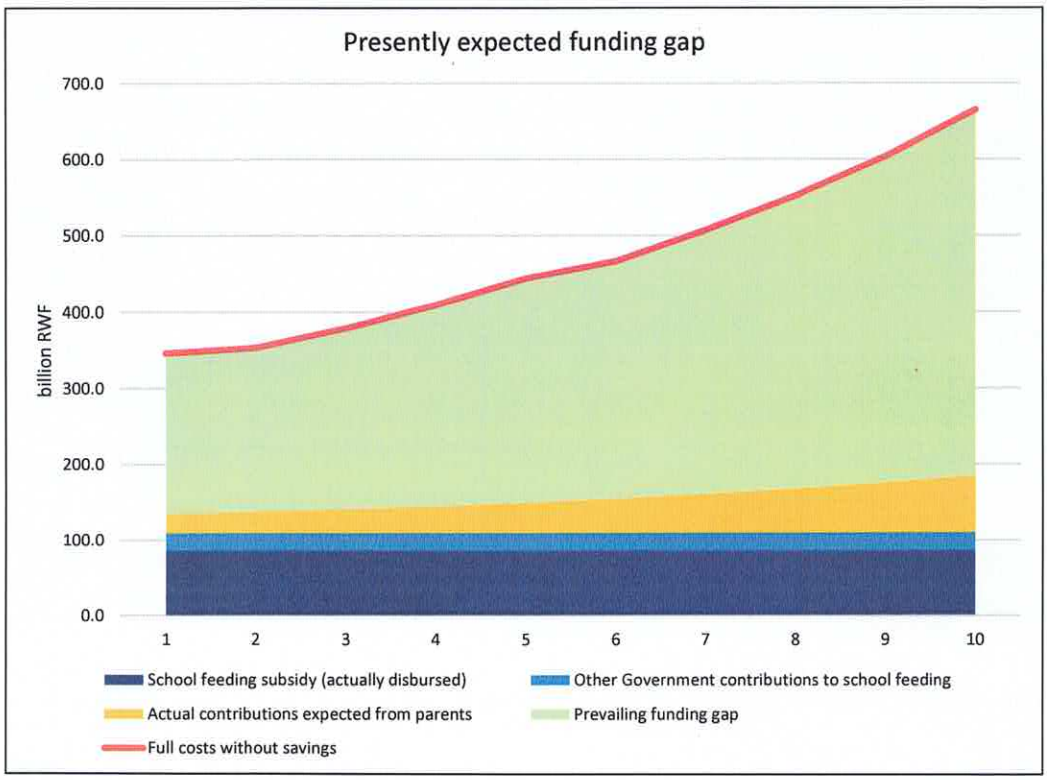


Figure 2: The expected funding gap with presently expected costs and contributions

4. Closing the Funding Gap

There are fundamentally two ways of closing the identified funding gap without compromising the coverage or quality of school meals: (1) by reducing the costs of the programme through efficiency gains, and (2) by channelling additional resources to the programme. The latter contributions will primarily have to be stable and sustainable national sources, which can temporarily be augmented by external partners.

4.1. Potential Efficiency Gains

The calculations above are based on the way of implementing school feeding described by the Operational Guidelines. However, it seems possible that school meals of the same quality can be provided to the same number of students at lower costs.

As **food costs** are by far the biggest – and growing – part of the comprehensive costs of school feeding, the greatest efficiency gains can be made by reducing these costs – of course, without compromising the quantity or quality of food used in the programme. Three potential ways have been identified to reduce food costs:

Electronic meal planners: Since the elaboration of the Operational Guidelines, several electronic school meal planning tools were discussed, for now, School Data Management information System (SDMS) can be used, or other alternatives can be explored. Such tools can be easily applied by

national actors, and help composing diverse and nutritious food basket, sourced to the greatest possible extent from local producers, depending on seasonality/availabilities – allowing either a cost reduction, or improved nutritional values of school meals without cost increases. Electronic school meal planning tools can achieve cost reductions between 5 and 15 percent.

Procurement efficiency: The Operational Guidelines foresee that all long shelf-life food procurement is carried out by each district to cover its own food requirements and increase its bargaining power. Individual schools, however, are allowed to purchase perishable foodstuff and non-food items. This method is effective because when food supply contracts are negotiated for several schools together, districts could fetch better prices.

In addition, some food items such as rice or maize could even be procured in large bulk at central level. This could save an additional 5 to 10 percent of total food costs. Furthermore, the centralized procurement model is more standardized in terms of procedures, facilitates effective quality control, and monitoring and makes easy to establish more stringent financial controls to save money.

Tax waiver: At present, schools pay 18 percent VAT plus 3 percent Withholding Tax on their food purchases. If these taxes were waived for the specific purpose of food purchases for school meals, schools could share the margin with suppliers, i.e. pay better prices to suppliers and still pay less than at present.

Additional savings could be made with respect to **transport** (if more efficient procurement and collective food supply contracts are negotiated); **fuel** (if recommendations for improved cooking practices are applied); and for **utilities** through systematic collection and use of rainwater for ablutions. Further potential savings are possible if the life expectancy of infrastructure is increased through optimal use and maintenance – these latter savings, however, are difficult to quantify at present.

Potential efficiency gains		Percent cost reduction		
		no savings	modest savings	best-case savings
Food costs	School meals planner	0	5	8
	More efficient procurement	0	10	15
	Tax waiver	0	8	12
	Total potential food cost savings	**0**	**23**	**35**
Transport		**0**	**5**	**10**
Fuel		**0**	**20**	**30**
Utilities		**0**	**5**	**10**

Table 4:Three scenarios for potential efficiency gains

In summary, the percentage of costs that could potentially be saved are grouped into three scenarios, as shown by the following table 4

Under these three scenarios, the future development of the costs of school feeding would look as follows:

Future school feeding costs:	Total cost of school feeding (billion RWF)									
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Food costs (optimal savings)	255.3	225.0	191.1	206.5	224.1	244.6	265.7	289.8	317.3	349.7
Transport (optimal savings)	4.1	4.1	4.3	4.5	4.8	5.0	5.3	5.5	5.8	6.1
Implementation costs (optimal savings)	29.5	30.7	32.1	33.6	36.0	38.8	41.6	44.8	48.4	52.5
Infrastructure costs	52.7	41.0	42.6	46.3	50.6	37.9	41.5	45.4	49.9	55.2
Management costs	0.3	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.5
Monitoring, reporting and evaluation costs	1.6	0.7	0.8	0.8	0.8	0.9	0.9	1.0	1.0	1.1
Capacity strengthening costs	0.9	0.9	0.9	1.0	1.0	1.1	1.1	1.1	1.2	1.2
Student numbers (total) - ('000)	*4 036*	*4 121*	*4 256*	*4 408*	*4 592*	*4 815*	*5 007*	*5 228*	*5 480*	*5 787*
Full costs without savings	344.5	351.4	376.8	406.8	441.3	463.4	503.1	547.9	598.9	659.1
Full costs with modest savings	344.5	319.3	307.8	331.8	359.8	374.5	406.5	442.6	483.7	532.0
Full costs with best-case savings	344.5	302.8	272.2	293.1	317.8	328.6	356.6	388.2	424.1	466.3

Table 5: Cost development under three scenarios for efficiency gains

As shown by Table 5, under the best-case saving scenario, the full costs of school feeding would be considerably lower than under the base scenario. Under this scenario, total costs would only increase to 466 billion RWF. The annual cost per covered student would even decrease to 80,500 RWF, i.e. become lower than in 2023, despite an annual rate of inflation of 5 percent.

The remaining funding gap will thus develop under the three scenarios for efficiency gains as follows:

No savings: The funding gap will increase from 211 billion RWF in 2023 to 480 billion RWF in 2032

Modest savings: The funding gap will increase from 211 billion RWF in 2023 to 350 billion RWF in 2032

Best-case savings: The funding gap will increase from 211 billion RWF in 2023 to 285.3 billion RWF in 2032

This cost development under the three scenarios is illustrated as follows:

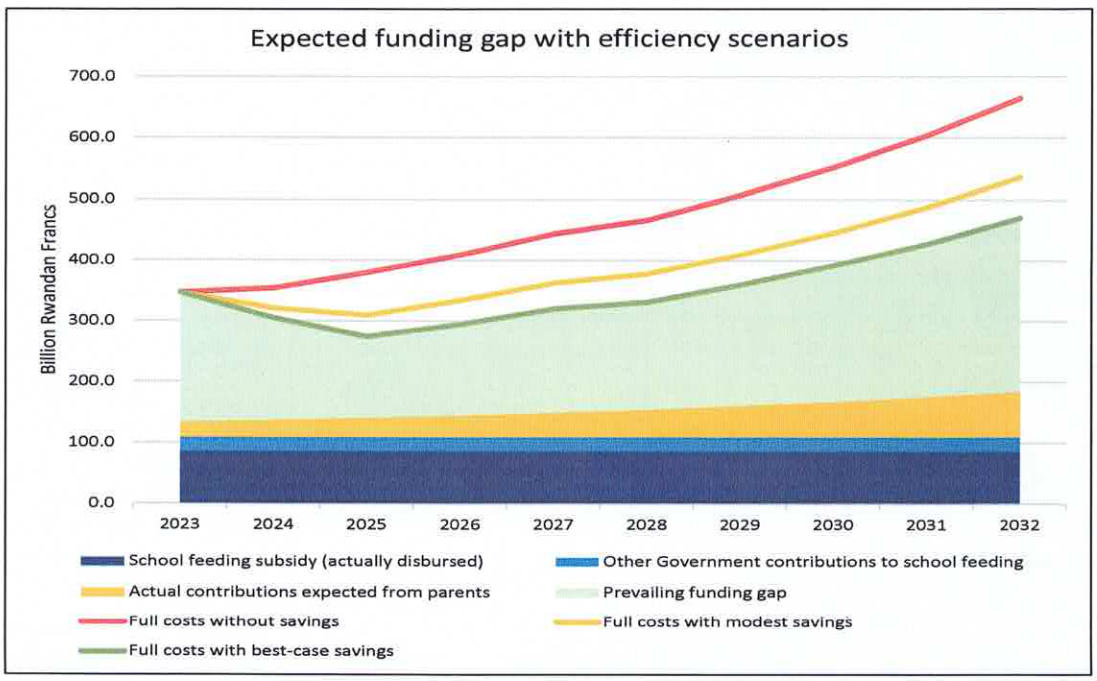


Figure 3: Funding gap under three scenarios for efficiency gains

Additional savings should be possible with respect to

(1) the costs of depreciation of infrastructure and material, which are presently estimated to increase from 20 to 50 billion RWF between 2023 and 2032.
(2) The cost of meal preparation, e.g. through alternative approaches like centralized kitchens for complete meals or for the pre-cooking of meals. Central kitchens could be feasible in urban and peri-urban areas, and could reduce the costs for infrastructure investments and for daily meals through large-scale operations.

However, the extent of such additional savings could not yet be calculated.

4.2. The Potential of Additional Contributions from Stable National Sources

There are four national sources that in principle can sustainably provide resources for school feeding:

- The Government
- Parents
- Private sector and civil society
- Communities

4.2.1. Government

The Government does not consider re-allocating resources from other sectors to school feeding - present budgets of any sector are extremely stretched, and allocations are following a well-balanced strategy of investing into the whole of the country's development.

The ability of the Government to channel additional funds to school feeding therefore depends on its fiscal space to do so. As the Government already follows a successful strategy of increasing the efficiency in the way it uses its existing resources, the only additional way of creating the required growing fiscal space is thus for the government to increase its revenue.

The outlook for the Government's future fiscal space depends on two variables: (1) the expected economic growth of the gross domestic product (GDP, including inflation); and (2) the ratio between domestically generated revenue (DGR) and GDP.

(1) The World Economic Outlook (WEO) data provided by the International Monetary Fund (IMF)[8] indicate that Rwanda is expected – after the turbulence induced by the COVID-19 pandemic and the current food price crisis – to return to a relatively stable growth path, with levels of GDP growth averaging between 11 and 12 percent, including a rather stable level of inflation of 5 percent. Three scenarios for future economic growth of 11.0, 11.5 and 12.0 percent are therefore assumed realistic.

[8] https://www.imf.org/en/Publications/WEO/weo-database/2022/October

(2) The IMF estimates that the average low-and lower-middle income country has the capacity to sustain a 23 per cent tax-to-GDP ratio.[9] Past years have shown a consistent growth in this ratio of around 0.3 percent per year. For 2023, WEO data expect the ratio to reach 18.9 percent, i.e. still well within the limits of what the IMF estimates LMICs to be able to sustain. Rwanda's Medium-Term Revenue Strategy (MTRS) 2021/22 to 2023/24 aims to continue this steady increase of the revenue/GDP ratio to reach 21.5% by 2025. For our estimation of future revenue, we calculate three options of 0.20, 0.25 and 0.30 percent annual increase of the tax-to-GDP ratio.

A last variable that determines the level of additional Government contributions is the share of the additional Government revenue that can be channelled to school health and nutrition.

At present, the Government dedicates about 3.25 percent of its revenue to this area. This share should not be considered too high, as the NSFP provides direct benefits to more than 35 percent of the population, with additional benefits to the households of school children, to local farmers, processors and economies, and expected reduced Government costs in the areas of education (due to increased efficiency of the education system) and health (due to improved nutrition and thus decreased morbidity). On the other hand, given the vast demands for Government investment into the national transition and development, this rate should not be increased significantly, at least not in the long run. Three scenarios were developed for the share of additional revenue to be channelled to school health and nutrition:

Low: the share remains constant at 4 percent

Medium: the share remains constant at 5 percent

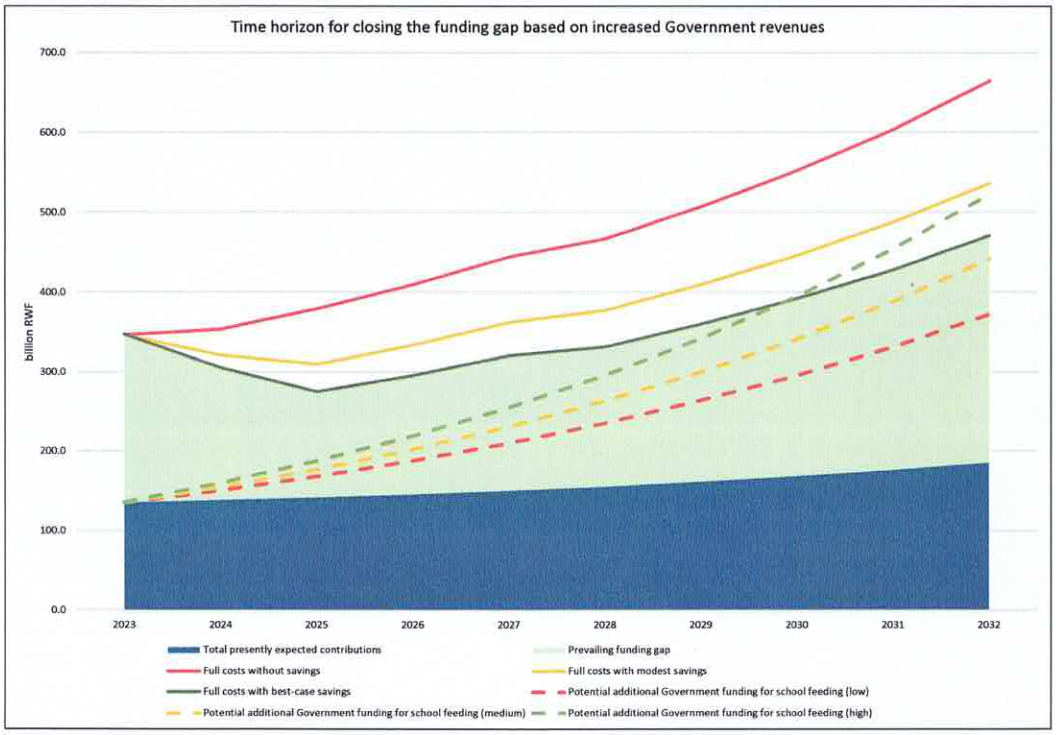
High: the share remains constant at 6 percent

Once the funding gap is closed (which will also depend on the degree of savings and on additional funding sources), these shares can be decreased. The three scenarios for each of these variables were combined into three composite scenarios, each of them combining the low, medium and high scenarios for the individual variables, as shown in the following table:

	GDP		Share of additional revenue to be channelled to school health and nutrition									
Scenario	growth	Tax-to-GDP	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Low	11.00	0.20	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Medium	11.50	0.25	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
High	12.00	0.30	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0

Table 6: Three scenarios for the variables determining potential additional Government contributions

[9] Sustainable Finance Initiative for School Health and Nutrition: School Meals Programmes and the Education Crisis – A Financial Landscape Analysis (2022), p. 33; https://educationcommission.org/wp-content/uploads/2022/10/School-Meals-Programmes-and-the-Education-Crisis-A-Financial-Landscape-Analysis.pdf



Applying these variables would allow the Government to close the funding gap at the earliest in 2030 – and only if both the best-case savings and the high scenario for additional Government resources materialize.

Figure 4: Closing the funding gap with increased Government contributions

It should be noted that the increasing funds should be contributed by the national Government, by districts, and by the City of Kigali. Several taxes generate revenue directly from districts (e.g. the property tax). In addition, the implementation of the Financial and Fiscal Decentralization provides districts with greater discretion concerning the allocation of their revenues, also those transferred to them by the Government.

It should further be noted that not all Government contribution to school health and nutrition should be considered as contributions of the education sector: while the NSFP is and should be managed by the Ministry of Education, it is by nature a multi-sectoral intervention that is expected to generate significant benefits across sectoral boundaries. This consideration will be elaborated on further below.

4.2.2. Parents

The expected parental contribution in pre-primary and primary schools has been reduced to only 10 percent of the previous average food costs of 150 RWF. This effectively addresses the difficulties that many parents experienced in providing their expected contribution and is expected to reduce the default rate of parents to zero, as the remaining contribution expected should indeed be affordable even for poor families. As the Government provides the remaining share of food costs, schools should receive more funds for the purchase of food and non-food items.

A survey of the implementation of the NSFP carried out in 2022 showed that the default rate of parents was highest in pre-primary and in particular primary schools, where the share of children from poor households is highest. By contrast, where the share of children from poor families is low, in particular at secondary level, almost all parental contributions were actually provided. This shows that parents actually see the value of school feeding and are ready to contribute to it, if only they can. This insight could open the possibility of – eventually – introducing differentiated contributions that refer to corresponding system of social protection register – a family is in; that also applies for secondary schools; and which is oriented at actual food prices. Such revised cost-sharing regime between Government and parents should only be considered after the newly established regime has been implemented for a number of years, and on the basis of a thorough review of the experience made.

For our calculations with respect to a closing of the funding gap through stable national sources, we estimate that as of 2026, an additional 30 billion RWF could be generated through a differentiated parental contribution, which thereafter would gradually increase corresponding to increasing student numbers and inflation.

4.2.3. Private sector, civil society and the general public

The private sector, civil society and the general public can contribute to closing the funding gap – either to close the funding gap more quickly and thus reduce the national dependency on external assistance, or to relief Government budgets and allow other investments in the country's human and economic development.

Ideally, such additional resources should be generated through partnerships aiming at providing stable levels of resources – rather than ad hoc donations which are difficult to budget with.

For private sector actors, a public-private partnership (PPP) with a view to contributing funds to school feeding (or the wider area of school health and nutrition) can entail considerable benefits:

- The NSFP constitutes a platform to significantly boost and energise local markets, benefiting local farmers, cooperatives, food processors such as maize or rice millers, and traders, helping them to re-invest in their productivity;
- A healthier and better educated work force will enable better business, and further strengthen Rwanda's position as a good place to do business, and to attract further foreign investment;

- Companies can engage their customers in an emotional way that goes beyond a business relationship;
- Companies can build their future clientele – as a better educated and productive workforce will require increased provision of goods and services;
- Not least, private sector support to school feeding can help contribute to a positive brand image through corporate social responsibility.

Mobile Money Rwanda, in collaboration with the Ministry of Education and Umwalimu SACCO, has already launched the #NdiReady campaign, a crowd sourcing platform through which individuals and organizations can pledge to contribute to the costs of school feeding for as many children as they choose.

Civil society, and in particular the churches, are already supporting school feeding in Rwanda, e.g. by providing land for school gardens. Such support could be amplified if the relevant actors could partner with their members to rally more continuous support, which can materialize in the form of cash, in-kind, labour or otherwise.

The general public, including the diaspora, can be reached and mobilize to generate resources for school health and nutrition through various means, including e.g. annual fundraising campaigns, a national lottery, or digital platforms.

All of these options will be explored as a matter of urgency. At the same time, it is clear that such options will need some lead time before they are fully developed, operational platforms are in place and funds can actually start flowing.

For our calculations, we assume that these additional national sources of funds will amount to 15.8 billion RWF in 2025, whereafter they should increase by 50 percent per year (plus inflation); and remain stable (only increasing due to inflation) as of 2029.

4.2.4. Communities

Communities already provide important support to school health and nutrition, e.g. through their work in school gardens, which provide important supplements to daily school meals, and help students and farmers acquire adequate agricultural and nutritional skills. In some districts, communities also support food banks that channel in-kind food to schools; or provide other support in terms of fuel or labour for the establishment or maintenance of necessary infrastructure.

Further community contributions could be envisaged, especially if these are part of wider approaches to robust community development. For example, communities can jointly produce cash crops, e.g. on land provided by a church or the state, against the agreement that part of the proceeds are channelled to the school meals programme. Similarly, private sector actors could support the programme by supporting cooperatives to strengthen their efficiency, e.g. by reducing their post-harvest losses – provided that the communities in turn pass on part of their gains to the programme.

However, these contributions are very difficult to quantify into monetary terms. For this reason, while acknowledging that communities do contribute to the programme, and while promoting an even greater involvement of communities in its conception and implementation, at this point community contributions are not included in the calculations on how and by when the funding gap for school health and nutrition can be closed.

4.2.5. Summary of additional contributions by national actors

The above considerations result in the following picture:

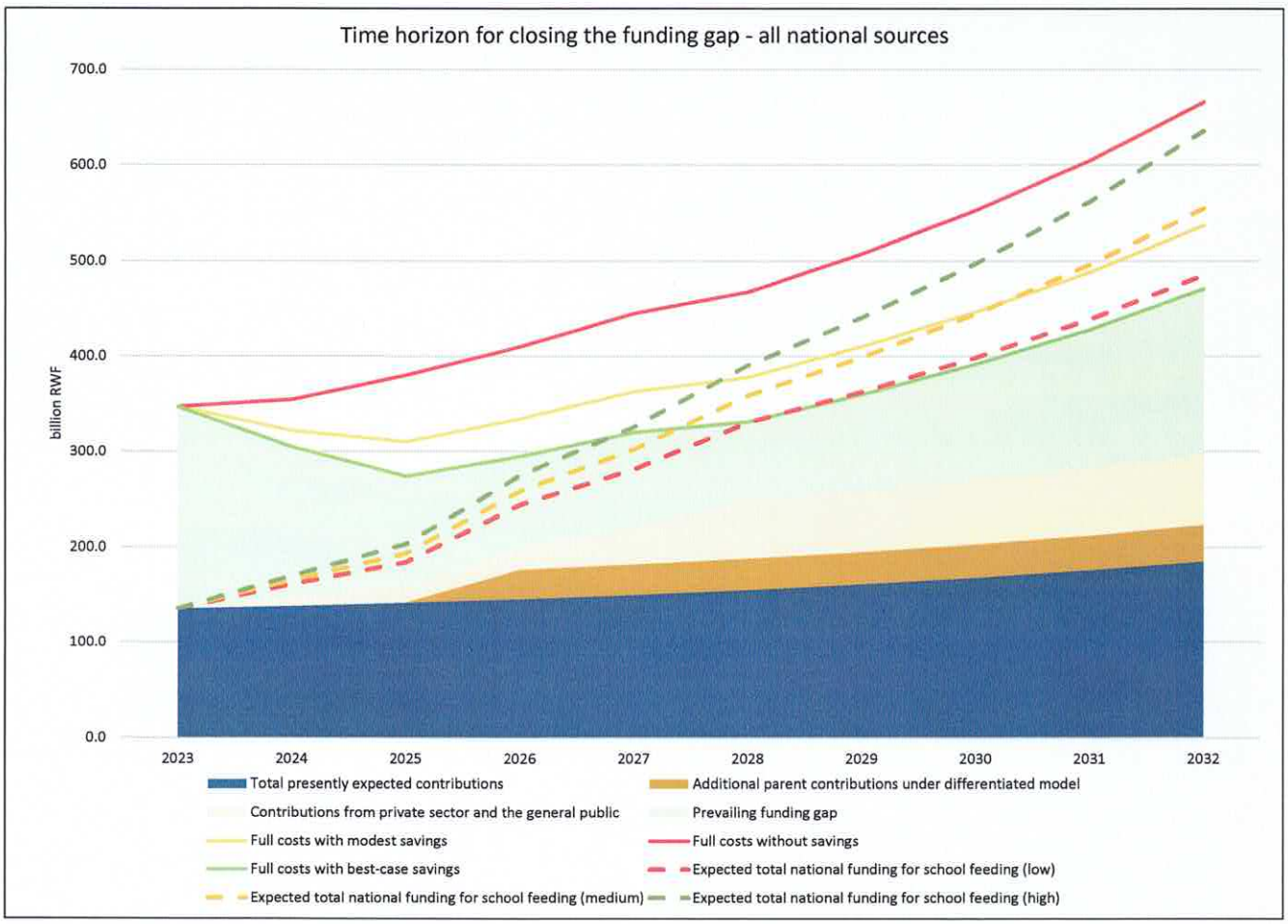


Figure 5: Closing the funding gap with increased sustainable national contributions

This means that in the best case, national actors could jointly cover the funding gap by 2027 – if best-case savings are achieved, if high additional government revenues are generated, and if additional resources from parents and private sector, civils society and the general public are mobilized as foreseen. The same high scenario for additional resources would close the funding gap by 2028, if modest savings are achieved.

As soon as the funding gap is closed, the Government should be able to reduce the share of additional revenue to be channelled to school health and nutrition to ensure sustainable cost-coverage. In the

best-case scenario, this would e.g. allow a reduction of the share of additional revenue to be dedicated to the programme to 3.7 percent as of 2028.

4.3. The Funding Gap to be Addressed through Temporary External Support

The above calculations add the full potential additional funding from both private sector etc. and from parents to the three scenarios for potential additional Government contributions. An assessment of the temporary support that would be required from external partners requires that the different scenarios are adequately combined to provide a picture of the most probable future developments. Five such scenarios have been built for comparison (additional scenarios can be built, e.g. differentiating among several high-level scenarios):

Worst case: No savings, only low additional Government contributions can be channelled to school feeding

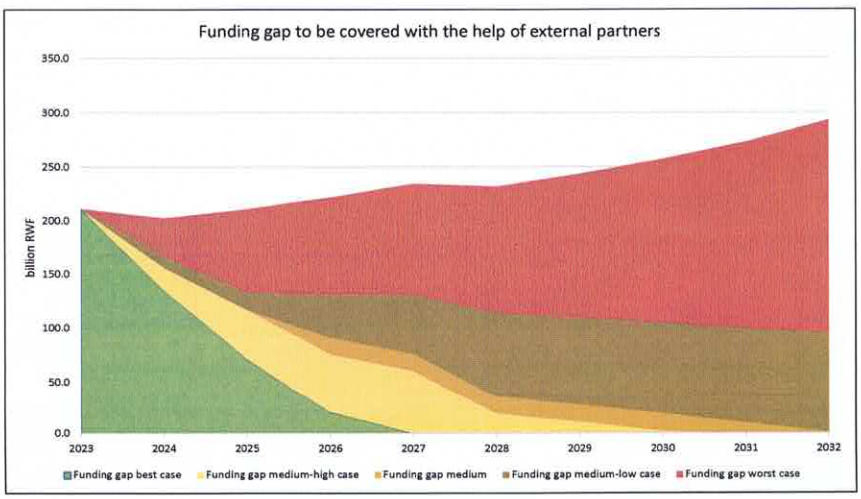
Medium-low: Modest savings, and a modest level of additional resources are channelled to the programme.

Medium: Modest savings, and a modest level of additional resources are channelled to the programme. In addition, the full level of estimated contributions from private sector, civil society and the general public, and half the potential additional parental contributions under a differentiated cost-sharing regime are mobilized.

Medium-high: Modest savings, Government channels a modest level of additional resources to the programme. In addition, the full level of estimated contributions from private sector, civil society and the general public, as well as from parents under a differentiated cost-sharing regime, are mobilized.

High: Best-case savings are materialized, and the Government channels a high level of additional resources to the programme, complemented by the full level of estimated additional contributions from private sector, civil society and the general public, as well as from parents under a differentiated cost-sharing regime.

The development of the funding gap under these five scenarios is illustrated below:



Under the worst-case scenario, the funding gap would never be closed, and the programme would have to be re-thought, e.g. pursuing a more targeted approach.

The medium-low scenario would eventually close the funding gap, but so late, that also here a rethinking of the programme approach is indicated.

Figure 6: Development of the funding gap under five scenarios

By contrast, the medium, medium-high and high scenarios would all close the funding gap with sustainable national resources within the foreseeable future, by 2027, 2030 and 2032 respectively. The medium and medium-high scenarios may be the most probable ones under the present government strategies and economic outlook. Under these two scenarios, the cumulative funding gap, that has to be closed through external support would be US$ 672 million over 8 or US$ 588 million over 7 years – corresponding to an average annual required support of US$ 84 million over 7 or 8 years.

4.4. Climate financing

The climate financing will be obtained by implementing different strategy to promote clean cooking under the National School Feeding Programme

Considering the increasing number of students in NSFP,it is crucial to change the way school meals are prepared for several reasons:

- To reduce the emission of CO_2 into the atmosphere
- To reduce indoor and outdoor pollution from smoke
- To reduce the impact on Rwanda's forest cover and knock-on effects for biodiversity, soil erosion, etc.
- To reduce the costs of school feeding by saving fuel costs, or by generating carbon credits

Vision: By 2032, clean cooking is practiced in all schools covered by the National School Feeding Programme

Targets: By 2032, firewood and charcoal are not used anymore under the NSFP.
By 2032, CO2-emissions from cooking under the NSFP are reduced by at least 50 percent.

Quick wins and piloting innovative approaches (Year 1 – 3) would be adopted, focusing on three main interventions:

- Installing fuel-efficient stoves;
- Energy-efficient cooking techniques; and
- Piloting several innovative approaches to school meals cooking

Fuel-efficient stoves

So-called *muvelo* stoves can save up 25-40 percent of firewood, and – as they are equipped with smoke exhaust pipes - reduce in-door air pollution significantly.

Energy-efficient cooking techniques

Several ways of decreasing the amount of fuel required to prepare meals include the pre-soaking of beans, use of pre-cooked beans, using lids.The fuel consumption as well as the combined costs for fuel and food items would be closely monitored so that the per capita emissions and cost per capita can be clearly established for different practices.

Piloting several innovative approaches to school meals cooking

Many different actors are presently interested and active in the field of fuel-efficiency and reduction of CO2-emissions, as well as reducing the negative impact on forest cover.

For this reason, the Government (ideally co-led by the Ministries of Environment, Finance and Economic planning, Infrastructure and Education) will call for a working group on this specific topic, where all interested, active and knowledgeable actors (international and national NGOs, UN agencies, development partners, etc.) can come together, and exchange their experience. As a first step, this group will map out

- Which technologies and approaches are already being piloted by whom, at which scale, in which areas?
- Which experience has been made so far with these pilots?
- Which studies and other documentation are already available?

On this basis, a number of studies and pilots will be developed, the implementation of which can be shared by all the actors under a joint work plan. Criteria that will be used to identify the most promising approaches to be piloted include the following:

- Ease of use of the alternative technology or practice
- Cost (both fixed and running)
- Efficiency in terms of fuel (how much of the energy consumed is actually used to heat food or water?) and time (how much work-time does it take cooks to prepare the required meals using each technique)
- Emissions of CO and CO2
- In-door and outdoor air pollution
- Safety – risks of accidents, exposure of cooks to CO or to heat, etc. – and what is required to reduce/exclude these (standards, enforcement, training, etc.)?
- Availability of the technology (at adequate standards) in-country and on foreign markets
- Can equipment with adequate standards be manufactured in-country? (with respect to long-term costs and the creation of local jobs)
- How can regular / institutionalized servicing and maintenance be assured?
- Which new knowledge, attitudes and skills would cooks and others have to acquire? How difficult would it be for people to change acquired behaviour or traditions?

The working group may come up with additional criteria for the selection of pilots – for schools in different setting, the answers to the selection questions may be different, meaning that for different schools (urban/rural, large/small, western/eastern, etc.) different technologies or approaches may be the most promising ones.

The number of schools for each pilot should be sufficiently limited to contain costs and efforts, and sufficient large to provide experience that can be generalized with a certain level of confidence. Based on this work, the costs of the pilots can be determined, and required funds be secured.

Such funds could come from different sources, including the following:

(1) MINEDUC from the budget for school infrastructure, with technical support from MININFRA
(2) Actors that are in the process of developing and implementing pilots anyway
(3) Ministry of Environment through funds from the global Green Climate Fund (the entire or part of this strategy could be made subject to an application to this fund)
(4) Private sector actors in Rwanda who could be interested in channelling their Corporate Social Responsibility funds towards the environment, education – or to demonstrate their contribution to reduce CO2 emissions.

Once the working group has agreed on a set of technologies and approaches to be piloted, MINEDUC in conjunction with the three other ministries and relevant partners (those who would implement the pilots) will select a number of schools where each of the pilots can be implemented.

Once schools are selected, the programme and its partners will make investments in pilot schools and closely monitor implementation, as well as the development of emissions and costs.

Preliminarily, the following three technologies could be envisaged for piloting – these are briefly introduced below:

- using pressure cookers
- replacing firewood with LPG
- replacing firewood with solar energy

Using pressure cookers

The use of pressure cookers is a well-known technology to reduce cooking time. The programme will purchase and install pressure cookers in selected schools, train cooks in their use and ensure other risk reduction measures, and monitor the quality of meals, the use of firewood, as well as the development of per capita emissions and costs per meal.

Replacing firewood with LPG

Liquified Petroleum Gas (LPG) is a fossil fuel that still emits CO_2, however, much less than other fossil fuels. By contrast, it hardly emits smoke. In fact, the use of LPG could improve in-door air quality, and reduced emissions, air pollution and per capita costs. However, several challenges that the upscaling of LPG would have to overcome, including fluctuating market prices, limited storage capacity, enforcement of standards for LGP stoves, pipes and valves, poor infrastructure in rural areas, and a burdensome authorisation and licensing process required off the LPG providers.

Replacing firewood with solar power or solar water heaters

A pilot would be conducted in a few selected schools to establish an adequate amount of solar panels, as well as compatible electrical stoves / pressure cookers. The pilot would explore to main options, i.e. (a) the programme, potentially with financing from a private sector financing partner, installing and maintaining the panels, without having to pay electricity for cooking; and (b) entering into a

partnership with a private technical partner who would install and maintain the panels, cover some payment for electricity, and possibly access carbon credits.

The pilot would monitor the implementation experience as well as the development of costs under both options to enable a comparison of their respective strengths and weaknesses

4.5. Community resource mobilization

Guidance on Community Engagement

The programme foresees a cost-sharing arrangement between the Government and parents only. The present guidance establishes some principles for the engagement of the programme with communities, and provides a number of examples of how communities can support the programme.

Principles for community engagement

Support is crucial, but voluntary: In all communication with communities, it must be clear that community support is not a precondition for the programme to provide meals to children in school. Instead, all communication must aim to convince communities that the more they can support the programme, the more can their children, their households, their farmers, and their local economies benefit from it.

Understanding is key: For communities to become convinced that their support is not only helpful, but will also enhance the benefits of the programme, they must fully understand what the programme wants to achieve, and how it wants to do that.

Be clear on benefits: The school meals programme will benefit children, households, farmers and local economies.

Students will receive a hot, healthy meal every day. Not being hungry will help them to concentrate and learn better, to progress better through grades, and to transition to higher level of education. Students will also become better nourished, and be less sick from nutrition-related diseases. In the longer term, they will know and like diverse and nutritious food, made of local ingredients.

Households will be relieved from the need to provide lunch for their children. This is both a big economic saving, it also reduces the pressure to interrupt other work in order to prepare lunch. When children are less sick, this also relieves households from worry and care.

Farmers will be able to sell increasing quantities of quality food to the school meals programme – ideally through farmer organisation and cooperatives, or via relevant processors. The stable market of the school feeding programme will both justify and enable increased investments into increased and improved food production. Longer-term supply contracts can help access more affordable credits for such investments.

Local economies will benefit from the significant injection of funds through the school meals programmes. These funds, mainly used to buy food as locally as possible, will create further jobs and promote local economic development.

Concrete examples: It is important for communities that they have concrete examples or requests for support to the programme. Some such examples are provided below.

Feasible requests: For community engagement to be successful, it is important that communities are not requested to provide something that goes beyond their financial or technical capacity. This means that the burden on time or household economies has to be modest and well-distributed; and that technical advice and guidance must be provided so that community-labour can produce adequate results.

Frequent and constructive communication: The programme should communicate frequently with communities, and not only to request more support. Ideally, such communication should give something to the communities in the first place, so they get a first-hand experience of the benefits of school feeding. Such communication can include subjects such as nutrition and health, healthy cooking, energy saving, climate-smart and nutritious crops, etc.

Involvement in design and implementation: Not least, communities are more susceptible to support the programme if they have some influence on what it does and how it is carried out. To enhance community involvement in the programme, they need to know about the importance of and the influence they will gain by participating in the school meals committee. In addition, it is crucial to ensure that the community members in these committees are well-trained, and have an actual say on all matters discussed.

Examples for possible community involvement and support

Participation in the School Meals Committee: here, community representatives ensure that the school meals programme is carried out as foreseen; that all school feeding funds are used as intended; and that correct information on programme implementation is collected and provided to sector or district officers.

Cooking: In many countries, communities take charge of the responsibility of preparing school meals. If communities are ready to consider this, it should ideally be done in a way where all families contribute a modest amount of money, from which a limited number of cooks can be paid. This will increase the possibility to train and professionalize cooks, and to create decent jobs.

School gardens will serve to help students acquire agricultural skills, and to test potentially new – or underused traditional – crops. As a by-product, harvested food can complement and further diversify school meals. Communities can help by clearing land, preparing soil and planting, and altogether cultivating the gardens.

School feeding infrastructure: Food storage and kitchens are being provided. But these need to be maintained and repaired, so they can last for a long time. Other examples could be simple irrigation schemes for school gardens, rainwater collection and storage for school gardens or ablutions, or the maintenance of WASH infrastructure, including improved latrines – or making existing latrines accessible also for handicapped children, e.g. by building ramps, etc.. Communities can be instrumental in such maintenance work – and those who work on such schemes, can acquire new skills from the technical guidance that will be provided.

Protection: Depending on the local situation, it may be necessary to protect / guard food stores. If this is not part of the general guarding of school premises, it could be something that communities could support.

Food fairs have already been organised in some districts, e.g. Gakenke, where community members provide some additional food to complement meals. This would mainly aim to demonstrate ownership and support to the programme, and to complement the food items bought, e.g. to enhance diversity, add taste, etc. It should less aim at mobilizing the resources to ensure sufficient food.

Food production and sale to schools: The programme aims to buy the diverse, nutritious and quality food required from local farmers. Communities and farmers can support this by (a) aligning some of their production (crops and quantities) to the food required by the programme; and (b) by participating in food supply tendering processes. It is foreseen that district offices should support farmers / farmer organisations in doing so.

Monitoring: The programme aims to promote a wide range of benefits – see above. Communities can help collect and report information on the indicators that the programme will propose. As a minimum, communities should participate in meetings or surveys where programme monitors or

evaluators try to explore to which extent the programme has been implemented as foreseen, and how far it has achieved its intended outcomes.

Feedback mechanism: Not least, the programme intends to establish a Community Feedback Mechanism, through which any community member would be able to ask any question, voice any concern, or provide any other feedback through a free, central hotline. Such a mechanism can enable communities to help safeguard the quality, reliability and integrity of the programme. At the same time, the general knowledge that any community member has easy access to such a mechanism can have a strong preventive effect by deterring potential wrongdoers, who would face much higher chances of being detected. For this reason, it will be important that communities fully appropriate, understand – and use! – such a mechanism.

5. Implementation of the Financing Strategy

The National School Feeding Programme is on a good track to become one of the world's best-quality and most efficient programme for school health and nutrition, and is expected to make a significant contribution to the country's human capital development.

The present strategy aims to solidly base the programme on a stable, national funding base, thus rendering it fully sustainable, while at the same time promoting a series of interventions that will make it increasingly affordable.

These interventions are described here. They encompass the following:

- ☐ Promoting significant efficiency gains
- ☐ Establishing a National School Feeding Funding modalities
- ☐ Mobilizing temporary external support
- ☐ Increasing national contributions
- ☐ Inscribing measures into NSF Strategy and Operational Guidelines
- ☐ Monitoring and reviewing progress, and adapting

5.1. Promoting significant efficiency gains

The best way of reducing the present funding gap is to reduce the costs of the programme without jeopardizing its coverage and quality. A number of ways for this have been identified, and will be set in motion as quickly as possible:

5.1.1. Electronic meals planning

MINEDUC and its partners will explore if newly available electronic school meals planning tools can achieve cost reductions (as well as potential other advantages such as more locally produced food) in different regions of the country, and in different seasons). Depending on the results of this exploration, potential revisions of the food basket will be discussed with District Education Offices and rolled out to schools through a well-designed communication and training package.

5.1.2. Efficient procurement

The introduction of more efficient procurement methods requires the testing of several aspects, which has to be carried out in several steps:

- Identification of the food items that are part of the (potentially revised) food basket and which could potentially be procured in a more efficient way;
- Identification potential suppliers of such food items, and assess their capacity to supply the required quantities of food in good quality - Potentially, such suppliers would need temporary support to enhance their capacity to the required levels.
- Identification of ways in which food procurement can be carried out without interfering too much in the established way of flow of funds and financial accountability for their use;
- Identification of ways / contract forms that optimize the involvement and benefits of local farmers – e.g. through conditional or mandate contracting.
- Designing procurement and contracting forms for one or more relevant food items that are customized to optimize the benefits while minimizing the costs of food procurement, and maintaining the present high level of transparency and accountability.
- Piloting these procurement and contracting forms in several regions and with respect to several food items and suppliers, while closely monitoring and documenting progress and experience made.

The new procurement contracts should also aim to include the optimized transportation of food items to schools, thus reducing not only the costs of food item, but also those for transport.

Among the cost-efficient procurement models is the centralized procurement of long shelf-life food commodities, the government may explore the possibility of using centralized procurement for food commodities that are readily available at the local market based on agricultural season. Centralized procurement provides opportunities for bulk purchases and is therefore likely to have lower prices estimated at 8 -10% due to economies of scale. Furthermore, the centralized procurement model is more standardized in terms of procedures, facilitates effective quality control and monitoring and makes easy to establish more stringent financial controls to save money.

5.1.3. Tax waiver

Closely related to the optimized procurement is the introduction of a tax waiver for food procurement for school meals. This waiver would concern VAT of 18 percent and the Withholding Tax of 3 percent. The purpose of the tax waiver would be twofold:

- To reduce the costs of food purchases; and
- To create a margin within which food supply contracts would be economically advantageous for schools as well as qualified suppliers.

At present, Districts and City of Kigali (CoK) purchase long shelf-life food commodities for schools. Most of the food commodities are purchased on the open competition. Large-scale suppliers have little interest in selling to Districts/CoK, as they require tender processes, presently do not pay better

prices than other customers, and often delay their payments. A waiver of VAT and Withholding tax would allow such suppliers to obtain a better price from Districts/CoK than from other customers, while Districts/CoK would still pay a lower price than presently.

In addition, other ways of providing school meals – e.g. centralized kitchens, outsourced services – are under pilot where these are deemed able to provide the same quality of meals and benefits for local food systems at a lower price.

The introduction of such a tax waiver requires some preparation:

- MINECOFIN has to explore how the tax waiver can be implemented within the present payment systems
- MINECOFIN has to carry out the required preparatory work for the formalization of the tax waiver
- In parallel to the tax waiver, it should be explored how the cash flow to Districts /CoK can be improved to avoid delayed payments, so that qualified suppliers indeed are interested in the structured market of the NSFP, and in entering contracts that optimize benefits for local producers.

5.1.4. Phasing in required investments, and delaying depreciation

The funding gap was greatest in 2023, and difficult to close it in the same year. For this reason, it can be necessary to delay some of the investments proposed - in advantage of securing adequate procurement of food to continuously provide good meals. As most infrastructure investments have already been made, and the remaining infrastructure is simply necessary, the investments that could be delayed (even though it may delay the high-quality implementation and monitoring of the programme) is a concern

- The recruitment of accountants for all schools that do not already have one (costing 8.65 billion RWF)
- the purchase of vehicles for monitoring (costing 0.6 billion RWF)
- the recruitment of an additional officer at each district fully dedicated to support the NSFP (costing 0.19 billion RWF); and
- the increase of cooks' salaries (costing 1.25 billion RWF).

As can be seen, the total costs that can be pushed to e.g. 2025 amounts to about 15.8 billion RWF.

More significantly, the cost of depreciation could be delayed, meaning that instead of saving up for later replacement of infrastructure and other items, replacement costs would simple be addressed when they arise. This is less safe and sustainable but can be a feasible way of taking the top of the high funding gap towards the beginning of the strategy. The total costs for depreciation included in the full costs of the programme amount to 21.90 billion RWF per year. It has to be noted that ultimately, these costs must be borne by the programme – but the mobilization of resources for this can be delayed in order to better distribute the cost profile of the programme and the funding gap over time.

Annual costs of depreciation	billion RWF
Kitchen-cum-storerooms	1.30
Stoves	6.80
Water filters	3.37
Toilets and handwashing	10.38
Vehicles	0.05
Total:	**21.90**

Table7: Annual depreciation included in the full cost of the program

As these measures do not require any preparation, they can be implemented immediately.

5.1.5. Improved maintenance of investments

Related to the previous point, the costs of depreciation can in fact be reduced if the life expectancy of infrastructure and equipment is increased – which requires adequate use of these items, and good maintenance from the very outset.

MINEDUC will work with the relevant authorities at national and district level to identify ways of how good use and maintenance will be able to achieve this. On this basis, MINEDUC and the relevant authorities, potentially supported by partners, will develop good guidance for users. In addition, district education offices will include the inspection of infrastructure and guidance for improvements into standing tasks for inspection; and will establish systems of supporting school managers with advice, guidance and practical support.

National measures should be carried out, and district education offices will implement subsequent measures, ideally with the help of an additional dedicated school feeding officer.

5.2. Establishing National School Feeding Funding models

The Government will establish National School Feeding Funding models (NSFF) into which all contributions to the NSFP would flow, and from which all of its costs would be covered. This will address a number of critical aspects:

1. At present, the implementation is supported by both explicit contributions from the Government and from parents and by contributions towards complementary activities from different actors and sectors. The NSFF will be instrumental in making all costs and all contributions explicit and visible to arrive at realistic budgets, to ensure high quality of programme implementation, and to adequately recognize all the contributions being made.
2. Furthermore, the Government school feeding budget – both the food as well as associated costs - is currently managed as part of the national budget for education. However, school feeding is not solely an education intervention, but is multi-sectoral by nature. Considering the budget for the NSFP under only one sector is thus not in line with best practice, as it establishes a false conflict between school feeding and the budget available for the core mandate of that sector (in case of education, the recruitment, training and remuneration of

teachers; school infrastructure; curricula; school materials; examinations, etc.). The NSFF would avoid this challenge.

3. The present Financing Strategy foresees that the NSFP will face a funding gap for a number of years. The NSFF will provide a mechanism for the management of additional funding from both external partners or relevant national actors, such as private sector companies, crowd-funding platforms, etc.
4. The disbursement of funds from the NSFF could reduce cash-flow bottlenecks and enhance the ability of schools to settle their bills in time. At the same time, other actors such as the Rwanda Biomedical Center responsible for deworming could avoid cumbersome annual fundraising efforts.
5. Being managed under the national Public Finance Management rules and systems, the NSFF will be able to assure any donor or contributor of the full transparency and accountability on the use of funds.
6. MINEDUC would prepare regular (at least annual) reports on key achievements on the established school feeding funding model, so that each stakeholder can obtain evidence of the impact that the combined contributions have generated.
7. Not least, the sharing, presentation and discussion of such annual reports, as well as other partnerships between the fund and its partners would engage NSFP stakeholders with respect to child nutrition and student welfare and allow them ownership of the programme and its achievements.

Besides its technical preparation and political approvement, the functioning of the fund will also require the establishment of an adequate governance structure, identification and engagement of the stakeholders to participate in its functioning, as well as practical implementation steps.

5.3. Mobilizing temporary external support

As has been shown above, external support will be required during the initial years of implementation of the present strategy – averaging about US$ 78 million over seven to eight years, by which time the programme should be fully sustained by national sources.

Some donors are already in advanced negotiations with the Government concerning their potential support to school feeding. All contributions should be channeled through the established NSSF.

As the funding gap is largest at the beginning of the strategy – before efficiency gains can be fully materialized – the Government commenced dialogue with relevant partners. Ideally, a partner champion will be identified who could promote the mobilization of consolidated partner support (e.g. by convening a donor round table, organizing a pledging conference, etc.).

Other sources of funds could be multilateral climate funds such as the Green Climate Fund, the Global Environment Facility, the Adaptation Fund, and the International Fund for Agricultural Development (IFAD). Climate financing could possibly be sought to fund several investments required for the programme, which would not only achieve efficiency gains, but also reduce its carbon footprint. The

updated National School Feeding Strategy includes a specific strategy to promote clean cooking under the programme. Climate financing in support of the programme could take the form of carbon credits for emission reductions, or through the UN's Adaptation Fund. More significantly, grants from financing mechanisms such as the Green Climate Fund could be sought (as was e.g. done by the Government of Benin) to help transform the programme into a low-emission and climate-resilient model, not least by using the power of its significant procurement to promote climate-friendly and sustainable agriculture, and creating a predictable market for fresh and nutritious foods and climate resilient crops.

The Government has to seek the support of the Sustainable Financing Initiative of the Education Commission – one of the initiatives established under the global School Meals Coalition of which Rwanda (and presently 104 other countries and 134 organizations) are members. Such support would be mainly of technical and political nature, providing evidence and credibility to the Government's efforts of mobilizing partner support.

5.4. Increasing national contributions

The Government will seek to mobilize additional national contributions, in particular from the private sector and the general public. Concrete activities foreseen include the following:

- Explore concrete opportunities and prerequisites for public-private partnerships with a range of relevant private sector actors such as banks, telecommunication companies, supermarket chains, etc. In addition to resource mobilization, such partnerships can also include e.g. technical support (saving schemes, communication, food management, etc.). Ideally, such actors could organize their own fundraising campaigns with all or a segment of their customers. Any contributions raised should be channeled to the established national school feeding funding model.
- Explore similar opportunities with civil society and faith-based organisations.
- Explore the potential of and prerequisites for establishing an online crowd-funding platform mainly aiming at the Rwandan diaspora. Several models available from UN agencies and international civil society can be compared as a basis for designing a platform optimized for the Rwandan context and purpose.
- Consider the option of organizing a national lottery or annual national campaigns as a source of funding for human capital or social protection investments. Political and technical prerequisites have to be identified and considered – and once a decision has been taken, the required systems would have to be established. This work will require more exploration and technical preparation, and could become operational as of 2026.

As mentioned earlier, the new cost-sharing regime between the Government and parents has only just been established, and will be allowed to function for a number of years. The adjustment of the base price per meal may have to be considered, however, to arrive at contributions that correspond to increased food prices. After a number of years, and based on a thorough review, the possibility to introduce parental contributions that are differentiated by their financial capacity can be considered.

5.5. Inscribing measures into NSF Strategy and Operational Guidelines

A comprehensive National School Feeding Strategy was elaborated in parallel to the present Financing Strategy. The NSF-Strategy will inscribe the required guidance, criteria and processes as a basis for the above interventions, among others. Specific issues to be addressed include, among others,

- nutritional and other criteria, as well as processes for reviewing and adapting food baskets;
- the possibility of identifying and applying more efficient procurement models;
- the flow of information and funds;
- the shift from biomass to clean cooking – for this, a specific Financing Strategy has to be developed;
- the collection, provision, analysis and presentation of relevant monitoring information; and
- the regular adjustment of NSFP budgets to actual price developments

Based on the exploratory work described above, as well as a number of pilots to be carried out, the specific instructions to NSFP implementation actors and management established by the Operational Guidelines will have to be revised.

5.6. Monitoring and reviewing progress, and adapting

The implementation of the present strategy has to be closely monitored, MINEDUC will prepare quarterly reports during the first three years of implementation on the progress being made.

Decisions on some issues depend on developments with respect to others - in particular, a potential reduction of the share of additional Government revenues that has to be channelled to school health and nutrition depends on (1) the extent to which savings can be achieved; (2) the level of resources that can be mobilized from non-government national actors; and (3) the level of resources that will be provided by external partners.

In addition, the experience with parental contributions being made under the new regime, the ability and readiness of (some groups of) parents to increase their contributions, and not least the technical feasibility of introducing a cost-sharing regime that disaggregates the contributions expected from parents according to their financial capacity, will have to be assessed.

For this reason, a comprehensive review of the implementation of this strategy, as well as decisions on its potential amendment, is foreseen for 2026.

The implementation of this strategy will be led by MINECOFIN and MINEDUC, and will also involve the School Feeding Steering Committee. A timetable for the implementation of the Financing Strategy, including institutional responsibilities, is proposed below.

Rwanda National School Feeding Financing Strategy

Implementation Plan

Action	Responsible	Participating
Validation / Approval of Financing Strategy and NSF Strategy	**MINECOFIN, MINEDUC**	
Explore electronic meals planning	MINEDUC	WFP
Role out to regions, districts and schools	MINEDUC	DEO, WFP
Preparatory work for procurement models	MINEDUC	RPPA, WFP
Design procurement models	MINEDUC	RPPA, WFP
Implement procurement pilots	MINEDUC	RPPA, WFP
Review, amendment and roll-out of procurement models	MINEDUC	DEO, WFP
Tax waiver preparatory work and consultations	MINECOFIN	PMO, Parliament
Tax waiver approval and implementation	PMO/Parlian	MINECOFIN
Redrawing budget with delayed investments and depreciation	MINEDUC	WFP
Prepare guides and tools for improved maintenance	MINEDUC	MININFRA, WFP
Implementation of maintenance support structures and measu	DEOs	MININFRA, WFP
Clarify governance and functioning of NSSF	MINECOFIN	MINEDUC
Establish NSSF to full functionality	MINECOFIN	NSFF Governance
Seek partner champion for external support	MINECOFIN	World Bank?
Organize development partner round table	MINECOFIN	Development Partners, SFI
Develop a Financing Strrategy for the shift to clean cooking	MINEDUC	Development Partners
Channel addition external support to NSSF	MINECOFIN	NSFF Governance
Explore and develop public-private partnerships	MINEDUC	MINECOFIN
Explore and develop partnerships with civil society / FBOs	MINEDUC	MINECOFIN
Explore and develop potential crowd-funding platforms	MINECOFIN	MINEDUC
Explore potential of national lottery or annual campaigns	MINECOFIN	MINEDUC
Channel addition national actor funding to NSSF	MINECOFIN	NSFF Governance
Continuous monitoring of progress	MINEDUC	NSFF Governance, DEO
In-depth review of experience	MINEDUC	MINEDUC, Partners
Potential amendment of strategy, adjustment of rates	MINECOFIN	MINEDUC
Potential introduction of disaggrated parental contributions	MINEDUC