

National Agricultural Export Development Board (NAEB) plans to invest more than Rwf1.3 billion in cold storage and produce-processing infrastructure aimed at reducing post-harvest losses and strengthening the country's agricultural exports.

The investment is part of the government's "Export Logistics Development" project, which seeks to improve Rwanda's capacity to store, process and transport agricultural and livestock products to international markets without compromising quality.

Under the 2026/2027 national budget, the project has been allocated Rwf1.31 billion for the construction and rehabilitation of cold rooms and crop-processing facilities intended to meet international export standards.

The initiative comes amid growing concerns over the performance of some existing cold-storage facilities across the country.

During parliamentary discussions on the draft national budget on May 12, members of the Parliamentary Committee on State Budget and Public Assets questioned the effectiveness of several cold rooms already built under previous government programs.

Figures from the Ministry of Agriculture and Animal Resources (MINAGRI) show that although the project received Rwf1.92 billion during the 2025/2026 fiscal year, only Rwf835 million — about 43% of the allocated budget — had been spent, raising concerns about delays in implementation.

Lawmaker Sarah Kayitesi cited cases in Musanze District, Rulindo District's Muyanza area and the Ngoma agricultural zone where some cold-storage facilities are either underperforming or not being fully utilized.

She also raised concerns about facilities handed over to private operators but left idle, including a case in Gatsibo District where a company rents a building while the cold-storage unit itself remains unused.

MINAGRI Permanent Secretary Dr. Olivier Kamana acknowledged shortcomings in the project's implementation, saying some cold rooms were installed in unsuitable locations or equipped with outdated technology, limiting their effectiveness.

Kamana said the ministry had launched an assessment to identify long-term solutions, including relocating some facilities and upgrading technology to improve

efficiency and better preserve agricultural products.

MINAGRI said recent consultations are expected to improve management of the infrastructure, reduce farmers' post-harvest losses and increase the volume of produce reaching international markets.

At the same time, the ministry warned lawmakers of a Rwf17.2 billion funding gap in the government's subsidy program for seeds, fertilizers and lime, raising concerns about the state's ability to continue helping farmers access agricultural inputs on time.

According to ministry figures, financing needs for the subsidy program in 2026 are expected to reach Rwf29.4 billion, including Rwf25.4 billion for fertilizer subsidies and nearly Rwf4 billion for seeds.

The shortfall comes despite increased government spending on agriculture under the Crop Intensification Program (CIP), a flagship initiative aimed at boosting agricultural productivity through wider use of fertilizers and improved seeds.

For the 2026/2027 fiscal year, the program has been allocated Rwf83.9 billion, up from Rwf54.2 billion in the previous fiscal year.

MINAGRI officials warned, however, that continued dependence on subsidies means financing delays could disrupt fertilizer distribution and affect agricultural productivity, particularly for smallholder farmers.

Odette Uwamariya, chairperson of the Parliamentary Committee on State Budget and Public Assets, said lawmakers would continue discussions with the Ministry of Finance and Economic Planning (MINECOFIN) to explore possible funding solutions.

"What you presented to us as projects you hoped to implement but that were not allocated funding, we too will continue discussions with MINECOFIN," Uwamariya told ministry officials during the parliamentary session.

She added that agriculture and livestock remain central to Rwanda's economic growth strategy and key to achieving targets under the country's Second National Strategy for Transformation, known as NST2.

Beyond fertilizer subsidies, MINAGRI also identified several other projects facing possible delays because of budget constraints.

Among them is a grain-storage expansion program with a financing gap of Rwf7.26 billion needed to build and expand storage facilities aimed at reducing post-harvest losses.

The government also requires Rwf4.9 billion to compensate residents affected by irrigation activities under the Gabiro Agri-Business Hub project.

Other initiatives at risk of slowing down include tea expansion programs, rehabilitation of aging coffee plantations, agricultural export promotion projects and the PSAC/IFAD agro-export initiative.

While Rwanda continues to prioritize agriculture as a key driver of food security and economic development, officials say limited financial resources remain a major obstacle to implementing several critical programs.