

A 'FACT lessons learned workshop' was held in Rwanda in June 2019.

## THE UTILITY OF A GOOD LOBBY

RWANDA

Until recently in Rwanda, rice farmers in Rwanda were forced to pay high and unequal taxes for land use. The tax rate was determined by the district councils and varied per district. UCORIBU, a union of rice cooperatives and a client of Agriterra, was concerned about this inconsistent and sometimes astronomical tax in the three districts where the union operates.

In May 2019, UCORIBU was trained by Agriterra in the FACT methodology. FACT (Farmers Advocacy and Consultation Tool) is a method for defining and systematising the interests of farmers and translating them into concrete policy propositions to be presented to and negotiated with policymakers; for example, in the areas of pricing, tax legislation and land management.

The tax for the land use by the rice farmers in the three districts where UCORIBU is active ranged from about 40 Euro in one district to about 120 Euro in another. By conducting a survey amongst its members, UCORIBU was able to quickly define the problem and put the theory of FACT to use in the practical setting. Initially, the union lobbied especially for its own 13,000 members that produced rice on a total of 3,000 hectares. However, the land tax issue would turn out to actually be a nation-wide concern for all farmers that produced rice on government land (an estimated 14,000 hectares).



## **National federation**

UCORIBU presented the tax issue to the district officials at the head office in Gisagara, but it turned out to be outside of the scope of the district. UCORIBU then approached the national rice farmers' federation in Rwanda, who agreed to help them bring the issue to a higher level. The federation discussed the point with all ministries concerned with the rice sector, including the Ministry of Agriculture and the Ministry of Trade and Industry - unfortunately, to no avail. The issue was then raised during the 'National Government Retreat' interdepartmental meeting. The president of Rwanda, who also chaired the meeting, asked the prime minister to bring together all concerned parties to expediently resolve the problem.

## The average annual land tax rate went down from 60 to 4 Euro per hectare

## Same tax rate everywhere

A few days later, the prime minister delegated a special team to study the laws and government regulations relating to the land tax.

They would discover that a presidential order actually existed that stated that such a tax may not be higher than 4 Euro. It was then subsequently decided to adopt that amount on a nation-wide level, with that rate applying to all districts. Where the average annual tax rate used to be 60 Euro per hectare, it is now only 4 Euro. UCORIBU's members, representing 3,000 hectares in total, are saving approximately 168,000 Euro this year thanks to the decision to restore the original tax rate.

Assessing the impact at the national level: the restored tax rate will save Rwandan rice farmers about 784,000 Euro per year. This demonstrates the power and impact of a good lobby!

#FACTpower!

