Diagnostic and typology of economic functioning of farming systems in the southern province of Rwanda. Case study of Nyamagabe and Nyaruguru Districts

Dr. Karangwa Antoine1, Ngininshuti Henri Jacques2

1- University of Rwanda: College of Agriculture, Animal Sciences and Veterinary Medicine
   Faculty of Agriculture, Rural Development and Agricultural economics

2- Independent Institute of Lay Adventists of Kigali: Faculty of Environmental Studies, Department of Rural Development

ABSTRACT

Considered as the main engine for economic growth and poverty reduction, the Rwandan agriculture sector has entered into a period of great transformation and modernization of its farming systems to open itself to the market. To get there however, many problems and various agricultural challenges of a different nature and level in every region need first to be identified and analyzed for passing to the action. This study is designed to advance further current reforms by defining and analyzing the socio-economic problems and challenges of farming systems based on a study case of Nyamagabe and Nyarugura District in the Southern Province. To get a grip on the subject, a rapid desk review has been conducted on the region and Rwandan agricultural situation in general followed by a survey done on 210 farming households randomly chosen. The data analysis and results have led to the division of farms into three categories following principles:

In the first group, there are very poor farmers living below the survival threshold. Evaluated at 39%, these farms have very small land, labor is limited, livestock is absent or reduced to a single animal. The majority of these farms provide remarkably below the reproduction threshold income (375,000Rwf.) and many of them cannot even exceed the survival threshold (250,000Rwf).

In the second group, there are agriculture-livestock dominated farms (47%) where these activities provide the largest share of monetary income. They live much on their agricultural productions and the livestock is often the primary source of liquidity; investment capacities are still very limited. They are in more or less stable equilibrium regarding expenses and products.
In case of serious problem (illness, death, loss of animals, etc.), they decline with a rapid impoverishment: animals’ sales greater than the herd increase rate, rental of the labor force and land sales to finally find themselves in the situation of poor farms.

The third and last group includes farms supported by a salary employee or by a generating income off-farm activity (14%). They have a very good cash flow and invest in a noticeable way in agriculture (purchase of inputs, payment of labor) and livestock (purchase of animals). Their tendency is to the capitalization: purchase of land and animals, improve their production capital through the use of employees, etc...

The general outcome of this study is that demographical, economic, social or cultural changes that affected the studied area for decades did not equally inspire a dynamic organizational transformation to allow the development and reinforcement of capacity of farmers and organizations facing the new challenges of rural development.

**Key words:** Soil fertility, Rural poverty, Declining farms, Stagnant farms, Nyamagabe