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PRESS RELEASE

European Union contributes 5,5 billion RWF for water projects in Southern Province

The EU has contributed 5.5 billion for water projects in Southern Province. A financing agreement was signed by Hon. James Musoni, Minister of Finance and Economic Planning with Ambassador Dr. David MacRae, Head of Delegation of the European Commission to Rwanda, at a special signing ceremony which took place at the Ministry of Finance and Economic Planning on 21 January. Also present at the ceremony were Hon. Professor Bikoro, Minister of State in charge of water and mines at the Ministry of Lands, Environment, Forestry, Water and Mines. The two projects, both targeting the Southern province, are funded through the ACP-EU Water facility and will provide potable water and sanitation services to rural populations .

One of the projects, for a total cost of 4.3 billion RWF, will benefit rural areas in Nyamagabe and Nyaruguru districts through a pool funding arrangement between the GoR, ADA (Austrian Development Agency) and the EU to which the EU will contribute 2.2 billion RWF. Over a period of three years, this project will increase the provision of sustainable potable water supply and sanitation services, thus improving health, productivity and living conditions and reducing poverty among the population of the target areas. Water supply facilities for about 200,000 people will be put into place, as well as sanitation facilities for about 8,400 people and a capacity building component aimed at strengthening regional and local stakeholders. Activities will be carried out by the Rwanda Water Supply and Sanitation Fund, which has already established Headquarters in Gikongoro, Nyamagabe district.

The second project, for a total cost of 7.9 billion RWF towards which the EU will contribute 3.3 billion RWF in a co financing arrangement with GoR and Belgium, will target along similar lines the districts of Nyaruguru, Huye and Gisagara and involve the construction of 350 km water networks.

Speaking at the signing ceremony, the Head of Delegation of the European Commission to Rwanda, Ambassador Dr. David MacRae, declared: *"Much needs to be done to improve water supply and sanitation as water born diseases are a major cause of sickness. These two projects will help improve the situation in Southern Province. The projects are being funded through the ACP-EU Water Facility which is an initiative of the EU specifically to respond to the pressing need*

to address the issue of water supply and sanitation throughout the developing world. Rwanda has been successful in having these two schemes selected for support from the Facility. These funds are thus additional to the cooperation programme already in place between the European Union and the Government of Rwanda."

The ACP-EU Water Facility is an innovative financing instrument launched by the European Commission in 2004 in response to the need to catalyze additional funding and to work directly with those most affected by shortages of water and the absence of sanitation. Further to the two projects in Southern Province, one other project for Rwanda, to be carried out by the Italian NGO AVSI for an amount of 1.5 billion RWF, was signed at the end of last year.

For general information about the ACP-EU water facility, please go to

http://ec.europa.eu/europeaid/where/acp/regional-cooperation/water/in_detail/index_en.htm