

REPUBLIC OF RWANDA

MINISTRY OF FINANCE AND ECONOMIC PLANNING



**ANNUAL REPORT ON THE IMPLEMENTATION OF THE
ECONOMIC DEVELOPMENT AND POVERTY REDUCTION
STRATEGY (EDPRS) - 2008**

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Table of contents

LIST OF ABBREVIATIONS	IV
FOREWORD	VII
Executive summary	VIII
1. INTRODUCTION	1
2. ECONOMIC CLUSTER	3
2.1 Macro and financial sector	3
2.2 Private sector	5
2.3 Infrastructure Sector	7
2.3.1 Energy Sub Sector	8
2.3.2 Transport Sub Sector	10
2.3.3 ICT and Science, Technology and Innovation sub sector	11
2.4 Agriculture Sector	12
2.5 Environment and natural resources management	14
3. Social cluster	18
3.1 Health sector	18
3.2 Water and sanitation sector	20
3.3 Education Sector	21
3.4 Social protection Sector	23
3.5 Youth Sector	24
4. Governance cluster	28
4.1 Public Finance Management	28
4.2 Justice, Reconciliation, Law and Order (JRLO)	29
4.3 Decentralization, Citizen Participation, Empowerment, Transparency and Accountability (DCPETA) Sector	31
4.4 Capacity Building and Employment Promotion (CBEP) Sector	33
5. Integration of cross-cutting issues: progress and challenges	36

5.1 Environment	36
5.2 Gender	37
5.3 HIV/AIDS	39
5.4 Social inclusion	39
6. Aid harmonization and coordination	41
7. CONCLUSION	43
Annexes	44
Province Summary reports	44
EDPRS RESULTS AND POLICY MATRIX TRAFFIC LIGHT SCORING	57

LIST OF ABBREVIATIONS

AADFI: Association of African Development Finance
ACH: Automatic Clearing House
ADF: African Development Fund
AFCR: Africa Food Crisis Response
AIDS: Acquired Immunodeficiency Syndrome
AMIR: Association of Microfinance Institutions
ATM: Automated Teller Machine
AWP: Annual Work Plans
BCR: Commercial Bank of Rwanda
BICS: Belgacom International Carrier Services
BNR: National Bank of Rwanda
BRALIRWA: Brasserie et Limonade du Rwanda
BRD: Rwanda Development Bank
BSHG: Budget Support Harmonization Group
C.E.O: Chief Executive Officer
CBEP: Capacity Building and Employment Promotion
CCI: Cross Cutting Issues
CFL : Carbon fluorescent lamps
CHW: Clinical Health Worker
CIP: Crop Intensification Group
CMAC: Capital Market Advisory Council
CNLS: National Commission for the Fight against AIDS
COMESA: Common Market for East and Southern Africa
COOJAD: Cooperative Bank for Youth Self Employment and development
CPAF: Common Performance Assessment Framework
DAD: Development Assistance Database
DCPETA: Decentralization, Citizen Participation, Empowerment, Transparency and Accountability
DFID: Department for International Development
DHS: Demographic and Health Survey
DIP: Decentralization Implementation Plan
DPAF: Development Partners Assessment Framework
DPCG: Development Partners Coordination Group
DPM: Development Partners Meeting
DS: Direct Support
EAC: East African Community
EASEA: East Africa Stock Exchange Association
EASRA: East African Securities and Regulatory Agencies
EC: European Commission
EDPRS: Economic Development and Poverty Reduction Strategy
EIA: Environment Impact Assessment
ELECTROGAZ: Electricity and Gas Company of Rwanda
EMIS: Education Management Information System
ENR: Environment and Natural Resources
EU: European Union
Fob: free on board
FSDP: Financial Sector Development program
FSDS: Financial Sector Development Secretariat
GBE: Government Business Entities
GDP: gross domestic product
GoR: Government of Rwanda
Ha: Hectare
HACCP: Hazard Analysis and Critical Control Points
HIMO: High intensive Labor Community Works

HIV: Human Immunodeficiency Virus
HLI: Higher Learning Institutions
HMIS: health management information system
HR: Human Resource
HSSP: Health Sector Strategic Plan
ICT: Information and Communication Technology
IDA: International Development Association
IDM: Intelligent Data Manager
IDP: Integrated Development Program
IFC: International Finance Corporation
IFRS: International Financial Reporting Standards
ILPD: Institute of Law Practice and Development
IMCI: Integrated Management of Childhood Illnesses
IMF: International Monetary Fund
INSET: In-Service Training Centers
IOSCO: International Organization of Securities Commission
IPPIS: Integrated Personnel and Payroll Information System
ISAR: Institute of Scientific and Agricultural Research
IWG: Implementation Working Group
JAWP: Joint Annual Work Plan
JGA: Joint Governance Assessment
JHSR: Joint Health Sector Review
JRLO: Justice Reconciliation Law and Order
JSR: Joint Sector Review
Kcal: Kilo Calories
KCB: Kenya Commercial Bank
KIST: Kigali Institute of Science and Technology
Kwh: Kilowatt-hour
LLITN: Long Lasting Insecticide Treated Nets
LTRP: Land Tenure Regularization Program
MAGERWA: Magasins Généraux Du Rwanda
MDGS: Millennium Development Goals
MIGEPFROF: Ministry of Gender
MINAFFET: Ministry of Foreign Affairs
MINALOC: Ministry of Local Government
MINECOFIN: Ministry of Finance and Economic Planning
MINICOM: Ministry of Commerce, Industry and Investment Promotion
MININFRA: Ministry of Infrastructure
MINIRENA: Ministry of Lands and Natural Resources
MINIYOUTH: Ministry of Youth
MoU : Memorandum of Understanding
MT: Metric Tones
MTEF: Medium Term Expenditure Framework
MW: Mega Watts
NAFA: National Forestry Authority
NAPA: National Program for Adaptation on Climate Change
NDIS: National Decentralization and Implementation Strategy
NEPAD: New Partnership for African Development
NGO: Non-Governmental Organization
NHRC: National Human Rights Council
NPC: National payment council
OAG: Office of the Auditor General
ODA: Official Development Assistance
OECD: Organization for Economic Cooperation and Development
OPBRC: Output and Performance Based Road Contracts

ORLT: Registrar of Land Titles
OTC: Over the Counter
OVC: Orphans and Vulnerable Children
PBF: Performance based financing
PDCM: Paris Declaration Compliance Matrix
PEFA: Public Finance and Financial Accountability
PFM: Public Finance Management
PMTCT: Prevention of Mother to Child Transmission
PPP: Public Private Partnership
PW: Public Works
RADA: Rwanda Animal Development Authority
RAMA: La Rwandaise d'assurance maladie
RCRSA: Rwanda Commercial Registration Services Agency
RDB: Rwanda Development Board
REMA: Rwanda Environment Management Authority
RHESI: Rwanda Horticulture Export Standards Initiative
RICP: Rwanda Investment Climate Project
RIEPA: Rwanda Investment and Export Promotion Agency
RIG: Rwanda Investment Group
RITA: Rwanda Information and Technology Association
RMF: Road Maintenance Fund
ROTC: Rwanda
RPC: Rwanda Payment Card
RRA: Rwanda Revenue Authority
RTGS: Real Time Growth Settlement
RWF: Rwandan Francs
SADC: Southern Africa Development Community
SBS: Sector Budget Support
SFAR: Student Financing Agency for Rwanda
SGBV: Sexual and Gender Based Violence
SITI: Securities Industry Training Institute
SME: small and medium enterprise
SONARWA: Rwanda Insurance Company
SRM: Strategic Road Map
SSA: Sub Saharan Africa
STD: Sexually Transmitted Diseases
STI: Science, Technology and Innovation
SWAP: Sector Wide Approach
TC: Tronc Commun/ Ordinary level secondary
TDM: Teacher Development and Management
TOR: Terms of Reference
TVET: Technical Vocational Education and Training
UBPR: Union of Popular Bank in Rwanda
UN: United Nations
UNDP: United Nations Development Program
US: United States of America
USD: United States Dollar
VCT: Volunteer Counseling and Testing
VUP: Vision 2020 Umurenge Program
WSS: Water Supply System
YFC: Youth Friendly Centers

FOREWORD

It is my great pleasure to present the 2008 Annual Progress Report on the implementation of Economic Development and Poverty Reduction Strategy (EDPRS). Rwanda is now in the second year of implementation of its second generation poverty reduction strategy: the EDPRS, which began with the fiscal year 2008. The strategy was adopted in September 2007 by the Cabinet with an overarching goal of achieving steady high growth rates that lead to sustainable economic growth and social development. The three flagship programs of the EDPRS; Economic growth, Vision 2020 Umurenge and Good governance, which are aligned to the long term Vision 2020, demonstrate the strong commitment of the Government towards the medium term development of Rwanda.

As we go forward, it is imperative that we look back, not only at our achievements of the past year (2008), but also at the key challenges and issues that require special attention. We should be proud where progress has been made and also strengthen our resolve to overcome setbacks encountered in the process of achieving our goals.

I am delighted to note that the report has brought to the fore, the strong progress made; on average more than 80% of all targets were fully met or exceeded in all clusters: Economic, Social and Governance. This was achieved despite the uncertain global economic environment that has prevailed over the second semester of the year 2008.

These achievements have been realized through a fruitful partnership between the Government of Rwanda and all the stakeholders. Our challenge is to consolidate the gains made while taking strong strides forward.



James Musoni
Minister of Finance and Economic Planning

EDPRS ANNUAL PROGRESS REPORT 2008

EXECUTIVE SUMMARY

This report outlines the progress made in 2008 in implementation of the Economic Development and Poverty Reduction Strategy (EDPRS) based on the key targets and policy actions in the EDPRS Results and Policy Matrix.

The EDPRS Results and Policy Matrix is structured on 3 major strategic objectives of; Increased economic growth, Managing population growth rate and enhancing population development and Enhanced gains through good governance. The strategic objectives are in harmony with the 3 EDPRS clusters (Economic, Social and Governance) that were set up by the Rubavu retreat in February 2009.

Within each strategic objective there are a number of strategic outcomes, associated indicators and targets and policy actions required to achieve them. Each EDPRS sector contributes to the implementation of one or more strategic outcomes and indicators/targets, through its fulfilling of agreed policy actions contained in the EDPRS Results and Policy Matrix. It is important to note that the Sector Working Groups (SWGs) implement and monitor a more comprehensive set of targets and policy actions than those selected in the EDPRS matrix.

The implementation report is drawn from reports provided by each sector after the completion of a Sector Performance Report approved by stakeholders in a Joint Sector Review and submitted to the Ministry of Finance (MINECOFIN). The Joint sector reviews provided a summary of key sector achievements, key challenges, key recommendation and information on 2008 budget execution.

Economic Cluster

This cluster covers the macro and financial sector alongside the economic sectors of agriculture, infrastructure (energy, transport, ICT and STI) private sector development as well as environment and natural resources management.

Macro and financial sector

The macro and financial sector had set 7 main targets and only 1 was not met.

Growth performance in 2008 was higher than the projected rate of 8.5 percent at 11.2 percent. This growth was driven by a rebound in agriculture and continued buoyancy in the industry and services sectors which registered annual growth rates of 15, 10.7 and 7.9 percent respectively.

There was an expansion in credit to the private sector which grew to 14% percent of GDP by end-2008. Revenue in 2008 outperformed the projections by RWF 52 billion reflecting increased collection, higher inflation at an average of 15.4% and GDP growth as well as large one-off non-tax revenue earnings.

In 2008, investment was 18% of GDP exceeding the target of 17% that was set. Increases in investment in recent years have been driven by a rapid increase in public construction expenditure, with private expenditure on machinery still suffering low growth

Broad Money increased moderately at 9.6% against an average increase of 25.7% (2005 to 2007) reflecting the increased absorption capacity of the economy and increase in capital component of public spending. Currency in circulation increased by 28% compared to 20% in 2007 as a consequence of high inflation.

The only target that was not met was the annual end year average inflation which reached double figures at 15.4% compared to a single digit target that was set. The acceleration in inflation arose from; high international commodity prices and domestic pressures from rising prices of food and non-alcoholic beverages. However, the inflation showed signs of stabilizing towards the end of the year with an increase of only 0.7% between September and December 2008.

Private sector; The Private sector set 4 main targets which were all achieved.

Rwanda has become “one of the most active reformers of business regulation worldwide this decade” according to the World Bank. Rwanda is ranked 139th in the World Bank Doing Business rankings and is now ranked in the top-third of sub-Saharan African (SSA) countries. The score on investor perceptions of investment climate showed an average rating of 79% all reflecting improvements through the doing business reforms.

Revenue from strategic exports obtained was USD 185 million exceeding the target of USD 163 million and revenue from tourism activities also increased to USD 208 million from a target of USD 56 million.

Infrastructure; the infrastructure sector had set 6 key targets and all were achieved except 1 due to lack of reporting.

Power production has increased and stabilized since the severe power shortages in 2004 and total installed capacity has increased from 45 MW in 2006 to 74.5MW in 2008 and 56MW generation capacity, exceeding the 2008 target of 50MW. The target for the number of electricity connections in 2008 was 100,000 connections and the performance realized was of 110,000 connections from a baseline of 91,332 in 2006.

The EDPRS target for the percentage of classified national road network in good condition was to move from 11% in 2006 to 16% in 2008, this was exceeded with an actual performance of 18%. On the percentage of classified district road network in good condition, the target was to move from 15% (2006) to 22% (2008), however, following the decentralization of the budget for district road maintenance to local governments, no reports were submitted by districts on this and as such no quality information could be reported against this target.

ICT composite coverage network is now at 90% and the number of mobile phone users has now reached 1,322,637. A total of 77 km of fibre optic enabling a Wireless Broadband network for Kigali city and its suburbs has been laid.

Agriculture; the sector had set 6 main targets, of which 4 were all achieved and 2 are not yet due for assessment (non survey year).

There have been significant increases of 16.4% and 20.3% in food and export crop production respectively, which can be attributed to GoR's work in the areas of crop intensification, disease prevention and assistance to producers of traditional and non-traditional export crops, as well as good rains. These production increases have buffered Rwanda against the global food crisis and the associated rise in food prices.

Another key food security and export crop indicator for the sector was the production in MT of key food security and export crops which targeted an increase by 30% between 2006 and 2012. Crop production targets were exceeded for all key food security crops in 2008.

Environment; the sector had 5 main targets; 3 were fully achieved and 2 were not met.

Currently, the surface land area covered by forest and agro-forest increased from 20, 2% to 21% (plantation of 31.327.410 trees on 19 579 ha) and the area of land protected to maintain biological diversity exceeded the target of 8.4% by an actual performance of 8.5%. The percentage of water resources complying with water quality standards was attained at 30%.

The targets which were not met both relate to land; the percentage of area of privately owned land held under written title was 1.26% compared to a target of 3% and the proportion of issued land titles owned by Women was 0.02% compared to a target of 2%.

Social cluster

This cluster covers Education, Health, Social Protection, Youth and Water and Sanitation.

The health sector set 12 main targets of which; 11 were achieved and 1 was not fully met.

The percentage of women using modern contraceptives increased from 10% in 2006 to 27% (mini DHS 2007/2008) exceeding the target of 25%. The percentage of children fully immunized increased from 75% in 2006 to 80.4% (HMIS 2008).

On the indicator measuring the percentage of children using Long Lasting Insecticide Treated Nets (LLITN) , significant progress was made, however, the target of 65% was not fully realized with the mini-DHS (2007/8) reporting a score of 60% from a baseline of 16% in 2006. The percentage of assisted births in an accredited facility exceeded the target of 35% with a performance of 62.8% (HMIS 2008) coming from a baseline of 28.2% (2006), this has also been included in all performance contracts of districts for

2009. The utilization rate of primary health care services also increased from 70% to 86% in advance of the 75% target that was set.

Regarding the systematic and early testing of HIV testing of children born to HIV mothers, there has been an increase from 86.7% in 2006/07 to 87.3% in 2008, however, the target for per capita allocation to Performance-Based Financing (PBF) was not met fully with a realization of \$1.40 compared to a target of \$1.45 in 2008.

Water and Sanitation; the sector set 2 targets which were both fully achieved.

Rwanda has made significant progress towards achieving the Millennium Development Goals (MDGs) 2015 targets and the Vision 2020 target of 100% access to water. In 2008, 73% of population had access to clean drinking water and 45% had access to hygienic sanitation exceeding the target for drinking water and meeting the hygienic sanitation target fully.

In education, the sector set 5 key targets. 1 was fully achieved, 1 was not due to be assessed (non-survey year), and 3 were not met.

Primary school net enrollment rate was 94.7% in 2007 for girls while 93.3% in 2008. For boys, it was 96.8% in 2007 while in 2008 it was 95.1%. There was an improvement in primary completion rate overall which was 52% in 2007 while in 2008 it was 53% however, it did not meet the target of 55%. The ratio of girl students enrolled in higher education institution in science courses (public institutions) remains at 30% and therefore did not meet the target of 32%. Forced repetition of students in order to improve overall school performance has been highlighted as one of the reasons for the low performance in primary school completion rate.

The transition rate from basic education to upper secondary education fell behind the 2006 rate of 82% to 78.6% thereby failing to meet the target of 84%. There is some baseline data problems associated with the indicators and a revision of targets is set to be made following the functioning of the Education management information system (EMIS) which should provide better quality information.

Social Protection; the sector had set 5 targets; 1 was fully achieved and 4 were not due to be assessed (baseline studies being conducted).

The percentage of households in the bottom two categories of extreme poverty according to Ubudehe classification were 28.6% (VUP survey 2007), the progress however, could not be measured since the next survey is scheduled for mid-2009. Of the households eligible for support, the percentage granted public works was targeted at 35% which was fully realized. The average social protection income provided through district support budgets to poor and vulnerable groups amounted to RWF 33,730,605¹.

The key challenges are the Monitoring of graduation from livelihood enhancement schemes because graduation is not well defined. There is need to improve the coordination at both national and local levels as well as greater information sharing.

¹ This is the average amount received per district.

Youth; the sector did not have any quantitative indicators/targets to report against, however, it targeted the implementation of a number of policy actions which were all fully implemented. The target of supporting the transformation of fifty (50) youth associations into cooperatives was surpassed and in total, 61 associations were supported. Youth in all districts were sensitized to become members of COOJAD (a Youth Cooperative Bank for Self employment and Development.)

Governance Cluster

The governance cluster brings together four sector working groups related to the areas of Public Financial Management (PFM), Justice, Reconciliation, Law and Order (JRLO), Decentralization, Community Participation, Empowerment, Transparency and Accountability (DCPETA), and Capacity Building and Employment Promotion (CBEP).

Public Finance Management;

The sector set 7 targets. 4 were fully achieved and 3 were not due to be assessed at the end of 2008 (non survey year).

A new Public Financial Management Reform Strategy 2008-2012 was presented in September 2008 together with a detailed Action Plan for 2009-10 and approved by Cabinet in December 2008. Seven PFM indicators and related policy actions were subsequently incorporated in the EDPRS.

Work on improving the Medium Term Expenditure Framework (MTEF) and budget classification has been carried out as well as the technical and functional requirements, for the development of the Integrated Personnel and Payroll Information System (IPPIS).

Government agencies representing 30% of all budget agencies have submitted internal audit report, hence, the 25% target has been met, and the Office of the Auditor General (OAG) has audited 60% of the reported government expenditure, exceeding the 50% target set for the year. As regards procurement processes, 86% of the tenders have been competitively or justifiably awarded exceeding, the 75% target for 2008.

Justice, Reconciliation, Law and Order (JRLO); The sector set 6 main targets with 5 targets met, and one not fully met.

With regards to the case backlog, both performance targets were exceeded, with the Prosecution submitting 4861 backlog cases to the courts, which judged 7965 backlog cases. The percentage of corruption cases treated was 75% exceeding the 60% target. Prison overcrowding was reduced from 140% of jail capacity in 2006/07 to 130% in 2008, exceeding the 135% target that was set. There was also a reduction in the crime rate by 15% achieving the set target.

The indicator not met was the proportion of human rights reports timely submitted due to untimely submission.

Decentralization, Citizen Participation Empowerment, Transparency and Accountability; the sector set 4 main targets, 1 was fully met and exceeded, 3 were not due to be assessed.

67% of districts achieved a minimum 80% of their service delivery targets (against a target of 62%). Parliamentary elections were organized and concluded successfully and Civil Society Organizations mobilized themselves to monitor and observe the elections, voter turn out was high throughout the country. From the elections Rwanda has a 56.25% level of representation of female members of parliament, this being the highest in the world.

The challenge in this sector is the establishing and strengthening of partnerships in data collection and commissioning of surveys as well as establishing clear coordination and communication structure for partners and Government concerning the scope of the sector.

Capacity building and employment promotion; the sector set 2 main targets; both were not due to be assessed due to lack of baselines for target setting.

The percentage of budget agencies which achieve a minimum of 80% of their action plans was 20% and targets have been set for improving in ensuing years. The number of new non farm jobs created was not assessed. Policy actions implemented include the completion of all planned functional reviews for 17 institutions. The Districts Capacity Building Needs Assessment was planned and all 30 districts were audited.

The key challenges in this sector are; the funds mobilization for the internship program and the urgent need for macro level data on employment.

Integration of cross-cutting issues

Environment; important common tools have been applied such as the EIA (environment impact assessment) in order to mitigate impact of different interventions on environment. The use of Environment impact assessment tools through project was institutionalized by publishing EIA sectoral guidelines for fuel stations, slaughter-houses and tanneries, and 65 projects out of 109 submitted for certification received certificates by Rwanda Environment Management Authority

Gender; Guidelines for gender-based budgeting have been developed by the MINECOFIN and subsequent training prepared for 2010/2011 budget preparation. A national gender profile was established as a baseline to guide the planning process in all sectors. By the law N° 51/2007 of 20/09/2007, a Gender Monitoring Office in charge of monitoring the quality of gender mainstreaming in various institutions was created.

HIV/AIDS; At the district level, all the 30 districts have been supported to incorporate HIV AIDS as appropriate into the district integrated planning tools such as Medium Term Expenditure Frameworks (MTEF) and Annual Work Plans (AWP).

Social inclusion

Solidarity camp for street children was carried out and many of them were oriented to primary schools and 120 retained in their families. In addition to this, the 3rd and 4th report on the implementation of the convention related to child rights was elaborated.

Conclusion

In general implementation of the EDPRS is positive: 81% of the targets set were met or exceeded, with the strongest performance in the Governance cluster which had an overall implementation of 91% of targets, whilst the economic and social cluster achieved 78% and 73% respectively. With regard to the performance in implementing policy actions, overall performance was good with 80% achieved, 16% partially achieved and 4% not met.

Key challenges faced are in mitigating the impact of the global financial crisis, controlling inflation, strengthening of monitoring and evaluation systems and ensuring completion of policy actions partially achieved.

1. INTRODUCTION

1.1 Background: In 2008, the Government of Rwanda (GoR) embarked on the implementation of the second generation poverty reduction strategy termed the 'Economic Development and Poverty Reduction Strategy' (EDPRS). The EDPRS covering the period 2008-2012 sets the country's developmental objectives, priorities and policies for the next five years through three flagship programs **i) Growth for Jobs and Exports; (ii) Governance; (iii) Vision 2020 Umurenge**, that aims to reduce inequality and poverty. The EDPRS is fully supported by country level stakeholders, including development partners and assigns high priority to accelerating private sector-led growth.

The **Sustainable Growth for Jobs and Exports** flagship aims to boost growth by enhancing competitiveness, private sector investment and innovation, agricultural productivity, exports, and **information and communication technology (ICT)** competences. The second flagship, **Vision 2020 Umurenge**, aims to address extreme poverty and vulnerability, particularly in the rural areas. Finally, the **Governance** flagship focuses on: maintenance of peace and security; improved relations with all countries; promotion of national unity and reconciliation; justice, human rights and the rule of law; and decentralization, public financial management, service delivery, and fighting corruption.

Taken together, the EDPRS' three flagships programmes - Sustainable Growth for Jobs and Exports; Vision 2020 Umurenge (a decentralized social protection scheme); and Governance - propose a comprehensive agenda of economic growth favoring the poor that is underpinned by good governance, and that provide a roadmap for Rwanda to achieve the Millennium Development Goals (MDGs) by 2015.

1.2 Monitoring of the EDPRS: Monitoring of the EDPRS implementation was carried out through the institutional framework of the EDPRS and the integrated monitoring and evaluation framework. The integrated monitoring and evaluation framework consists of 3 instruments namely; the EDPRS Results and Policy Matrix, the Common Performance Assessment Framework (CPAF) and the Development Partners Assessment Framework (DPAF).

The National EDPRS Results and Policy Matrix are used by domestic stakeholders to track progress towards EDPRS goals. The CPAF, selected by development partners in consultation with GoR as a subset of the National Results and Policy Matrix, provides the basis for development partners to hold the GoR accountable for the use of development assistance. In this way, the perspectives of Rwandan policy makers and donors have been aligned and the transactions costs of monitoring reduced.

Mutual accountability between the GoR and development partners is completed by a mechanism established by both parties to assess donor performance. The Donor Performance Assessment Matrix which is based on Paris Declaration Compliance Matrix (PDCM) is used to provide such a mechanism. The matrix facilitates the monitoring of efforts and outcomes against donor commitments, and other commitments relating to

the volume and quality of aid provided. It applies to all providers of Official Development Assistance (ODA) to Rwanda.

The institutional framework for implementing the EDPRS was restructured during the Rubavu retreat of Government to group the different sector working groups according to 3 clusters of Economic, Social and Governance Clusters for easy coordination and harmonization.

The analysis of Annual performance is based on reports provided by each sector after the completion of a Sector Performance Report that was subsequently presented and approved by stakeholders in a Joint Sector Review and submitted to the Ministry of Finance (MINECOFIN) Central Monitoring and Evaluation Secretariat. The sector performance provided a summary of key sector achievements, key challenges, key recommendation and budget execution information.

This report summarises the progress on implementation of the Economic Development and Poverty Reduction Strategy (EDPRS) in 2008. It focuses on the 2008 indicators, subsequent targets and policy actions appearing in the EDPRS Results and Policy Matrix²/ Common Performance Assessment Framework (CPAF). A user-friendly summary of progress is presented in annex to this report showing a traffic-light scoring of targets.

The scoring of targets was done using an agreed methodology as follows;

Red (R) **Not Achieved**; less than 50% of progress towards target from baseline or absence of reporting where metadata indicates it should be available, Indicates that the target is unlikely to be achieved even with concerted action; either because of internal mismanagement or outside factors;

Yellow (Y) **Partially Achieved** – at least 50% to 89% progress towards target from baseline, indicates that the target has not been achieved to a satisfactory level; but that it is still possible to achieve the target if appropriate actions are taken

Green (G) **Achieved** – at least 90% of progress towards target from baseline; indicates that either the activity has been completed satisfactorily or will be completed within the timeframe.

NA where indicator is not due for assessment/ measurement or target was not set

This report is structured as follows; chapter 1 is the introduction, chapter 2 covers the progress made in the economic cluster, chapter 3 shows progress in the social cluster and Chapter 4 shows progress in the governance cluster. Chapter 5 then highlights mainstreaming of cross cutting issues whilst chapter 6 deals with aid harmonization and coordination. Chapter 7 provides the conclusion, which is followed by annexes of; the traffic light report on the EDPRS Results and Policy matrix and CPAF and the Terms of Reference on Joint Sector Reviews.

² The impact on poverty reduction however, can only be measured during the third household living conditions survey (EICV III) in 2012.

2. ECONOMIC CLUSTER

This cluster covers the macro and financial sector alongside the economic sectors of agriculture, infrastructure (energy, transport, ICT and STI) private sector development as well as environment and natural resources management.

2.1 Macro and financial sector

To achieve poverty reduction and increase economic growth, the GoR has set a number of macro economic objectives in the EDPRS period (2008-2012):

- Achieve an average annual GDP growth rate of 8.1% from 6.5%;
- Increase exports at 15% per annum;
- Increase investment rate from 15% of GDP to 23% by 2012;
- Reduce the population living in poverty from 57% to 46% and those living in extreme poverty from 37% to 24%.
- Increase public expenditure by 9.0% per annum between 2008 and 2012.

The macro and financial sector had set 7 main targets and only 1 was not met.

Growth performance in 2008 was higher than the projected rate of 8.5 percent at 11.2 percent. This growth was driven by a rebound in agriculture and continued buoyancy in the industry and services sectors which registered annual growth rates of 15, 10.7 and 7.9 percent respectively. The strong recovery in agriculture was driven by better rains and government actions to improve productivity: i) the ongoing expansion of the crop intensification program; ii) increased fertilizer use; iii) distribution of better quality seeds; ongoing irrigation investments ; and v) greater use of erosion control measures, including terracing. In addition, government-funded storage facilities are also improving the management of harvest stocks.

However, headline inflation increased well above the single digit target range in 2008, reaching 22.3 per cent (year-on-year) in December, compared to 6.6 percent in December 2007 and an end year average of 15.4%. The acceleration in inflation arose from: high international commodity prices and domestic pressures from rising prices of food and non-alcoholic beverages.

In response, Government implemented some policies to rein in inflationary pressures, including: (i) control of fuel pump prices; (ii) tightening of monetary policy to reduce broad money growth from 30 to around 11 percent; and (iii) tightening of fiscal policy by reducing planned expenditure. Despite these measures, average annual inflation climbed to 15.4 percent in December 2008, having remained in the single digit bracket up to July 2008. Government also allowed a 5 percent depreciation of the Rwandan franc against the U.S. dollar from mid-2008, partly mitigating the real appreciation pressures.

Net domestic financing exceeded its target at -3.3% compared to a target of less than 0.5%. Insurance coverage as a percentage of GDP (excluding mutuelles de santé) did not exceed 1%. Net present value of external debt (% of export earnings) was also

maintained at 45 in line with target of less than 150. Credit to the private sector as a percentage of GDP increased from 10% in 2006 to 14% in 2008 exceeding the target of 11.4% that was set.

On the fiscal side, spending remained expansionary and revenue outperformed projections. Expansion in spending over the year was driven by domestic capital expenditure, which grew by 44 percent, in line with the priorities of the EDPRS to fund priority agriculture and infrastructure development projects. The GoR increased its expenditure and net lending in 2008 to estimated levels of 26.7 percent of GDP, financed by increased revenues from domestic sources and international grants.

On the revenue side, 2008 outperformed the projections by RWF 52 billion reflecting increased collection, higher inflation and GDP growth as well as large one-off non-tax revenue earnings³. Taxation from consumption and international trade also increased substantially reflecting increased monetization of the economy and recent reforms in customs processing. The above factors resulted in an increase in the revenue to GDP ratio from 13.6% in 2007 to 15.6% in 2008. Subtracting out the increases from the non-tax revenue leads to an increase to 14.3% in 2008.

On the external sector, import growth exceeded the increase in exports, leading to a widening of the trade balance in 2008: Exports increased by 25.4 percent (f.o.b., US Dollar terms) compared to 2007, driven by traditional products such as tea and coffee which have grown strongly due to good weather conditions, high prices and a rebound effect for coffee from last year. Minerals also saw important growth. Growing imports of capital goods as well as intermediate goods for infrastructure projects in line with higher public capital spending were the main contributors to the large increase in imports (44 percent in US Dollar terms, f.o.b.). This led to a larger current account deficit (including official transfers), up from 4.9 percent (in 2007) to 6 percent of GDP in 2008.

Broad Money increased moderately at 9.6% against an average increase of 25.7% (2005 to 2007) reflecting the increased absorption capacity of the economy and increase in capital component of public spending. Currency in circulation increased by 28% compared to 20% in 2007 as a consequence of high inflation.

Key policy achievements in this area were; the preparation of the 2009 mini-budget in line with EDPRS priorities and the medium term macro framework, the widening of the tax base evident in the surpassing of projections of revenue collection. Importantly also a comprehensive compliance system to identify risks of non-compliance was developed including the SIGTAS computer system to enhance information analysis by revenue authorities.

In order to streamline the proper management of taxpayers and improving taxpayer compliance level, a study on the implementation of the block management system was commenced purposely to bring more traders into the tax net. The block management

³ In 2008, the domestic revenue collection reached 382bn RWF; an over-performance by 52bn RWF from original projections. This was largely due to unexpected revenues from TIGO Licenses fees (33.4 Billion RWF), which drove up non-tax revenue collections to 52.3 billion RWF (approx. \$60 million), from 15.1 billion RWF in 2007, and against the target of 21 billion RWF.

system was designed to manage the tax affairs of small, medium and large enterprises by demarcating the areas in which they conduct business into sizable and manageable blocks.

The national insurance strategy was developed and an ensuing capacity building plan developed. Also the Microfinance law and strategy have been passed and a credit fund and capacity building fund established. A memorandum of Understanding was signed between national Bank of Rwanda (BNR) and the Ministry of Agriculture (MINAGRI) for the final phase of the rural investment facility. The first version of the debt management strategy was produced and forwarded to Cabinet for approval.

2.1.1 Capital Market Development

The Rwanda OTC market was launched in 2008 and the Capital Market Advisory Council (CMAC) produced and published a Blue print that provides guidelines and rules for primary issuance and secondary market trading of both equities and bonds. The blue print formed the basis of operationalization of the Capital market in Rwanda.

CMAC signed an MOU to join the East African Securities and Regulatory Authorities (EASRA), a forum for the capital market regulators. EASRA is mandated by the EAC charter to make policy recommendations with the aim of harmonizing capital market rules for all the EAC partner states.

The National payment strategy and the National payment law were all established and approved by the Cabinet and the decree establishing National payment Council (NPC) was approved by the Cabinet, a draft of Ministerial order to put in place the NPC members is underway.

All commercial banks and BRD are now complying with BNR's capital and governance requirements, as well as International Financial Reporting Standards (IFRS). Over the same period of 2008, credit increased by 3.9% (from 279.9 billion to 321.1 billion) and deposits by 3.9% (from 363.2 billion to 377.3 billion). Non performing loans rate decreased dramatically from 14.3% in Dec 2007 to 8.8 in 2008 against the target of 5%. The solvency of the whole banking sector was strengthened from 15.1% to 16.6%.

The Microfinance law was passed by Parliament, and the related rules and instructions issued by BNR. Microfinance policy implementation strategy was approved, the capacity building fund and credit funds were created and now operational purposely to address two major issues in the area human resource capacity and financial resources. The association of microfinance institutions (AMIR) was established and strengthened, Cooperative law and SACCOs instructions are in place. The procurement to design a savings mobilization strategy was completed and the rural insurance study was accomplished.

2.2 Private sector

A vibrant private sector is central to Rwanda's ambitious targets in its Vision 2020, including halving the proportion of the population living in poverty, achieving an annual

GDP growth of 8%, reducing significantly the balance of payments deficit, and increasing the investment share of GDP from 18% in 2000 to 30% by 2020.

The Private sector set 4 main targets which were all achieved.

Rwanda had an ambitious target of \$161 million revenue from its strategic exports, classified at the time as tea, coffee, horticulture, hides & skins, and minerals. Rwanda achieved \$185 million from these exports. Furthermore, the 2008 target for revenue from tourism was \$56 million. The figure achieved was \$208 million, although this was largely due to a new measurement methodology.

Rwanda's total exports went up to \$262 million in 2008, close to a 50% growth rate since 2007. Efforts to expand exports underway include increasing fertilizer application for tea and coffee; diversifying the Rwandan tourism portfolio; and developing a service hub for mining services for the region.

Alongside the unprecedented turmoil in western equity and debt markets, a massive commodity boom has marked the past two years. Price hikes are now in steep reverse to the detriment of the primary commodities, especially minerals and cash crops, which dominate Rwanda's exports. Rwanda's coffee, tea and tourism strategies all focus on moving towards the more stable value added or specialty segments of their respective markets. They will need to do so to avoid falling revenues. Development of the smaller sectors of handicrafts, horticulture and hides and skins is promising, but not fast enough or large enough to deliver a significant level of export diversification.

Rwanda Development Board (RDB) is looking to diversify Rwanda's exports through its cluster selection exercise. This aims to identify alternative industries in which Rwanda has a chance of competing. Following a detailed analysis undertaken, six clusters have been selected for immediate action including three services clusters of mining services, niche tourism services and business process outsourcing; and three manufacturing clusters of silk textiles, fruits and vegetable processing and dairy. The next step will be to elaborate a strategic direction followed by detailed and clear action plans for the selected clusters

Furthermore Rwandan exporters of food products to the European Union (EU) face challenges in meeting the required standards in quality control of processed food products and packaging. The EU requires the use of Hazard Analysis and Critical Control Points (HACCP) as a minimum for the processing of food, but importers often apply private standards which are much more onerous. The Rwanda Bureau of Standards is working together with the Ministry of Agriculture (MINAGRI) to develop a one-stop-shop for export standards, including Sanitary and Phytosanitary testing, certificates of origin and other export standard support. However further work is needed to provide potential exporters with clearer information on the standards that they need to meet coupled with direct support for meeting those standards.

In 2008, investment was 18% of GDP exceeding the target of 17% that was set. Increases in investment in recent years have been driven by a rapid increase in public construction expenditure, with private expenditure on machinery still suffering low growth. RDB have

been driving efforts to increase investment through its One Stop Centre for investors, this has reduced the number of procedures investors must go through to secure clearances and approvals.

Rwanda has steadily improved its business environment in a number of areas, increasing its rank across the World Bank's Doing Business indicators. As a result, the World Bank has called Rwanda "one of the most active reformers of business regulation worldwide this decade". Rwanda is ranked 139th in the World Bank Doing Business rankings and is now ranked in the top-third of sub-Saharan African (SSA) countries.

A Task Force coordinated by RDB and the Rwanda Investment Climate Project (RICP) led business reforms in 2008 focusing on registering property, dealing with licenses, starting a business and trading across borders. Under the RICP, commercial courts, the Rwanda Commercial Registration Services Agency (RCRSA) and the Office of the Registrar of Land Titles (ORLT) have been established. In the coming year, a Competition Authority should be in place as well as intellectual property rights legislation.

Other key reforms and policies implemented in the facilitation of ease of doing business include; the establishment of the Rwanda Commercial Registration Services Agency (RCRSA), the adoption of the bills on Companies Act, draft on secured transactions, draft on Contracts, draft on Business Registration, draft on Insolvency and the draft Bill on negotiation instruments. These bills have since been transmitted to Parliament.

The Revenue Authority Data Digital Exchange (RADDEX) system was installed and is now operational; this will enable improved data sharing with Uganda and Kenya. The Industrial Master Plan was finalized and validated at national level and the implementation of the levying of import taxes on FOB values will be implemented in July 2009.

2.2.1 Budget execution

Budget execution for 2008 came to 90%. This represented a 96% execution of recurrent expenditure and 84% execution of development expenditure. The small shortfall in the development budget execution was predominantly within the budgets for feasibility studies and in the promotion of small and medium enterprises (SME) development. Of the recurrent expenditure shortfall, the largest shortfall was due to underutilization of the allocated travel funds for foreign visits. Finally, the shortfall in expenditure for the Rwanda Co-operative Agency was due to smaller than expected expenditure on wages, since the Agency is not yet fully operational.

2.3 Infrastructure Sector

Infrastructure development is a key element to the sustainability of economic growth. This sector is one of priority sectors of the EDPRS. The infrastructure sector had set 6 key targets and all were achieved except 1 due to lack of reporting.

2.3.1 Energy Sub Sector

The sector has as objectives during the EDPRS; increasing access to electricity for enterprises and households, and ensuring security of power supply. The targets for 2012 are to increase number of electricity connected households and enterprises from 70,000 to 200,000 for the former and from 45 MW to 50 MW for the latter.

Of the 6 infrastructure targets, energy sub-sector set 2 main targets which were all met.

Power production has increased and stabilized since the severe power shortages in 2004 and total installed capacity has increased from 45 MW in 2006 to 74.5MW in 2008 and 56MW generation capacity, exceeding the 2008 target of 50MW. However, this has been achieved with significant reliance on imported diesel thermal generation. In addition to this, the methane gas pilot project was commissioned.

The target for the number of electricity connections in 2008 was 100,000 connections and the performance realized was of 110,000 connections (approximately 5% of households) from a baseline of 91,332 in 2006. This was largely attributed to the successful implementation of the electricity network expansion rollout program initiated by the Ministry of infrastructure (MININFRA).

150,000 carbon fluorescent lamps (CFL) have been distributed to improve energy economization and to reduce wastage.

Importantly, a number of policy actions have been implemented to further consolidate gains made in the sector; the national energy policy was completed and validated by sector stakeholders and submitted to Cabinet, a strategic note on electricity tariff, taxes and incentives was prepared and validated by stakeholders in December 2008. Furthermore, a Memorandum of Understanding (MoU) was signed between Government and Development Partners as a first output of a Sector Wide Approach (SWAP) in the energy sub-sector. The law on Electricity and Gas was approved by Cabinet and has been forwarded to Parliament for approval.

The 2nd phase of the electricity Master Plan is also being developed as part of the clean water and electricity supply program, and the Ministry of infrastructure has signed a contract with 2 Independent power producers for generation of electricity as an attempt to engage more with the private sector. The energy policy was updated capturing issues of ensuring the security of provision and improvement of the quality of Energy services.

An important issue that is currently being addressed by the Government is increasing the national power generation capacity through construction of national Hydropower plants, namely Rukarara and Nyabarongo (total 37 MW), the signing of agreements with an independent power producer for 100 MW from methane gas and ongoing negotiations for another 100 MW of methane gas to power. 21 Micro hydro projects are under construction and will deliver power to rural communities.

Cost reflective tariffs will be introduced as soon as Rwanda can remove expensive rented diesel power from its generation mix. A study on Electricity effect of subsidies and tariffs

in electricity were finalized and the detailed tariff study will be undertaken in 2009, a revision of the current tariff will then be developed.

A number of other important hydro power plants are being constructed over the course of 2008 and have been progressing well:

- 3 Micro Hydro power Stations of Keya, Nkora, Cyimbiri - (procurement completed);
- Eight (8) Micro Hydro Power Station=6.7 MW of Janja, Mukungwa 2, Rugezi, Gasha - (40% of works completed);
- Construction Rukarara Hydro Power Station 9.5 MW - (50% of works completed);
- 6 Micro Hydro Power Stations/NL (PPP)=1.5MW - (Mazimeru 50% complete, Rwishya 80% complete, Gaseke 40% complete, Kavumu 20% complete, while construction of Musarara, and Mpenge have not yet started);
- 3 Micro Hydro Power stations: Mukungwa 1, Gihira and Gisenyi – material inspection completed.
- Transmission and rehabilitation of hydro power network lines:
- Network line Micro Hydro power medium voltage (MV) -20km of Cyimbiri, Nkora, Pfunda /CTB – (contract under negotiation);
- Electricity line MV-30KV Kigali-Kiyumba 51km – (Studies for MV and Low voltage (LV) lines are approved and Expropriation is ongoing);
- Electricity line Gisenyi-Mukungwa – (Pre-feasibility study completed);
- Line MT 11KV Rambo-Camp Rubona, 5.3Km - (Construction works completed);
- Line MT 30Kv Rukarara-Kilinda 84Km - (Tender documents prepared);
- Rehabilitation of Gikondo and urgent electrical materials of Electrogaz- (Completed);
- Electrification Umutara – (1st phase completed).

Diversification of energy service sources and supply security, a number of projects on diversification of Energy sources have been executed in 2008:

- Substitution of wood/coal: Household. Biogas (- 244 digesters constructed and operational, 310, digesters under construction, - Masons and construction companies have been trained in bio-digester construction);
- Project to Substitute wood and wood coal: Improved stoves – (Biomass Energy Strategy approved);
- Rehabilitation of Bigogwe Petroleum storage (5000m³ works completed);
- Rehabilitation of Rwabuye Petroleum warehouse (3600m³) – (Contract signed);
- Construction of Kigali Petroleum storage (70.000m³) – (Studies ongoing);
- Rwanda Geothermal resource assessment – (Investigation on geological structure, geochemical and geophysical reconnaissance surveys completed);
- Access to Energy in Rural areas: Energy facility/CE – (Hydro: Feasibility studies have been conducted for 3 selected sites. Tender document will be launched by April 2009. Solar: 350 public institutions to be electrified have been selected, Solar systems have been designed and sized)
- Electrification with solar Energy – (Tender for 64 Health Centers under preparation, - feasibility study for 35 under development),

2.3.1.1 Budget Execution

The overall execution of the 2008 budget for Energy sub sector was 97.2%. This includes both Recurrent and Development Budget. However, the execution rate of the Development budget was 94.29% and recurrent budget was 100.2%. The program for increase of access to electricity absorbs 95% of both Recurrent and Development sector budget. There was also significant success in the development partners financing round table discussions for national electricity access.

2.3.2 Transport Sub Sector

A key policy objective of the Government is to bring down the cost of transportation (both for passengers and goods) as a direct contribution to poverty reduction. Currently, transportation costs amount to more than 40% of the cost of any imported product.

Of the 6 infrastructure target, transport sub-sector set 2 main indicators; of which 1 was met and another was not met due to lack of reporting from districts on road rehabilitation works.

The EDPRS target for the percentage of classified national road network in good condition was to move from 11% in 2006 to 16% in 2008, this was exceeded with an actual performance of 18%. On the percentage of classified district road network in good condition, the target was to move from 15% (2006) to 22% (2008), however, following the decentralization of the budget for district road maintenance to local governments, no reports were submitted by districts on this and as such no information could be reported against this target.

Some key policy achievement include the periodic maintenance of 89Km National Earth Roads completed in excess of the target of 80km of the 780km network, the Transport Policy and Road Maintenance Strategy were also adopted by Cabinet and the 2nd generation of Road maintenance fund is being implemented. Districts have signed Multi Annual (3 year) Output and Performance Based Road Contracts (OPBRC's) with at least 2 contractors since end of 2007 that are now being implemented. District road maintenance and decentralization strategy has been approved and is being implemented as part of the road maintenance strategy.

With respect to the development of Infrastructure for Opening up the Country (Mitigation of Land-Locked Status), a detailed design study of the new Bugesera Airport was started and is expected to be completed in early 2010. The Isaka – Dry Port Feasibility Study was equally commenced in 2008, while the feasibility study for the Isaka-Kigali/Keza-Gitega-Musongati Railway was completed by the end of 2008. A study on upgrading the Isaka-Dar es Salaam line is projected for 2009 (currently underway, co-ordinated by Tanzania).

Regarding the development and Maintenance of Road Transport Infrastructure, the rehabilitation works on a number of important roads has been progressing over the

course of 2008: Ruhengeri – Gisenyi (works about 70% complete), Kigali – Ruhengeri (still in contracting phase); Gitarama – Ngororero – Mukamira (works almost complete for section Gitarama – Ngororero;), procurement process ongoing for works and supervision contract for the section Ngororero – Mukamira, Kicukiro – Kirundo Road (works completed), Bugarama – Ruhwa (works to commence).

To ensure the Control of Transport Costs, as part of the East African Trade and Transportation Facilitation Project, the procurement of cargo scanners was noted to be on-course and a training course on the use of the equipment for RRA officials was conducted. The process to establish the Gatuna One Stop Border Post and negotiations on the establishment of an electronic single window are progressing well. In the domain of Regulation & Road Safety, a Road Sign Survey was completed in the context of rehabilitation of road signs.

2.3.2.1 Budget execution

The overall execution of the 2008 budget was 99%. This includes both Recurrent and Development Budget. The execution rate of only the Development budget was 102% an excess expenditure of 2%. However, the execution rate of the program regarding the Institutional and Human Resource Capacity Building still very low 20%. Under the EU supported project to rehabilitate the Gisenyi-Ruhengeri road, a financing gap of Euro 5.6million and RWF 2.8billion needs to be addressed.

2.3.3 ICT and Science, Technology and Innovation sub sector

As an element in the Growth Flagship program, the science and technology sector contributes to the EDPRS goal of promoting science, technology and innovation for economic growth. But it is also supportive of other EDPRS goals and Flagship programs.

The ICT and STI sub sector set 2 main indicators which were all achieved.

Progress on targets for the sector indicators was good; ICT composite coverage network is now estimated at 90% and the number of mobile phone users has now reached 1,322,637.

On the development of a regulatory framework for ICT, a team has been assigned to draft laws and support development of STI in Rwanda until 2009. A total of 77 km of fibre optic enabling a Wireless Broadband network for Kigali city and its suburbs has been laid.

A new telecommunications company “RWANDATEL” has been licensed to take over from the deposed TERRACOM and is now operational with another operator ‘TIGO’ also licensed and set to begin operations. RWANDATEL and RWANDACELL have optimized their networks with 3G GSM Networks, 13 Licenses were issued including a Pay TV Operator STAR TV

In addition to this through the National Portal Project, 20 institutions have been equipped with teleconferencing capability, making it possible to conduct meeting remotely and effectively saving time and money. 55 websites have been developed to give web presence to government institutions

Furthermore, the GoR through its National ID project, a national population registry completed and stored in a master database. 3.2 Million Machine readable ID cards have been produced and currently being distributed; 2 million more cards are under production; a total of about 5.2 million eligible citizens will receive the new IDs. Driver's licence and smart ID card based on the same platform are being developed for distribution in 2009. All data required for issuing of electronic passports is in place, Immigration intends to move to electronic passports in the future.

The first and only mobile phone assembly in Rwanda was setup, and became operational in June 2008 (plant capacity is 20,000 units per month); locally assembled phones with a local language interface (Kinyarwanda) are now on the market.

12 telecenters have been completed & operational in 12 districts to enable the gathering and distribution of information of all sorts & widespread dissemination - detailed "best practice" & market information.

The government in order to promote the one laptop per child program has ordered 100,000 laptops to be distributed in 2009 and the process of delivering is ongoing. NEPAD e-Schools program, a pilot rural schools program was launched in six schools throughout Rwanda in 2006 in partnership with CISCO and Microsoft. All institutions of Higher Learning have been connected to Internet

2.3.3.1 Budget execution

The overall budget execution on ICT was almost 100% executed with an extra expenditure on infrastructure development due to the national backbone project. The management of RITA has been strengthen the implementation of NICI 2 plan as it is has been in its 3rd year of implementation and most of the project in the NICI 2 have all been initiated.

In STI, the budget was all not fully executed due to some challenges of the ministry being under staffed; this has been addressed in the new public service reform and it is expected that more staff are to be hired.

2.4 Agriculture Sector

The primary objective of the Agriculture and Animal Resources Sector is to contribute, in a sustainable manner, to the increase and diversification of household incomes, while ensuring food security for all the population.

The sector had set 6 main targets, of which 4 were all achieved and 2 are not yet due for assessment (non survey year).

Rwanda's agricultural sector registered an impressive growth rate of 15.0% in 2008, contributing to the estimated national economic growth rate of 11.2%. The increases of 16.4% and 20.3% in food and export crop production respectively can be attributed to GoR's work in the areas of crop intensification, disease prevention and assistance to producers of traditional and non-traditional export crops, as well as good rains.

Production in Season 2009A increased by 19% compared to 2008A and by 41% compared to 2007A. These production increases have buffered Rwanda against the global food crisis and the associated rise in food prices. However, the combination of dependence on rain fed agriculture, low yields and fertilizer price increases means Rwanda remains susceptible to the possibility of food shortages. GoR will therefore retain its focus on staple crop production. To complement crop production, work continued in 2008 to increase livestock numbers and their productivity. Strong growth has been registered in both these areas.

These attainments have resulted in a per capita increase in income for the agricultural population of 5.2% between 2006 and 2007 and by 8.8% between 2007 and 2008⁴. Furthermore, the food balance sheet shows an availability of over 2,100kcal per capita per day for the 18 month period from January 2008 to June 2009 (compared to below 1,900 kcal per capita per day in 2007)⁵.

In 2008, a total of 12,920 ha of terraces (4,760 ha radical and 8,160 ha of progressive terraces) were constructed. Terracing is increasingly being carried out by districts. The target for 2008 was to increase the area of land protected from 40 to 45% of all land requiring erosion protection, however due to the lack of data available on the total area of land requiring terracing, it has not possible to report against this indicator.

Feasibility studies and detailed designs were commissioned and completed for 8 of the sites to be developed by the Land Husbandry, Water Management and Hillside Irrigation project. The procurement process for the feasibility studies and detailed designs for the remaining 24 sites is under way and will be completed by the end of the financial year Jan-June 2009.

On the indicator for the Proportion of farming households using improved methods, unfortunately, MINAGRI is unable to measure the use of fertilizer at the household level on an annual basis. However, despite a near-doubling of ex-Kigali fertilizer prices between 2007 and 2008 respectable levels of fertilizer imports were maintained, and only a slight drop in fertilizer imports, from just over 20,000 MT in 2007 to just over 17,000 MT in 2008 was reported. The level procured for food production remained constant.

Attempts are being made to involve the private sector in fertilizer distribution, e.g. through the voucher system and fertilizer auctions organized by the Government of Rwanda. The seed law is in place and its application decrees have been drafted.

⁴ Data source: MINECOFIN Macro Department. Figures for 2008 are estimates as agreed with IMF.

⁵ Data source: Crop Assessment Report for Seasons 2008A, 2008B and 2009A, MINAGRI.

Another key food security indicator for the sector was the production in MT of key food security and export crops which targeted an increase by 30% between 2006 and 2012. Crop production targets were exceeded for all key food security crops in 2008, with 166,853 MT of maize, 82,025 MT of rice, and 67,869 MT of wheat having been produced in 2008. Tea production also exceeded targets with a total production of 83,830 MT. Production is on target for 2009, as season 2009A saw a year-on-year increase of 1% and 12% of maize and rice output respectively. Despite a 17% decline in wheat production, 17,566 MT, more than half the wheat target, were harvested in January 2009.

Demonstration sites and farmer field schools have been established, as well as other projects and initiatives implemented through MINAGRI's agencies. ISAR is also trialling 24 corn hybrids on farmers' fields at altitude, assisting with the dissemination of up-to-date extension advice. A feasibility study was conducted for the Mushubi Tea Factory and the mobilization of funds for the construction of the factory is underway. The Nshili Kivu Tea Factory was constructed by a private company.

2.4.1 Budget execution

The sector budget execution for 2008 came to 106.43%. The ordinary, counterpart and internally financed projects execution rates were respectively at 98.68%, 99.99% and 108.46%. Major projects financed by internal fund in order of importance are: Priority Crops Intensification, One Cow per Family, Irrigation and Hillside Development, Commodity Chain Program and Veterinary Laboratory.

2.5 Environment and natural resources management

The overall objective of this Sector is to develop sustainable capacities to ensure that environment and natural resources are utilized and managed productively in support of sustainable national development. Strategic objectives to achieve this included: sustainable use and management of land resources; sustainable utilization of water resources; sustainable exploitation of mines, sustainable use of forestry resources as well as environmental services, among others.

The sector had 5 main targets; 3 were fully achieved and 2 were not met.

Aerial photography of 70% of the whole country has been accomplished. Processing of digital ortho-photos for Kigali City and Eastern Province is complete pending use in the production of base map and in land registration.

Land administration has been strengthened through establishment of national and local levels structures that include National Land Commission, City of Kigali Land Commission, Districts Land Commissions, District Land Bureaus, Sector Land Committees and Cells Land Committees. Systematic land registration has been initiated and Provisional titles for Gishwati and Eastern Province have been issued to ensure land redistribution. In terms of land use management, preparation of the National Land Use Master Plan which was aimed to be completed by 2012 is currently at 40%.

In the area of regulation of national environmental management, 10 environmental regulations have been signed and enacted.

In forestry, Forestry law and forestry policy have been prepared and the national forestry inventory and mapping have been completed. Currently, the surface land area covered by forest and agro-forest increased from 20, 2% to 21% (plantation of 31.327.410 trees on 19 579 ha). The use of Improved stoves (wood economic), particularly among rural households has seen tremendous growth. This has reduced wood consumption with implications for reducing soil erosion and promoting agricultural productivity. Forest management plans have been developed for 24 districts and National Forestry Authority (NAFA) has been established to ensure productivity of forestry resources.

In ecosystem rehabilitation, an inventory and categorization of wetlands has been validated. Terracing and tree planting activities are under way to protect Yanze watershed and so far 142 km of Yanze river borders are planted with Bamboo trees. In addition, 285 Km of Lake Kivu shoreline in all 5 districts bordering the Lake have been rehabilitated; 75% of River banks have been protected within 10 metres and Master plan for Rugezi, Rweru- Mugesera, Akagera and Kamiranzovu watershed and 53 committees in charge of wetland protection have been established. In the area of pollution management, 82 new projects were compliant to EIA regulations. The EIA and public awareness programmes in REMA have undergone restructuring to provide enhanced support to private sector performance.

The water law has been adopted by the Parliament. 22 hydrological and limnology metric stations have been made operational. 16 tanks for rain water collection and 15 hill ponds to collect runoff were constructed in various district and 100 pumps and 20 kits availed to pump water from constructed tanks. 45 boreholes were drilled and there is ongoing monitoring of underground water quality in about 35 boreholes.

In the mining sector, institutional reorganization has facilitated significant reduction in processing time for issuance of licenses and presently it takes only ten days to issue a license. Annual investments for 2008 were 5.8 million USD in research and 5.4 million USD for exploitation way above the target of 2.4 million USD for both. Small scale miners have also registered remarkable growth with a total annual investment estimated at 900.000 USD. New Mining law and ministerial decrees one of which will streamline the taxes system to further stimulate investment have been developed.

2.5.1 Budget Execution

The total budget execution for the sector in 2008 was 78% based on internal financing. External financing directly supported a total of 13 projects for the sector. Restructuring of water and sanitation sector and delayed disbursement of funds for the land programme account for the shortfall in the internal financing budget execution.

Table 1.1 Summary of Economic cluster performance at a glance

Total CPAF Indicators/Targets	Targets Met or Exceeded	Targets not Met	Total Policy Actions	Fully Implemented	Partially Implemented	Not Met
28 / total targets 23 (3 not set, 2 not due for measurement)	19 (82%)	5 (1 due to non availability of data)	53	46 (84%)	5 (9%)	2 (4%)
Overall Assessment: Good Performance in implementing targets and policy actions, more emphasis on target setting						

Table 1.2 Distribution of Economic Cluster EDPRS Target Scores by sector

Score Level	Macro & Financial	PSD	Agriculture	Energy	Transport	ICT/S TI	Environment & natural resources	Total
Green (fully met/on-track)	5	4	4	2	1	0	3	19
Yellow (Partially met)		0	0	0	0	0	0	0
Red (not met or not assessed were CPAF metadata indicates data available to do the assessment)	1	0	0	0	1	0	2	4
Not applicable	1	0	2	0	0	2	0	5

Box 1: Economic Cluster Summary challenges and recommendations

The macro and financial sector

- Increased pressure on the external sector as the Global Financial Crisis deepens giving rise to near-term risks for the balance of payments, particularly if this results in reduction in donor funding. Related to this is the need for investments to develop the mining, tourism and financial sectors to reduce their vulnerability to volatile international markets. The success of the agricultural sector is a key to buffer against the shocks of the financial crisis.
- Persistence of inflation arising from growth in the money supply (particularly as the monetization of the economy increases). There will be a need to continue with programs to ease food and fuel price increases coordinated closely with monetary policy.
- Increased challenge in maintaining domestic revenue as growth slows (due to the global crisis) and Rwanda joins the EAC leading to a reduction in tariffs. Given the current environment, domestic revenues are expected to drop to levels insufficient to cover recurrent spending by 2012 (as originally targeted under the EDPRS).

Private sector

- Limited private sector engagement in infrastructure sector development (partly arising from financial constraints).
- Rwanda faces the highest costs for exporting containers in the EAC region. The cost of transporting a container from Mombasa to Kigali amounts to 53% of its value.
- Firms face the highest electricity costs in the region at 24US cents/Kwh, compared to 11US cents/Kwh in Kenya.
- Despite significant progress in increasing the domestic savings rate since 2000, gross domestic savings remains at less than 5% of GDP. Currently only 14% of the adult population uses the formal banking system and only 22% have ever used it. Unless the gross domestic savings rate can be increased, investments will have to continue to be funded by the current account deficit or by official transfers.

Infrastructure Sector

- There is a need to step up the role of the private sector in power generation. This is however, countered by the fact that there is limited capacity of private sector as well.
- High electricity tariff limits is a challenge due to the adverse impact on real incomes of the poor, this leads to low demand for electricity and hinders economic development. The new tariff study is expected to propose new tariffs for different customer types.
- Lack of resource of road maintenance and sustainable financing of Road Maintenance Fund (RMF) to develop and maintain the transport infrastructure.
- Non-submission of reports by districts—the reason for this is not clear and a mechanism needs to be devised to tackle this issue. A comprehensive monitoring and evaluation system should be designed for this purpose.

Agriculture sector

- CIP needs to be evaluated in-depth, to determine which aspects of the program are most successful at increasing output, how it affects poverty reduction, how it can be expanded as well as its effectiveness given Rwanda's reliance on rain fed agriculture.
- The process of moving into commercial farming, including land consolidation and mechanization, pose considerable risks for smallholder farmers. MINAGRI must continue to explore ways in which risks can be reduced and, where appropriate, strengthen programmes to mitigate such risks.
- Due to the remarkable increases in agricultural production, many producers are now facing marketing problems. Improvement of management of cooperatives is integral to further market development as are development of food processing capacities and post harvest infrastructure.
- A number of challenges have been encountered in making inputs available to smallholders, particularly in involving the private sector in the distribution and/or production of fertilizer and improved seeds.
- The current global financial crisis is likely to negatively impact Rwanda's economy and the price of exports. Monitoring of prices of key export crops such as coffee and tea on the global market is important to mitigate the impact.

Environment and natural resources

- In land, the target for 2008 was to increase the area of privately owned land held under written titles from 1% to 3%. However, the systematic registration and issuance of land titles were not done as planned because of land disputes and claims that delay registration process and absence of secondary legislation (wetlands and road reserves). Also, the process needed to be guided by a legal framework (approved strategic roadmap) and preceded by a digital ortho- photos processing. It is expected that the process will accelerate in 2009, following the platform work done.

3. SOCIAL CLUSTER

This cluster covers Education, Health, Social Protection, Youth and Water and Sanitation.

3.1 Health sector

The Government of Rwanda is committed to tackling illnesses related to poverty and ignorance and improving the health status of the population over the long term through the EDPRS. It provides an overarching framework for Health Sector support over the next five years with the principal aim of reducing poverty and improving the health status of the population.

The objective of the health sector is to ensure, promote & improve the health status of the Rwandan population by providing accessible quality preventative, curative, promotional & rehabilitative services.

The health sector set 12 main targets of which; 11 were achieved and 1 was not fully met. The health sector has shown good performance in a number of key areas regarding maternal and infant health.

The percentage of women using modern contraceptives increased from 10% in 2006 to 27% (mini DHS 2007/8) with the Health Management Information System (HMIS) estimating coverage at 31.2%, all of which exceed the target of 25%. The percentage of children fully immunized increased from 75% in 2006 to 80.4% (HMIS 2008), slightly exceeding the 2008 target of 80% and this has benefited from all health facilities carrying out outreach services for immunization.

On the indicator measuring the percentage of children using Long Lasting Insecticide Treated Nets (LLITN) , significant progress was made, however, the target of 65% was not fully realized with the mini-DHS (2007/8) reporting a score of 60% from a baseline of 16% in 2006. The percentage of assisted births in an accredited facility exceeded the target of 35% with a performance of 62.8% (HMIS 2008) coming from a baseline of 28.2% (2006), this has also been included in all performance contracts of districts for 2009.

The utilization rate of primary health care services also increased from 70% to 86% in advance of the 75% target that was set, however the target for per capita allocation to Performance-Based Financing (PBF) was not met fully with a realization of \$1.40 compared to a target of \$1.45 in 2008 and a baseline of \$1.2.

These achievements were attributed to both specific program interventions and efforts to strengthen the health system in general. Scaling up of emergency obstetrics and neonatal care, Focalized antenatal care and postnatal care services, and the full expansion of the integrated management of childhood illnesses (IMCI), Family planning and safe motherhood package in all district hospitals in many health centers are examples of successful interventions.

The formal integration of 60,000 health community workers (CHWs) in the health system was another landmark achievement in bringing services closer to the population. Malaria and other childhood killers and ailments are being captured early, in addition community distribution of contraceptive commodities and maternal death audits have commenced.

Reducing financial barriers to improve access to health care through the community based health insurance schemes, increased motivation of health workers to improve quality and utilization of health services through the Performance Based Contracting Scheme, and improved geographical access through the construction, equipping and renovation of health facilities have all strengthened access to quality services and the health system.

Guidelines have also been developed for the treatment of diarrhea and training conducted in 4 districts; this is set to be replicated in all districts of the country. A national policy on provision of initiate testing has been developed and scale up is planned for 2009.

Regarding the systematic and early testing of HIV testing of children born to HIV mothers, there has been an increase from 86.7% in 2006/07 to 87.3% in 2008. Condom access points have been intensified and a tool to facilitate dialogue for parents and children regarding use of condoms has been developed, this is anticipated to reduce the barriers in communicating on sexual matters hence reducing risks of increasing spread of sexually transmitted diseases (STDs). Revision of treatment and care protocols has been completed and is to be communicated through a Ministerial order.

2008 Policy actions for the health sector that were achieved include; the publishing of the Population and family planning promotion policy including IEC strategy, the conducting of outreach services for immunization by all health centers exceeding the 10% target set and the inclusion of assisted delivery in 'Imihigo' of districts and their action plans which was 80% compared to target of 35%.

Others achieved were; the development and approval of a Community health policy implementation plan and budget, including partners' programs, the approval of a community based PBF strategy and the approval of a Credible health sector MTEF that supports community health and nutrition policy reforms including community PBF, CHW training and incentive strategy for maternal health. Furthermore, health facilities received about \$1.40 per capita per year in PBF including assisted delivery exceeding the policy action target of \$1.20.

Policy actions not fully achieved but with significant progress are; the increase of the Youth Friendly Centers compared to all facilities, this was realized at one-third of the target which was 35%, the publication of a report on financial access to health care in Rwanda (only a draft was prepared) and the approval of a Community health policy implementation plan and budget, including partners' programs which is scheduled to be

completed in June 2009. The policy action to include use of bed nets by children less than 5 as performance indicator in district performance contracts was only 20% achieved.

In order to have a clearer overview of the activities by all key players in the health sector, the sector embarked on developing their first Joint Annual Work Plan (JAWP) in 2008. The process was informative and helped to develop the JAWP 2009.

3.1.1 Budget execution

Regarding budget execution, all budget lines have an outturn of 79% or more, except geographical access, which had an outturn of 35%. The low performance of geographical access is due to the Saudi Loan and DFID SBS grant received in quarter 3 of 2008.

3.2 Water and sanitation sector

The Water and Sanitation Sector aims to ensure sustainable and integrated water resources management and development (IWRM&D) for multipurpose use (energy production, irrigation, navigability) including increased access to safe water and sanitation services.

The sector set 2 targets which were both fully achieved.

Rwanda has made significant progress towards achieving the Millennium Development Goals (MDGs) 2015 targets and the Vision 2020 target of 100% access to water. In 2008, 73% (6.9 million) of population had access to safe water supply and (45%), 4.3 million had access to hygienic sanitation from the 64% and 38% baselines of 2006 respectively. The annual target for 2008 access to safe drinking water was 70% which was surpassed and for hygienic sanitation systems was 45% which was met.

In the area of Strengthening of institutional capacities, legal and regulatory framework, the following have been achieved; a Draft of the updated Water Sanitation and Supply (WSS) sector policy which takes into account new institutional framework involving the establishment of water and sanitation board is ready and will be completed in October, 2009. Also a draft final report on monitoring and evaluation system and national inventory of water supply and sanitation infrastructures was prepared and will be concluded in June, 2009

Importantly also a harmonized plan of ECOSAN latrines was developed in Dec, 2008 and guidelines on ECOSAN utilization were developed as well. A Draft report has been prepared on sector financing mechanism to streamline and harmonize the flow of resources for the rural WSS and the final report will be completed in July, 2009

The strong achievement in meeting and exceeding the water and sanitation is as a result of improved sector coordination and harmonization. It is expected, the updated Water and Sanitation policy should provide more impetus to the ongoing drive for coordination and harmonization of programs directed to rural Water and Sanitation.

A number of district water supply master plans have been prepared in 3 districts of Ngororero, Gicumbi and Gakenke, compared to a target of 5 for 2008. 651.5 KM of new water supply systems were constructed against a target of 517km. 53 rain water harvesting tanks were also set up in 8 districts as part of the program to promote rain-water harvesting techniques to increase water usage and minimize wastage. 70 boreholes were constructed against a target of 150 for the year.

Construction of sanitation facilities in pilot imidugudu, public places including schools, roads, health centers, markets, and district headquarters, in Western and Southern provinces has continued to make steady progress with 92 Public latrines constructed with 543 doors. This has no doubt contributed to the increase in sanitation coverage rates.

3.2.2 Budget execution

The overall execution of the 2008 budget was 102.6%. This includes both recurrent budget (35%) and Development Budget (103%). The budget execution rate of the ELECTROGAZ on the Water department is 87% with a budget of development below half 49%.

3.3 Education Sector

The GoR considers Education as a fundamental human right and it strives to ensure all Rwandese access quality, equitable and effective education.

The sector set 5 key targets. 1 was fully achieved, 1 was not due to be assessed (non-survey year), and 3 were not met. In 2008, a number of significant achievements were made in the education sector.

Policies on Integrated Technical, Vocational Education and Training (TVET), Teacher Development and Management (TDM), Girls' Education, Special Needs Education and Higher Education were completed and these are expected to strengthen the backbone of education management in different areas pertaining to the respective policies mentioned.

A number of other policies are also in the drafting phase, these include; Literacy Policy, School Health Policy, Early Childhood Development (ECD) Policy, and ICT in Education Policy.

3.3.1 Primary education currently shows;

- Gross Enrollment rate was 151.9% in 2007 while in 2008 it was 127.9%. This indicates that the over-age students have reduced and more children of appropriate school going age are now attending school.
- Net enrollment rate was 94.7% in 2007 for girls while 93.3% in 2008. For boys, it was 96.8% in 2007 while in 2008 it was 95.1%.

There was an improvement in Completion Rate Overall which was 52% in 2007 while in 2008 it was 53% however, it did not meet the target of 55%, and forced repetition of pupils to increase school performance is one of the reasons for this in some districts. Primary school pupil to qualified teacher ratio was one teacher to 74 pupils in 2007, while in 2008 it dropped to one teacher to 66 pupils which is good progress exceeding the target for 2008 of one teacher to 72 pupils.

Transition from basic education (TC) to upper secondary education did not make any progress falling behind the 2006 rate of 82% and falling way behind the target of 84% for 2008. This can be attributed mainly to the surge in enrollment rates at primary level since the introduction of Universal Primary Education (UPE) which has led to increased enrollment and completion rates in the past without a similar expansion in the secondary schools.

There was no update on the percentage of employers satisfied with the performance of TVET graduates as this indicator was due to be assessed through a survey in 2009, the previous figure was at 8% in 2006. The number of female students enrolled in science courses has been maintained at 30% although the target was 32%.

There were significant achievements in the capacity building such as; 34,000 teachers trained in civic education, 8 trainers and facilitators from TSC to facilitate the training in all districts; trained 88 English teachers who will train others; 77 pre-primary teachers trained in nursery teaching methodology; 4 770 primary teachers trained in English, Completed the training of approximately 50 schools on the school-based EMIS solution.

MINEDUC core staffs were trained on the usage of the EMIS system; 1,650 computers distributed among different primary schools, 4,484,428 text books in different disciplines were procured and distributed and 2,315 classrooms were constructed.

3.3.2 Secondary Education

198,792 text books in different disciplines were purchased and different teachers` guide as well. Biology syllabus for Math Physics option was revised and translated in English, draft Physics teacher`s guide for Math-Physics option was produced, Kinyarwanda, French and psychology student`s textbooks and teacher`s guide were revised. The Teacher`s guide for psycho pedagogy for year 4, 5 and year 6, metal turning, food technology, accommodation and reception techniques were prepared and published.

Education inspectors were trained in different fields concerning the type of Education in Rwanda; these covered Inspection techniques and Early Childhood Development. 779 secondary teachers trained in English and 11 In-Service Training Centres (INSET) were established. 1818 Science and Mathematic teachers were selected and trained in Strengthening Mathematics and Science in Secondary Education (SMASSE);

621 Heads of secondary schools and 559 bursars are trained on school-management and ICT, 59 classrooms, 4 dormitories, 2 conference rooms, latrines and playing grounds were constructed, 1700 computers were distributed among different secondary schools.

Education Management Information System (EMIS) team started work in January 2008. Their system guidelines for an EMIS system have been approved by Ministry. EMIS is designed to ensure efficient access, sharing and integration of data. A Monitoring and Evaluation Framework has been developed to support understanding of the M&E process and facilitate M&E of indicators.

Construction norms have been revised and distributed to all primary and secondary schools. The challenge is to enforce the construction norms. A Teacher Development and Management (TDM) policy was also approved and presented at the 2008 Joint review of the Education Sector. 1,968 teachers were hired on contract through the capitation grants.

A post-basic education concept paper was presented at the 2008 Joint Review of the Education sector. An ICT in education policy was developed late 2008. A TVET policy was approved and presented at the 2008 Joint review of the Education Sector.

3.3.3 Budget execution

Overall budget execution was 99% and capitation grants were in general disbursed on time to schools. However, there was under spend in TVET and Teacher training, while there was overspend on teacher salaries. The under spend in TVET was attributed to delays in implementation of the TVET strategy, while the strategy for expanding pre-service and in-service through 2 new colleges of education and a college of technology just started in 2008. Overspend was justified by the hiring of additional teachers especially to assist in the implementation of the English language policy.

3.4 Social protection Sector

The Social Protection Sector builds upon the Government's over arching Economic Development and Poverty Reduction Strategy (EDPRS) of poverty reduction by providing an effective social safety net and an integrated social protection program.

The sector had set 5 targets; 1 was fully achieved and 4 were not due to be assessed (baseline studies being conducted).

Social protection was delivered to 530,086 people. 187,604 people participated in public works in 2008. Regular meetings of the Social Protection Sector Working Group have improved coordination around existing and proposed social protection interventions at a national level.

The percentage of households in the bottom two categories of extreme poverty according to UBUDEHE classification were 28.6% following a VUP survey in 2007, the progress however, could not be measured since the next survey is scheduled for mid-2009. Of the households eligible for support, the percentage granted public works was targeted at 35% which was fully realized. The percentage of eligible households granted direct support was also not due to be assessed as the direct support package is set to

begin in 2009. The average social protection income provided to districts amounted to 33,730,605⁶.

The VUP program, one of the three flagship programs in the EDPRS which aims to contribute to the accelerating poverty reduction through broader coverage of social protection, started implementation in 2008. 17,262 persons participated in public works and were able to save 203,972,798 RWF out of the 779,909,326 RWF that they earned. Policies and procedures manuals were established as well.

A number of important policy interventions were realized including the commitment of GoR to budget allocations to the VUP program for 30 sectors which exceeded the target of 6 pilot sectors, a core management team for VUP has been established at the national level and a policy outlining criteria and transfer amounts for direct support has been established and is being implemented in VUP areas.

Furthermore, a strategy for community based participatory works (HIMO) has been developed and implementation manuals for direct support (DS) and public works (PW) programmes incorporating international good practice have been developed.

3.4.1 Budget execution

The overall budget execution for social protection sector was 80%.

3.5 Youth Sector

The role of young people in the EDPRS, as makers and targets of policy especially in the implementation phase, is of particular importance. 67% of the Rwandan population is aged less than 25 years and the past experience suggests that an idle youth is only a catalyst for political instability. For durable and sustainable economic development, youth needs not only good education, health, culture, employment but also a patriotic spirit to sustain economic development programs. Due to the importance the GoR attaches to the promotion of issues relating to youth empowerment and development a specific Ministry for Youth development has been established in 2008.

The sector did not set any quantitative targets; rather it targeted implementation of key policy actions.

Empowering and investing in youth is an integral part of the growth of jobs flagship of the EDPRS. Effective participation of Youth in social, economic and civic development is the long term goal as envisaged in the EDPRS.

Important steps have been taken in promoting use of savings and credit facilities among the youth through youth cooperatives and initiatives. A Youth Cooperative Bank for Self employment and Development (COOJAD) is operational in 7 Districts including; Gasabo, Kicukiro, Bugesera, Kamonyi, Musanze, Rusizi and Burera. This has been supported by the Government in form of wages, purchase of office equipments and other administrative costs. Different youth associations have been facilitated through;

⁶ This is the average amount received per district.

sensitization, training and funds allocation to transform themselves into cooperatives. Also, Youth have been encouraged to combine their efforts for gainful employment through the construction of furnaces. However, not all these associations have been transformed into cooperatives due to the failure to meet all the legal requirements.

The target of supporting the transformation of fifty (50) youth associations into cooperatives was surpassed and in total, 61 associations were supported. Youth in all districts were sensitized to become members of COOJAD. They were also encouraged to support its creation. The total number of youth who are members of COOJAD increased from one thousand seven hundred (1700) to four thousand three hundred and thirty six (4336) people. Loans equivalent to two hundred fifty million Rwandan Francs (250.000.000 RWF) have been disbursed to five hundred fifty two people (552) for employment creation.

In 2008, a National Environment Youth Project was officially launched in 17 Districts. Nyamagabe and Nyaruguru were selected as the pilot districts. The main objective of this project is to employ a big number of youth while protecting the environment along river Nyabarongo.

The GoR through MINICYOUTH and COOJAD signed a Memorandum of Understanding (MOU) with the Guarantee fund of the National Bank (BNR) to facilitate the youth of Rwanda to access funds for entrepreneurship. A feasibility study of the youth employment fund has already begun.

3.5.1 Budget execution

The budget execution was a meager 45%. This was largely because the Ministry was only established in 2008 with a small number of employees.

Table 2.1 Summary of Social cluster performance at a glance

Total CPAF Indicators/Targets	Targets Met or Exceeded	Targets not Met	Total Policy Actions	Fully Implemented	Partially Implemented	Not Met
24 Indicators / 15 targets (5 not set, 4 not due for measurement)	11 (73%)	4	44	33 (75%)	11 (25%)	----
Overall Assessment: Good performance in achieving targets and policy actions but more attention should be on education sector and on target setting						

Table 2.2 Distribution of Social cluster EDPRS Target Scores by Sector

Score Level	Education	Health	Social Protection	Water and Sanitation	Total
Green (fully met/on-track)	1	7	2	2	12
Yellow (not met but with significant progress)	0	1	0	0	1
Red (not met or not assessed were CPAF metadata indicates data available to do the assessment)	3	0	0	0	3
Not applicable	1	4	3	0	8

Box 2: Social Cluster Summary challenges and recommendations

Health sector

- Scaling up of the PBF financing in health institutions
- Greater investment is required to increase the number of youth friendly centres which were not fully achieved in 2008.
- Audit results for the mutuelles was presented that indicated that in spite of some irregularities in 6 out of 30 districts, there was no evidence of structural or systematic embezzlement. Challenges were mainly mismanagement and lack of capacity, and measures to overcome the weaknesses were proposed.
- There is a need to review the categorization of district funding and the management of funds at district level and health centre level, including between public and private and NGO service delivery and to include in the budget execution report the overall contribution of internal revenues of health facilities.
- Integration of use of bed nets in performance contracts is also of critical importance to ensure achievement of this target in future.

Water and Sanitation sector

- While there is recommendable growth in the sanitation sub sector, there is a need to separate sanitation from water with the establishment of its own sub-program and budget line as being a significant step in the challenge to meet sanitation targets.
- Environmental degradation has been a threat to the WSS causing water pollution and decrease in water surface. However, MINIRENA and MINAGRI need to keep alert and continue efforts in control measures like terracing and tree planning campaigns.
- Improving the sources of data and information for the sector indicators to be based on routine surveys to be carried out with more frequency.
- The capacity of the Districts which are responsible for progress on the ground is still very weak. The improvement in systems functionality obtained largely through the policy of delegated management to local operators will need to be sustained through consolidation and technical support

Education sector

- High dropout rate at 13.1% and low completion rates at primary level despite progress made.
- Ineffective data collection system causing problems to target setting in following years on key indicators
- Low number of female students in science courses in HLIs.
- Infrastructure inadequate to accommodate increasing student populations and staff; shortage of dormitories especially at higher learning institutions (HLI) and insufficient or inadequate equipment and facilities for science teaching
- Staffing and budgeting problems especially at HLI: comparatively low remuneration for national academic staff resulting in high turnover; difficulties maintaining expensive expatriate staff in HLI; shortage of qualified and experienced staff in key-disciplines; lack of professional development opportunities for administrative staff

Social Protection Sector

- Monitoring graduation from livelihood enhancement schemes is still a challenge because graduation is not well defined and there is little or no impact monitoring data.
- Coordination at both national and local levels is still low and will need to improve as well as greater information sharing.
- Monitoring data quality is inconsistent and incomplete and not always aligned with EDPRS targets. Particular challenges are clarity on the number of people and/or households, disaggregation and impact monitoring. This can then contribute to improved analysis of budget execution and performance. In addition to this many interventions are not captured in the sector performance reports for all actors in the sector bringing up the issue of possible double benefiting from different schemes where due attention is not given in selection of beneficiaries.

Youth Sector

- Insufficient financial resources to facilitate activities related to the scale-up and strengthening of a Youth Savings and Cooperative Bank (COOJAD) in Districts.
- High Employment Demand by Youth and low Opportunities; this call for speeding up of large projects like the recycling project and related programs which employ a big number of youth. Young people should be encouraged to embark on the road to entrepreneurship.
- Lack of baseline data to provide an evidence base to decision making on the coverage level, employment levels and existing gaps in terms of service delivery to youth. Carrying out a youth baseline survey to acquire data for evidence based planning is a priority.

4. GOVERNANCE CLUSTER

The governance cluster brings together four sector working groups related to the areas of Public Financial Management (PFM), Justice, Reconciliation, Law and Order (JRLO), Decentralization, Community Participation, Empowerment, Transparency and Accountability (DCPETA), and Capacity Building and Employment Promotion (CBEP).

4.1 Public Finance Management

Sound macro-fiscal and budget policies are critical for making effective use of domestic fiscal revenue and donor aid. In addition, the need to improve the linkage between macro-fiscal reforms and the achievement of MDGs and goals identified in EDPRS cannot be underestimated. Improving the efficiency of spending will require further strengthening of Rwanda's fiscal institutions, including the PFM system. By promoting transparency and enhancing governance, a more effective PFM system reduces fiscal waste, and enhances value for money, and makes all stakeholders more assured that budget support is used for its intended purposes.

The sector set 7 targets; 4 were fully achieved and 3 were not due to be assessed at the end of 2008 (non survey year).

A new Public Financial Management Reform Strategy 2008-2012 was presented in September 2008 together with a detailed Action Plan for 2009-10 and approved by Cabinet in December 2008. Seven PFM indicators and related policy actions were subsequently incorporated in the EDPRS results and policy matrix.

The targets have all been met. In fact, most targets were exceeded by large margins. The implementation of the different policy actions equally shows good performance. Most of the indicators were not due to be assessed because the Public Finance and Financial Accountability (PEFA) report is only published after 3 years, the next being due in 2010/2011.

The indicator on improved **multiyear perspective in fiscal planning, expenditure policy and budgeting improved could not be measured**; however, different policy actions for achieving the indicator were implemented. Work on improving the MTEF and budget classification has been carried out with support of East AFRITAC. The manual for budget processes and procedures for central and local governments was prepared and approved.

Enhance effectiveness of payroll controls; the indicator was not assessed for 2008. Relevant policy actions achieved include the design of the Integrated Personnel and Payroll Information System (IPPIS) which is on course and the technical and functional requirements, as well as the Systems-Gap analysis have been carried out. The payroll module will be tested in February 2009. The Human Resource (HR) module has not been completed as planned and is still under development.

Index on quality and timeliness of annual financial statements; the indicator was not assessed for 2008. Nevertheless, most budget agencies have submitted fund

accountability statements for 2007 and 2008 in line with a financial reporting template developed by Government. Government has used the same template for the consolidation of financial statements for the year ended 31 December 2007. According to the Auditor General's report, fourteen institutions did not submit financial statements for the year 2007.

An update on the Capacity Needs Assessment from 2005 has not been prepared. The past recommendations are still considered relevant and implementation shall progress. The Re-assessment has therefore been postponed till later in 2009. The Public Books module of SmartGov has not been finalized but is reaching completion. To ensure adequacy of the module a Quality Assurance mission led by the World Bank will visit regularly, starting April 2009.

Percentage of internal audit reports submitted; 66 central government agencies and 22 local government agencies representing 30% of all budget agencies have submitted internal audit report. Hence, the 25% target has been met. A firm to provide training on systems audit is under procurement.

Percentage of Government expenditure audited by OAG; for the financial year ending 31st December 2007, the OAG has audited 60% of the reported government expenditure, exceeding the 50% target set for the year. The Rwanda Expertise Scheme has been drafted but not yet approved by Cabinet in order to enhance staff qualification and retention.

Percentage of Public enterprises submitting fiscal reports; the 43% target has been met as all GBEs have submitted fiscal reports. The policy actions have been implemented as planned. A strategy to manage the Government portfolio has been developed in November 2008. The validation workshop with stakeholders is planned for May 2009. The Policy Action to "Gather annual financial statements from all Government Business Entities (GBEs)" needs to be redefined in line with the requirement for all GBEs to submit periodic reports, and also in line with the new strategy for managing government portfolio to be validated in May 2009.

Proportion of the value of procurement tendered competitively or justified; 86% of the contract value has been tendered competitively or justified. Hence, the 75% target has been met. The policy actions have been carried out satisfactorily. The institutional and legal framework has been established. Personnel have been trained in the new procurement law. An independent appeals committee has been established with some decisions being published.

4.2 Justice, Reconciliation, Law and Order (JRLO)

The JRLO 'sector' comprises 14 institutions, including 6 budget agencies. It recently developed a sector-wide approach and strategy for the period 2009/10 – 2012/13.

The sector set 6 main targets with 5 targets met, and one not fully met.

75% out of 159 cases of corruption were processed by the Prosecutor, exceeding the 60% target. A Co-ordination Committee mechanism to fight corruption was established and is chaired by the Ombudsman.

The proposed 5% share of national public spending for the EDPRS period 2008-2012 to be allocated to the JRLS was on target in 2008 with 5.1%, or 45.6 Billion RWF. Of this total 28.1 Billion RWF went into the Recurrent Budget (100% financed by Government of Rwanda, GOR) while 17.5 Billion RWF was allocated to the Development Budget (3.4 Billion internal financing and 14.1 Billion external financing). About 31% of the overall sector's financing (80% of the Development Budget) was provided for by external funding. Overall budget execution was 86,5% but the GoR financed part of the Development Budget as only executed by 57% due to delays in prison infrastructure works and the use of the 2007 budget balance to finance social insurance fees for Gacaca judges

With regards to the case backlog, both performance targets were exceeded, with the Prosecution submitting 4861 backlog cases to the courts, which judged 7965 backlog cases. Commercial courts have been established and commercial backlog cases are all cleared. A promulgation law to establish contractual prosecutors was approved by Cabinet and will be submitted to parliament.

Prison overcrowding was reduced from 140% in 2006 to 130% in 2008, exceeding the 135% target. Rehabilitation of the existing infrastructure is continuing and income generating activities (biogas plants) are now ongoing in most prisons. Reduction of prison overcrowding is attributed to the ongoing construction and rehabilitation of a number of prisons including, Remera, Gitarama and Gikongoro. Construction of the new facility with a capacity of 1500 inmates in Butare will be completed before the end of 2009.

In order to accelerate TIG/community activities 109 work camps were opened raising over RWF 15 billions and engaging 5230 ex-prisoners and convicts who completed their sentence and/or were re-integrated into the community. There was an increase from 26,165 judgments to a total of 30,000 in 2008 indicating a speeding up of the judgment process.

From a backlog of four Human Rights reports, two were submitted in March 2009. Hence, this indicator was considered to be partially met. Furthermore, a task force on treaty bodies was put in place, led by Ministry of Foreign Affairs (MINAFFET), and 15 out of 29 Human Rights Treaties have been signed and ratified. 63% of 997 registered human rights complaints in 2008 (incl. 325 cases carried over from 2007) were resolved, exceeding the target of 40%. A complaint management system was put in place by the National Human Rights Council (NHRC) to speed up the resolution of complaints. A JRLS perception survey was not yet carried out, but terms of reference were developed and the survey will be finalized during 2009/2010.

Important achievements on human rights promotion include the training and sensitization of 149 religious groups and more than 42,000 members of human rights clubs in schools as well as 748 teachers in secondary,

Reform of criminal laws is ongoing and a draft law has been passed by parliament but has yet to be approved by the Senate, however, criminal law guidelines document has not yet been published.

An assessment of fiscal and commercial laws has been carried out as planned and capacity building for commercial and Supreme Court judges. Four (4) commercial courts have been established in Kigali, Musanze, Huye and Nyarugenge. The construction of the Institute of Law Practice Development (ILPD) is now at 60% completion and the draft law for establishing the law reform commission is in Parliament. Furthermore, in improving the legal aid framework a study has been commissioned and is ongoing on extending legal aid. Four (4) bureau of justice have been established in Kinyihira, Rwamagana, Karongi and Rusizi.

4.2.1 Budget execution

About 30% of the overall sector's financing (77.4% of the Development Budget) was provided for by external funding. Only about 9% of the external financing is tentatively captured by Smartgov under the heading 'Development Budget external financing'. Integrating projects into Smartgov and allocating the projects to programmes should improve capturing of this data. Overall budget execution was 85.2%, GOR funding performing better (86.7%) than external funding (81.9%).

4.3 Decentralization, Citizen Participation, Empowerment, Transparency and Accountability (DCPETA) Sector

This sector contributes to the EDPRS Strategic objective of enhanced gains through good governance. Decentralization also aims to strengthen fiscal and financial decentralization for Local Governments to enable them to have the resources needed to implement locally developed plans.

Phase 2 of decentralization started in 2006 and aims by 2010 to consolidate progress on national priorities, such as Vision 2020, and deepen the decentralization process by enhancing effectiveness in service delivery to communities. This will be achieved by increasing capacities at levels of administration (Villages, Cells and Sectors) close to communities, promotion of integrated local economic development and fostering community participation at Village level, in the planning and management of local affairs.

The sector set 4 main targets, 1 was fully met and exceeded, 3 were not due to be assessed.

67% of districts achieved a minimum 80% of their service delivery targets (against a target of 62%) Progress against the second target, percentage of citizens who feel they participate actively in local decision making and that local government is listening to and addressing their priority concerns (2008 target 68%), could not be assessed because the

required data was not available. A survey took place in 2008 but did not include the required questions. This will be addressed in the 2009 survey.

Key policy achievements include; the development and endorsement of district capacity building needs assessments and plans and electoral regulatory framework was improved through the draft law on elections.

The Joint Governance Assessment (JGA) report was completed and approved by Cabinet and an integrated governance action plan draft was developed.

Parliamentary elections were organized and concluded successfully and Civil Society Organizations mobilized themselves to monitor and observe the elections, voter turn out was high throughout the country. From the elections Rwanda has a 56.25% level of representation of female members of parliament, this being the highest in the world.

A number of legislations were approved to strengthen the legal framework of civil society, a draft law determining the organization and functioning of religious communities was developed, and a draft law determining the organization and functioning of international as well as local Non-Governmental Organizations (NGOs) were developed.

A total of 71,878 persons underwent civic education training in the Itorero Program. These included teachers, local leaders, sector executives and students studying in the Diaspora

National Unity and reconciliation commission organized a number of reconciliation luncheons between the TIG, Genocide released perpetrators and the general public in 5 districts. To consolidate this sporting event were organized between the participants. Approximately 2,500 persons (released genocide perpetrators) completed the ingando or civic education program in 2008. A unity reconciliation week was organized and held countrywide.

Policy actions that were only partially achieved include those around participation of non-state actors in decision making bodies, rollout of the Itorero programme and finalization of the Joint Governance Assessment (JGA) implementation and monitoring strategy.

4.3.1 Budget execution

The overall budget execution is excellent at 101%, although there are substantial variations among the execution of individual programmes. The biggest programmes are social protection and community development which account for more than 75% of the total budget and have a very high execution rate (99% and 97% respectively). Small programmes, which account for around 5% of the total budget show more substantial under and over spend. Local administration is the most significant outlier, where the actual spend is 4 times higher than the budgeted spend. However, due to the in-year budget revision, the revised execution rate is 100%. There is a significant under spent in wages and salaries and substantial over spent in goods and services.

4.4 Capacity Building and Employment Promotion (CBEP) Sector

The Capacity Building and Employment Promotion strategic plan has two elements. The first deals with the efficient and effective public service; and the second deal with employment promotion in the public and private sectors

The sector set 2 main targets; both were not due to be assessed due to lack of baselines for target setting. One target was on the number of new non-farm jobs and the other on percentage of performing budget agencies, but none have 2008 targets that could be reported on, and are therefore considered not due to be assessed. A national labour force survey is planned to ensure that more employment data will be available in the future.

The percentage of performing budget agencies (achieving 80% of annual work plans) was reported at 20%. GoR has completely carried out all planned functional reviews for 17 institutions. The Districts Capacity Building Needs Assessment was planned and all 30 districts were audited. There was an increase of 20% in the number of civil servants trained: 1950 civil servants were trained, achieving 87% of what was planned. Other activities were initiated in 2008 and are still ongoing: functional reviews for 37 remaining public agencies and national commissions, development of the long term pay and retention policy, a Citizen guide, a strategy and implementation plan for the public service reform program (2009-2011), and a public service management policy.

With regards to labour administration and employment promotion, the GoR adopted a national employment policy and strategy, revised and adopted the labour code, and adopted a five years strategic plan for youth and women employment. 900 women and 300 youth were trained in entrepreneurship. 158 retrenched civil servants received training in entrepreneurship and another 178 were accepted in different higher leaning institutions through SFAR funds.

Finally, 2008 saw the finalization of a 2008-12 Capacity Building and Employment Strategic Plan, nation-wide skills audit, human resources procedures manuals, and a revision of the Public Service Statutes.

4.4.1 Budget execution

The budget execution for 2008 came to 83%, 80% for recurrent expenditure and 90% for development expenditure. The reason for lower execution lies with the delay in the operationalization of the Public Service Commission, which as a consequence did not fully utilize its budget.

Table 3.1 Summary of Governance cluster performance at a glance

Total CPAF Indicators/Targets	Targets Met or Exceeded	Targets not Met	Total Policy Actions	Fully Implemented	Partially Implemented	Not met
19 / total targets 11 (2 not set, 6 not due for measurement)	10 (91%)	1 (partially achieved due to untimely submission of human rights report)	47	37 (79%)	6	4
Overall Assessment: Excellent performance in achievement of targets but more attention required on policy actions						

Table 3.2 Distribution of Governance cluster EDPRS Target Scores by Sector

Score Level	PFM	JRLO	DCPETA	CBEP	Total
Green (fully met/on-track)	4	5	1	0	10
Yellow (not met but with significant progress)	0	1	0	0	1
Red (not met or not assessed were CPAF metadata indicates data available to do the assessment)	0	0	0	0	0
Not applicable	3	0	3	2	8

Box 3: Governance Cluster Summary challenges and recommendations

Public Finance Management (PFM) sector

- Capacity building and monitoring and evaluation still remain areas which have to be strengthened. Nevertheless, the PFM Steering Committee had its inaugural meeting in March 2009. The process for the establishment of the PFM-Basket Fund, as a harmonized funding mechanism from 2010 onwards has started and is expected to be completed before September 2009.

JRLO sector

- Monitoring of the progress in JRLO is a challenge considering the number of institutions involved and the scope of the sector.
- Realignment of individual institution strategic plans to the EDPRS
- Need for a public expenditure review for JRLO in 2009;

DCPETA sector

- In-depth analysis of the risks and benefits of the organizational reform within MINALOC and local governments required.
- Quickening of recruitment for National Decentralization and Implementation Strategy (NDIS) staff to ensure better results in 2009
- 2009 action plan based on DIP priorities urgently needed for NDIS.
- Importance of establishing clear coordination and communication structure for partners and Government concerning scope of the sector.
- Need for more detailed budget execution analysis integrating local government component for future joint sector reviews.
- Importance of establishing and strengthening sector partnerships in data collection and commissioning of surveys.

CBEP Sector

- Lack of statistical data and baseline, it is difficult to measure performance in absence of macro level data on employment
- Funds mobilization to begin the internship program
- Coordination mechanism of public sector reform and capacity building interventions needs to be developed.

5. INTEGRATION OF CROSS-CUTTING ISSUES

During the elaboration of the EDPRS, a number of cross cutting issues were identified for consideration, these being; environment, gender, social inclusion, youth and HIV/AIDS.

5.1 Environment

Environment was considered as a sector as well as a cross cutting issue during the EDPRS formulation Phase. Environment as a cross cutting issues primarily focuses on productivity enhancements in support of other growth sectors such as Agriculture, energy, infrastructure and private sector.

Also important common tools have been applied such as the EIA (environment impact assessment) in order to mitigate impact of different interventions on environment. The use of Environment impact assessment tools trough project was institutionalized by publishing EIA sectoral guidelines for fuel stations, slaughter-houses and tanneries, and 65 projects out of 109 submitted for certification received certificates by Rwanda Environment Management Authority.

After the publication of guidelines on mainstreaming environment in development programs at the national and local levels, planning staff in 5 key areas: agriculture, Infrastructures, commerce & industries, local government, finance and development planning, and all 30 districts were trained in various methods of mainstreaming environment in planning processes.

Comprehensive cost based surveys for all commercial structures in Gikondo – Nyabugogo wetland system to guide expropriation of Gikondo industrial park and surrounding areas are also being conducted to avoid environmental degradation.

In the joint efforts for better management of water resources, a Master plan for watershed management was developed for 5 wetlands: Rugezi, Rweru, Mugesera, Akagera and Kamiranzovu and the rehabilitation of 22 hydrological and limnometric stations out of 5 planned was conducted while the water information system was updated according to the data from 8 stations among those rehabilitated.

For the increase of the public awareness in the environmental management a number of activities were implemented through education sector, among others: training of teachers in southern and Northern provinces on the environmental protection, implementation of projects designed by environmental clubs created in 17 schools in 3 districts (Nyabihu, Rubavu and Rutsiro) and a needs assessments for mainstreaming environment into the national curricula was carried out in primary, secondary and tertiary education institutions.

Regarding implementation of the National Program for adaptation on climate change (NAPA) 5 Experts from the National committee on the climate were trained in the vulnerability and adaptation assessment for the second national communication on climate change.

5.2 Gender

It is expected that by the completion of the EDPRS in 2012, gender equity will be demonstrated in the key areas of the national economy such as growth and poverty reduction, gender equity in a reduced income disparity and gender equity in progress towards the MDGs. During the first year of EDPRS implementation, important achievements can be demonstrated in a number of areas;

A draft national gender policy has been elaborated with the Ministry of Gender (MIGEPROF) in the Prime Minister's office and its' key stakeholders in order to provide the GoR and its partners with a framework that guides the integration of a gender perspective into all sectors and institution.

Guidelines for gender-based budgeting have been developed by the MINECOFIN and subsequent training prepared for 2010/2011 budget preparation. All sector and district' Focal Points of gender have been trained in gender mainstreaming in the planning process. Among leaders of change, 50 church leaders were trained in mainstreaming gender into various churches programs.

A national gender profile was established as a baseline to guide the planning process in all sectors. It indicates baseline indicators of gender profile in various sectors: economic, social as well as governance during a biennial period covering 2005-2007.

By the law N° 51/2007 of 20/09/2007, a Gender Monitoring Office in charge of monitoring the quality of gender mainstreaming in various institutions was created and 3 of its high level staff were appointed. All Gender Focal Points in all sectors are positioned in planning departments by instruction of the Prime Minister's Office in order to allow better mainstreaming of gender in planning, budgeting and policy review in various development plans.

The gender parity in net primary enrolment had already been achieved and now the rate is slightly higher for girls (95.8%) than for boys (94.7%). However, there are persistent gender imbalances in retention transition and completion rates at the primary and secondary levels.

More efforts need to be deployed to address issue of low attendance rates of girls in science fields at Secondary and Tertiary levels. As a consequence, the Ministry of Education has developed the Girls' Education policy in line with the national Gender Policy and a comprehensive Girls' Education Strategic Plan 2008- 2012, which will contribute to the implementation of the Girls' Education Policy and to the vision of "Quality and Equitable Education for All". The aim of the Girls' Education Strategic Plan 2008-2012 is to improve girl's enrolment, retention, completion and transition to higher levels of education.

In order to contribute to the Accessibility of Effective Quality Education: 5 Gender clubs have been created in higher learning institutions.

In the health sector, Pre-natal care coverage increased by 2% from 94 percent of women consulting a medical professional during their last pregnancy in 2007 to 96% in 2008. However, it should be stressed that the level of instruction of the mother influences in the positive manner the recourse to the care of the pregnancy. Consequently, the percentage of women who have a secondary level of instruction or more can reach 90%.

The percentage of assisted births were close to 40 percent by 2005 and increased by 12.1% in 2007/2008, while mothers delivering in health facilities increased from 35% in 2007 to 45.2% in 2008. All those interventions impacted positively on the infant mortality which decreased from 8.2% in 2007 to 6.2% in 2008. In the field of family planning, there has been a significant increase of 17% from 10% in 2007 to 27% in 2008 with a significant difference between the urban area (36%) and the rural areas (26%). Therefore, that increase impacted on the reduction of the fertility rate which decreased from 6.1 in 2005/2007 to 5.5 in 2008 with an important diminution among women in the rural areas (6.3 to 5.7) than women in the urban areas (4.9 to 4.7).

Measures to improve targeting of health services to poor women especially consisted of the supply of insecticide Treated Long Lasting mosquito nets. In the same way the policy of providing free deliveries to women who have attended antenatal care clinics was implemented and impacted in expanding access to assisted deliveries.

In the area of pandemic diseases, concerted efforts to target HIV/AIDS and TB interventions to poor women who are disproportionately affected were combined. The significant program implemented is the Prevention of Mother to Child Transmission (PMTCT) which was extended to 336 sites in Rwanda by the end of 2008.

The promotion of efficient utilization of fuel wood and creating alternative energy sources to address the over-dependency on fuel wood which often impacts on girl children who have to trek miles to collect firewood was enhanced by training 80 000 people in making improved cooking stoves and 200 people in economic carbonization which resulted on making 80 000 new cooking stoves in 7 districts of the country (Muhanga, Kamonyi, Rulindo, Gekenke, Nyaruguru and Nyamagabe).

In private sector development integration has not been significant, only a chamber for women in Private Sector Federation has been created and this will be included in future consultative meetings.

In judicial reforms, Rwanda continues to make considerable efforts to give to all its nationals the same chances to participate in the management of the public institutions. Rwanda is signatory to nearly all international conventions specific to women's rights, having already ratified 14 of these instruments.

Rwanda currently holds the world record as regards participation of the women in the Parliament as a result of the 2008 Parliamentary elections. The female representativeness currently reaches 56% in the Chamber of Deputies and 34% in the Senate. The Chamber of Deputies is currently chaired by a woman.

A number of discriminatory aspects of certain legislative texts in gender are under revision such as; the penal code, the civil code, the Decree of August 2, 1913 relating to

the tradesmen and the proof of commercial engagements, the Decree of July 27, 1934 relating to bankruptcy and the preventive legal settlement with the bankruptcy, and the Decree of April 15, 1958 relating to mutual associations.

5.3 HIV/AIDS

The fight against HIV and AIDS is addressed not only as a health issue but as a crosscutting development issue, requiring all EDPRS sectors to include it deliberately and actively into their strategic planning. That is the reason of why the first concern has been to review and elaboration of a specific multi-sector strategic plan to fight against HIV and AIDS aligned to the EDPRS, as well as the integration of the fight against HIV and AIDS in the sectors strategic plans as reflected in the EDPRS logical framework of each sector.

In the beginning of 2008 the sectors capacity needs assessments was conducted to all sectors to determine the needed capacity building for a better implementation of HIV related issues, as it was a new concept for many sectors.

At the district level, all the 30 districts have been supported to incorporate HIV AIDS as appropriate into the district integrated planning tools such as MTEF and AWP. The CNLS has continuously advocated to districts local authorities to strengthen their ownership in the fighting against HIV via several supervisory field visits conducted across the country.

In the health sector: at the health facility level 81% of health centers are providing Volunteer Counseling and Testing (VCT) services; 73% provide Prevention of Mother To Child Transmission (PMTCT) services and 47% offer Anti-retroviral. The total number of condoms distributed increased, representing a 63% increase of condoms distributed from 2007.

Challenges and recommendations

- The main challenge lies in the ownership by different sectors of their role in fighting against HIV as an EDPRS cross cutting issue, as they are key players in HIV prevention and impact mitigation. There is a reluctance of sectors to use their own budget to fund HIV activities for which they have committed in the EDPRS. There is therefore need of advocacy by highest level in each sector to strengthen their ownership in the fight against HIV.

5.4 Social inclusion

Social inclusion targets the development and reintegration of persons or households that are disadvantaged or marginalized in the past due to circumstances. These may be vulnerable persons, genocide survivors, refugees, returnees, disabled people and the OVCs.

The 3rd and 4th report on the implementation of the convention related to child rights was elaborated. In order to better deliver services to orphans and vulnerable children, a

guideline on the minimum package will be published in 2009 to guide multiple interventions.

Solidarity camp for street children was carried out and many of them were oriented to primary schools and 120 retained in their families. Employees of children centers were trained on small bankable projects and protection of children from drugs. At local level, support has been provided to create a transit center for street children in Rubavu District.

6. AID HARMONIZATION AND COORDINATION

Following the launching of the Development Assistance Database (DAD) in March 2006, the Ministry of Finance and Economic Planning (MINECOFIN) continues to further develop the tools that it has at its disposal to better plan and manage the country's external resources. Several key activities were undertaken during 2008 in an effort to further develop the DAD and also to enhance the skills and knowledge of those who manage it.

In mid-September, work begun on the development of a module that would enable the Government to better monitor some of the key indicators on the quality of aid – Donor Profile Module. This was agreed on with development partners, with a view to facilitating real-time monitoring and transparent publication in the context of the Donor Performance Assessment Framework (DPAF). This module will also assist in better monitoring donor portfolios as they evolve over time.

6.1 DPCG-BSHG and DPM

The framework for development partners' coordination and harmonization includes the Budget Support Harmonization Group (BSHG), the Development Partners Coordination Group (DPCG) and the Development Partners Meeting (DPM). The Development Partners Coordination Group (DPCG) Meetings were held in July and October 2008 respectively.

A Joint Budget support review was held in September 2008. The main focus of the meeting was to review the Budget Framework Paper, budget execution performance and present the Public Investment Program to budget support donors. The September review gave the opportunity to sector Ministries to report on the progress against a number of issues such as the NGO financing in health, staffing challenges in Mineduc, update on the LWH and the Crop Intensification Program for the Ministry of agriculture. Budget support donors and the GoR signed a new Partnership Framework in September.

The Partnership Framework outlines commitments in three overarching areas: macroeconomic stability and the establishment of an economic environment conducive to growth and employment generation, comprehensive and effective public financial management, and strong policy formulation informed by M&E.

The eighth Annual Government of Rwanda and the Development Partners Meeting (DPM) was held from 27-28 November 2008. Representatives from different governments and organizations participated in the Meeting which the theme of this year's conference was: "Beyond Aid: Innovative Mechanisms for Financing the EDPRS". The conference agenda included Good governance; a review of macroeconomic performance and challenges; progress and challenges in the implementation of the EDPRS, emerging sources of development finance, review progress against the Monterrey Consensus and Paris Declaration and, at the invitation the Government, a donor-led presentation and discussion focused on mutual accountability.

6.2 Support to further development of SWAPs

The GoR has embraced the idea of developing further sector wide approaches (SWAPs) in different sectors of the economy. SWAPs bring together different stakeholders in development that is to say; government, donors, private sector and civil society. For SWAPs to be effective, it is important for the targeted sector to share one common plan, one budget, one Monitoring and Evaluation system and reduce transaction costs through further use of government's public financial management system. This year saw the Agriculture and Energy sectors sign a SWAP memorandum of understanding with the stakeholders. The justice sector is working on its strategic plan, once completed; a memorandum of understanding will also be signed with all the stakeholders.

6.3 Reducing fragmentation and duplication of donors

MINECOFIN conducted a survey on the comparative advantage mid 2008 with its donors both bilateral and multilateral excluding UN agencies, IMF and Global fund given the nature of their support being specifically allocated to some specific sectors –for instance global fund allocates its funds to the health sector only. Findings were presented to the DPCG meeting of July 2008. Majority (83%) of donors filled the questionnaire where they self assessed themselves and identified areas where they would like to be actively involved.

The remaining work to be done is to put a blue print to this after a thorough assessment from government side. The assessment will be based on whether the sectors are equitably represented this will prevent some sectors from lagging behind.

The manual intends to give guidelines on aid delivery as stipulated in the aid policy which was endorsed by cabinet in 2006. The manual's first draft has been finalized. MINECOFIN will hold a workshop early next year bringing together high level government officials and donors to have an in-depth discussion on the manual. This will be followed by a formal adoption of the manual.

7. CONCLUSION

In general implementation of the EDPRS is positive: 81% of the targets set were met or exceeded, with the strongest performance in the Governance cluster which had an overall implementation of 91% of targets, whilst the economic and social cluster achieved 78% and 73% respectively. With regard to the performance in implementing policy actions, overall performance was good with 80% achieved, 16% partially achieved and 4% not met.

The key challenges to be addressed include;

The effects of the global financial crisis on the value of key exports especially in the mining and agricultural sector needs to be closely monitored and strategies developed to counter any negative impact. The rate of inflation which rose to double digits is expected to subside as global international oil and commodity prices are projected to decrease in 2009.

Also monitoring and evaluation systems in some sectors needs to be further improved. A number of indicators were not reported where they should have been reported in the agriculture and transport sectors, whereas baselines and target setting have been an issue for the education and environment sectors.

In the environment sector all the indicators relating to land registration process were not met and measures should be taken to accelerate this in 2009 following the completion of aerial photography.

In the education sector; a number of key issues need to be addressed to improve performance such as the repetition and drop out rates, so as to increase overall school completion performance and the need for incentives to female students to take up science courses in higher learning institutions. The transition from basic education to upper secondary school did not meet the target which has been attributed to poor baseline information. The completion of the EMIS should be fast tracked to enable the acquisition of quality information.

In addition to this, there is a need to strengthen and improve intra and cross sectoral communication and coordination and build more synergies.

As regards the implementation of policy actions there were also a high number of partially achieved policy actions (28 out of 144), a particular attention should be paid to the completion of policy actions in the agriculture (1), capacity building (1), DCPETA (3), environment (2), PFM (4), health (8), water and sanitation (3), JRLO (2), Private sector (2) and culture (2). The partial implementation of these policy actions risks to adversely impact on the attainment of targets set in 2009 and the following years.

ANNEXES

PROVINCE AND KIGALI CITY SUMMARY REPORTS

KIGALI CITY

Key achievements

Housing and land use management; Housing in Kigali is mainly composed of informal settlements; slums and modern houses in unplanned settlements. This led to the development of a plan to guide the City into a self sustainable urban development “The Master Plan”. In 2008, Kigali City master plan was approved by Cabinet. Its Implementation commenced with the development of detailed plans for Lower Muhima, Nyarugenge, Kimihurura gateway, Kimicanga and Kinyinya and Akumunigo covering a total area of 288ha

Approximate 83% of the urban population in Kigali is located with in informal settlements and indecent housing (slums) that need to be re developed. The issue has been to provide alternative good quality housing with basic amenities to the slum inhabitants. In collaboration with National Socio security fund of Rwanda, Kigali City council built 250 low cost houses in Batsinda with subsidized infrastructure at a cost of 1.9 billion to relocate those displaced from slum areas being re-developed.

District land commissions were established to ensure speedy and efficient service delivery in terms of providing land and building permits to those who need them. A technical commission to approve the architectural designs for big building projects in the City was established. This has considerably reduced the number of illegally constructed houses in the city and has improved the safety of workers at the construction sites.

Infrastructure development; The roads in and around the City have suffered serious deterioration and are in need of repair. Kigali city council with the help of its partners develops and maintains its Road Transport Infrastructure. In 2008, a number of important roads were built (Kinamba – Memorial centre-Kagugu, Giporoso – Kabeza, Kimironko – Nyandungu) totalling to 15.9km of tarmac road, 6km stone paved road (Gikondo – Rebero, Kagarama, Sonatube , Giporoso and Mushumbamwiza-Kanombe). In addition, 12km of ravins were constructed (Migina – Bibare, Akumunigo, Kimihurura, Giporoso – Kabeza, Kacyiru and Rukiri). In addition, 25 passenger shelters were constructed against 22 that were planned across town.

Maintenance and repair of gravel roads and sidewalks is a duty of districts with funding from the Road maintenance fund by the Ministry of Infrastructure and TIG. In 2008, 312 km of earth road were constructed by convicts serving their TIG sentence in all Districts of Kigali.

Electricity and Water infrastructure in the City are developed by the National agency Electrogaz and the City supplements by exploring and promoting alternative energy and clean water sources.

Development of Agriculture and Livestock; Agriculture production in Kigali City has been boosted by the adoption and implementation of the Integrated Development Program (IDP). Under this program, a number of initiatives are envisaged including, rural settlements commonly known as “Imidugudu”, agriculture development through terraces, land consolidation, provision of fertilizers, increasing production and processing of agro-products and environmental protection. Agriculture and Livestock activities are predominantly located in peri-urban areas of the City.

Kigali City promotes the Coffee growing, Horticulture and Sericulture as its priority agricultural intervention areas. Kigali boosts of 10,206 Tones of Coffee production for the year 2008 with 7,402 Tones from Gasabo district that is largely peri-urban, 1,947 and 857 Tones from Kicukiro and Nyarugenge districts respectively.

In Horticulture, Kigali city had 23 green houses with an average production capacity of 14 Tones of Tomatoes each per annum and there is a plan to increase them to 48 by June 2010. Pineapples were grown at a surface area of 300ha, with 150ha in Gasabo District, 100 in Kicukiro and 4ha in Nyarugenge districts.

Mulberry was grown at a total surface area of 45ha in 2008 but sericulture having been identified as one of the viable sector in which agricultural cooperatives in Kigali City should invest, the City council plans to have 600ha of land planted with mulberry by 2012.

By end 2008, Kigali City had a population of 41, 090 Cow, 68, 785 Goats, 113, 812 hens, 21, 787 Rabbits and 5, 040 Pigs. The rising numbers of the live stock population goes along with improved living condition of the people of Kigali.

Under one cow one family program, a total of 492 cows were distributed to families in 2008, Nyarugenge distributed 134, Gasabo 220 and Kicukiro 138 cows.

In agro - processing, Kigali City has 73 Agro processing plants that help add value to the agricultural production from Kigali and from the rest of the country. These however remain few given the supplies from the rest of the country. With the City’s projected production increases the situation is likely to get worse.

By end 2008, total area of 38, 364.58 ha were free of soil erosion, equivalent to 65.18% of the total area that needs to be protected from soil erosion. Construction of radical and progressive terraces and tree planting are some of the soil erosion mechanisms use in Kigali City. 299ha of radical terraces were constructed in 2008 alone.

Labour and entrepreneurship development in Kigali city has been promoted especially through creation of cooperatives. A total of 532 cooperatives were formed in all Districts in the year 2008.

Vision 2020 Umurenge in its public work component provided job opportunities to 240 people in Gasabo, 381 Nyarugenge and 500 in Kicukiro in 2008.

Good governance, Justice and Security; In 2008, Out of the 18,560 Gacaca cases, 20,613 judgements were passed equivalent to 99%. Elections for members of parliament, the Chamber of Deputies were organized and 540,585 of 544,802 eligible voters cast their vote, ranking Kigali the first in the country with the highest voter turnout rate of 99.2%.

Security in Kigali City was generally good in 2008 but as a result of security reinforcement mechanisms, criminals arrested in Kigali showed an increasing trend compared to 2007 figure. The number of thieves arrested increased from 391 in 2007 to 569 in 2008, rape cases dropped from 388 in 2007 to 348 in 2008, drug users arrested increased from 243 in 2007 to 254 and Domestic violence cases increased from 461 to 490 in 2008.

TIG program in Kigali City constructed 312km of earth roads, prepared 414,261 tones of stones for road construction, constructed 299ha of radical terraces and constructed 67 houses for the vulnerable in 2008. The total investment by the Districts in TIG program was equivalent to 1,126,802,227 Rfw with TIG output estimated at 3,064,576,085 hence demonstrating the viability of using TIG program in building local infrastructure. A total of 6,870 TIG convicts worked under this program in 2008.

Provision of social services; Kigali city social amenities such as Schools, Hospitals, Shelter and recreational Centers are being stretched by the ever increasing city population. This calls for a proportionate increase of these amenities. In 2008, 118 primary school classrooms were constructed in Kigali City bringing down pupil class room ration to 56 from 59 in 2007. In secondary schools, 17 classrooms were constructed reducing the student-classroom ratio by one from 46 in 2007 to 45 in 2008. 4,134 a primary school pupils and teachers accessed computers under One laptop per child program in 2008.

In terms of health, 854,485 people out of 1,024,423 residents of Kigali have access to health insurance of one form or the other and 96,360 houses out of 103,532 were sprayed with Mosquito killing spray.

Kigali City council understands social services as going beyond schools and hospitals and addressing needs of marginal groups such as orphans and street children. During the course of 2008, 359 houses for the vulnerable were constructed superseding the set target of 300. 386 child headed families were connected to guardians and 280 street children were taken off the streets and were integrated into children centers.

Under UBUDEHE program that aims to improve the living conditions of the very poor fabrics of the Rwandan society benefited all Villages (Imidugudu) in Kigali City.

Key challenges

- Urban housing and land use planning has remained the biggest challenge for Kigali City. Being one of the fastest growing Cities in the world, Kigali remains at the centre of rapid urbanization challenges. Expropriation of the existing slums and relocation of the inhabitants is costly hence making Master plan implementation far from being realized.
- Existing infrastructure network is inadequate and needs to be strengthened in order to accommodate projected future growth.
- Weak Monitoring and evaluation system to take stock of progress made in all development aspects of the City.
- Unregulated and chaotic intra and inter – City public transport.
- Increasing high cost of living in the City
- Increasing Unemployment levels especially in young people leading to high levels of drug abuse and prostitution
- Capacity building gap

Recommendations

- There is need for greater coordination and harmonization of poverty reduction interventions by all stakeholders across the City.
- Need to speed up the baseline survey report that was conducted by the National Institute of Statistic so as determine the overall statistical stand of the City and subsequently establish a strong monitoring and evaluation system.
- Public transport has to be further regulated to provide the most reliable service possible especially for intra - City travels.
- Appropriate waste management systems have to be put in place to ensure both public and environmental health.
- There is need to bring down the cost of living in the City that has parachuted in last few years and is becoming increasingly unbearable for the low and irregular income earners.
- Improving the City’s financial resource mobilization capacity
- Capacity building

SOUTHERN PROVINCE

Key Achievements

- The Crop Intensification Program (CIP) has been implemented and considerably reduced the hunger and poverty in Southern Province: Cassava and Coffee (in all Districts), maize (in all Districts, especially in Nyanza, Gisagara, Kamonyi and Ruhango), maracouja (in Nyamagabe), pineapple (in Gisagara);
- 70% of the total area of the Southern Province were protected against Erosion by adequate erosion control infrastructures;
- At the end of 2008, 8 forest master plans (each by District) were being finalised in the Southern Province;
- 7,979 families gained modern cows through Girinka program and other 2,097 have benefited from loans in Popular Bank of Rwanda under Girinka grants agreements between the Government of Rwanda and Popular Bank of Rwanda s.a;
- Joint Action Development Forums (JADF) have been operational at Provincial, District and Sector levels;
- Performance contracts have been evaluated in all Districts as well as development partners;
- The decrease of 20% in number of crimes was registered in the Southern Province (comparing 2007 and 2008 data on crimes in Southern Province);
- Gacaca cases have been judged at the rate 99,7% for third category, 99,9% for the second category and at the rate of 38% for the first category;
- Among 20 coffee lots that gained the awards in the 2008 Coffee Cup of Excellence Competition, 12 lots are from the Southern Province and population are really interested in increasing coffee trees, maintenance and productivity;
- Drop out rate in primary schools has been decreased to 1%;
- 5,100 poor and vulnerable families were targeted to benefit from shelter program in favour of vulnerable groups: 1028 houses have been finished, 3,273 houses were about to be finished and 799 were under construction;
- 90% of the population were covered under the health insurance scheme;
- 70% of births were assisted in the accredited health facilities;
- 5 Districts (Gisagara, Huye, Nyaruguru, Nyanza, Kamonyi) supported the youth initiatives in Youth Credit and Saving Cooperative (COOJAD) creation and operation;
- Every village chose a hill of excellence and special inputs were targeting the acceleration of the integrated development through this program;
- Every District has identified an industrial park and industries were increasing in number and in capacity: 4 additional coffee washing stations, 1 factory in cereals processing (Huye), 1 tannery (Huye), 1 in maracouja processing (Nyamagabe), 1 small factory in cassava processing (Huye) and preparations were done to begin the construction of a big cassava based factory (Ruhango).

Challenges

- Bad rain flow that have had negative impact on the agriculture production and on shelter program for vulnerable people;

- Slow mindset change process that had impact on “ medical insurance subscriptions”;
- Insufficient financial resources and small amount of development partners in some Districts (Ruhango, Gisagara, Nyanza, Huye);
- Some Popular Bank of Rwanda sub-branches have gone slowly in integrating Girinka Program
- Insufficient ICT equipment in local government institutions’ offices (Cells and Sectors)and lack of source of energy (electricity);
- Some Agronomists for Districts and Sectors without means of transports (motorcycles);
- Supports to local government institutions (Districts) that were sometimes late.

Activities, measures and programs to overcome the challenges

- Sensitization on different issues including family planning, settlement in IMIDUGUDU, security maintenance, HIV/AIDS, Gender Based Violence, corruption fighting;
- Solar energy projects in favour of cells’ offices;
- Lobby for means of transports in favour of agronomists who did not received the motorcycles;
- Enhancement of community based initiatives;
- ICT equipment to be given to local government institutions’ staff (cells and sector) as where as installed in their offices;

Priorities and plans for 2009

- Special attention to the promotion of habitat in settlements;
- Implementation of nine years basic education program;
- Increase livestock and agriculture productivity;
- Strong follow up of performance contracts for Villages (IMIDUGUDU) and families;
- Special attention to VUP and Hill of excellence Programs (gahunda y’Agasozi Ndatwa k’Umudugudu);
- ICT equipment in local government institutions offices and staff;
- Electricity installation in local government institutions offices (from ELECTROGAZ or generated by solar energy)and promotion of solar energy among the population;
- Industry promotion especially industries based on agro-business;
- Tourism promotion: studies and preparation of tourism sites;
- Cooperatives promotion: increase in number and in production.

NORTHERN PROVINCE

Key Achievements

- Excelled in controlling soil erosion mainly using radical terraces through out the Province: the land protection against soil erosion is 81.64%;

- The Crop Intensification Program (CIP) has been implemented and considerably reduced the hunger and poverty in Northern Province: Irish potatoes (Musanze, Burera and Gicumbi District); Coffee (in Gakenke, Gicumbi and Rulindo Districts), maize (in Burera, Gakenke and Musanze Districts), Tea (Gicumbi and Rulindo Districts), Wheat (Musanze, Gicumbi and Burera), pineapple (Gakenke, Rulindo), sun-sip (Gakenke and Rulindo Districts).
- About 60% of the all families gained modern cows through Girinka program;
- Joint Action Development Forums (JADF) have been operational at Provincial, District and Sector levels;
- Performance contracts have been evaluated in all Districts as where as development partners;
- Gacaca cases have been judged at the rate 98.36% for all categories
- Primary school net enrolment 84%
- Poor and vulnerables families were targeted to benefit from shelter program in favour of vulnerable groups: 940 houses have been finished, 2241 houses were about to be finished and 3248 were under construction;
- 91.36% of the population were covered under the health insurance scheme;
- 78.3% of births were assisted by skilled health personnel;
- Every village chose a hill of excellence (**Agasozi Ndatwa**) and special inputs were targeting the acceleration of the integrated development though this program;
- 96% of Children are immunized against measles;
- First initiators of the kitchen garden (**Akarima k'Igikoni**) in the Country;
- Excellent in mobilizing the population to fight against genocide ideology;

Key Challenges

- Budget constraints that limits coordination activities;
- Supports to local government institutions (Districts) that were sometimes late;
- Insufficient financial resources and small amount of development partners in some Disticts (like Burera);
- Some Popular Bank of Rwanda sub-branches have gone slowly in integrating Girinka Program
- Insufficient ICT equipment in local government institutions' offices (Cells and Sectors)and lack of source of energy (electricity);
- Mountainous region decelerating Imidugudu settlement program and land use consolidation.

Measures and programs to overcome the challenges

- Sensitization on different issues including family planning, settlement in IMIDUGUDU, security maintenance, HIV/AIDS, Gender Based Violence, corruption fighting...;
- Solar energy projects in favour of cells' offices;
- Enhancement of community based initiatives;
- ICT equipment to be given to local government institutions' staff (cells and sectors) as where as installed in their offices;

Priorities for 2009-2010

- Increasing the number of microfinance institutions to the extent of one microfinance institution per Sector to accelerate local investments;
- Promoting non agricultural jobs to eradicate extreme poverty;
- Implementation of nine years basic education program;
- Raising accessibility to potable water by the population through private sector initiative;
- Increase livestock and agriculture productivity;
- Accelerating IMIDUGUDU settlement program with target of 80% by 2010;
- Special attention to VUP and Hill of excellence Programs (gahunda y'Agasozi Ndatwa k'Umudugudu);
- Transformation of volcanic stones into cement, through private sector initiatives in order to increase production of cement, Employment and family income;
- Entice local and foreign investors to invest in bricks making industries (Amatanura) in order to solve the problem of building materials in the Province;
- Expand wheat plantation through private investors in order to satisfy wheat factories existing in the Province;
- Industry promotion especially industries based on agro-business;
- Cooperatives promotion: increase in number and in production.

EASTERN PROVINCE

Key Achievements:

- Land consolidation has been promoted in most of the Districts and this has promoted adequate settlements and mechanization in the Province. In addition land has been shared in that, 6,062Ha of land has been distributed (2,592 given to crop farmers and 3,470Ha were given to pastoralists.). Though 424HH and 470HH in Nyagatare and Gastibo have not yet been distributed.
- 67/95 sectors have administrative offices constructed with 57 sectors having electricity. Also 64 cells have constructed administrative offices with the help of the community and 8 cells have electricity; In total 232/503 have administrative offices constructed, although 169/503 cells still lack offices.
- ICT has been promoted in the province with 95 sectors being equipped with computers and 52 sectors have internet connection.
- The nursery schools in the province are 1226; primary schools are 456 and secondary schools 137. The high learning institutions are 4(Nyagatare, Ngoma and Rwamagana).
- Health centers are 22; Hospitals are 9 and Dispensaries 87.
- The primary and secondary teachers are 8,710; the health sector has 1301 employed with the nurses being 1241 and doctors 60.
- 95.07% grassroot leaders (13,174/13,857) were trained, 96.52(7,145/7,402) mediators/Abunzi were trained.

- In areas of promoting the media, 64 radio talk shows were organised on Radio Izuba.
- Tenders awarded at the Province were 28 and 345 tenders were awarded at the District level.
- 98.70% of the population illegible to voting participated in parliamentary elections.
- New National Identity Cards were distributed and 63.9% (639886) people paid for them although, 1168151 of the population were supposed to receive the new IDs.
- 67.6 % (6614/9780) Tigistes participated in TIG and the value of their works was 2,537,060,800Frw although, 740,678,138Frw was spent on them.
- 1396HH of returnees from Tanzania were settled with 67.2% (865/1287) Houses constructed for them.
- 49.6% (1,299/2,621) households for vulnerable groups were constructed houses and 757 Houses are under the finishing level with 82 of the other houses also being on the foundation level.
- 181 Houses have been constructed for marginalized groups, 73 Houses are also under finishing and the remaining ones are 241 houses although 471 marginalized groups were supposed to be constructed houses.
- 78.64 % (3,843,051/4,886,928) of the population participated in Umuganda with the value of Umuganda being 1,385,612,923Frw.
- 99.96 % (88,228/88,256) Gacaca cases in the third category were resolved although in general 28 cases in Kayonza and 37 cases in Ngoma still remain standing.
- Production in Agriculture sector was valued at 97,650,173,932Frw.
- The 160,561HH had cattle although 60.44 % (245,274) had no cattle. The one cow one family program gave out 222,287 cows to the community. Also 14,319 cows were inseminated, there 20,212 exotic cattle, 64,961 cross breeds and 294,276 local breeds.
- The other livestock are 411,782 goats, 50,397 sheep, 34,155 sheep, 464,327Hens, 22,355 Rabbits and the total production was worth 22,012,454,650Frw.
- Grain storage was promoted with 215 cocoons in place and 2679.6T was stored.
- With the promotion of value addition in the province, 37 agro processing units are in place and 6 plants for diary production.
- Cooperatives were promoted with 1462 cooperatives in place and 379 were legally accepted.
- Off farm activities have been promoted with 5401 people employed in agro processing units and 47946 employed under arts and craft and other generating activities.
- SACCOS/COOPEC has been promoted in that, 42 branches of banks are in different parts of the Province and 40 branches for COOPEC.
- Settlements have been promoted through most of the community being in villages/Imidugudu except for 26.75% of the community that still remains.
- 49.2 % (64/130) of the commercial centers have been rehabilitated and others are also in the process of being rehabilitated/reconstructed.
- Irrigation in the Province has been promoted through 1907Ha being under irrigation.
- Terraces were constructed with 1611Ha for radical and 19520Ha progressive although 154433Ha remain to be constructed.

- 17717Ha have been planted on forests and also most of the Districts except for Nyagatare have forestry master plans.
- There are 35 marshlands/swamps and 4380Ha of marshlands have been protected and maintained.
- The mining sector has been promoted with 131.5Tones being mined and generating in 34,896,000Frw revenues.
- 10070HH have electricity from Electrogaz, 152HH use solar energy and 135HH use biogas.
- Also 300Km of drainage channels were maintained.
- The revenues generated by Districts were 73.5 %(169,643,441/2,308,629,905Frw).
- The tourism sector has been promoted with 30 sites being put in place.
- 500,004 pupils were enrolled in primary schools, 58,774 students in secondary schools. In primary schools 15,723 pupils completed school and 8,836 completed the school level.
- The health sector has been promoted with 9 Hospitals being in place, 93 dispensaries and 12 Health centers were being constructed. The deliveries in hospitals were at 75.23 %(56,050/74,499) women and the maternal mortality rate was at 8.72 %(65 died), the infant mortality rate still remains also a challenge in that 700/1000 children died, 97.9% (78,436/80,079) children were immunized.
- 85.37 %(1,792,884) of the community was covered under health insurance.
- The HIV/AIDS prevalence is at 3.78% in that out of 311,881 people that went for HIV/AIDS testing only 11,803 were HIV positive.
- Family planning is at 20% (81408).
- There has been a fight against malaria with 51.3% of the House holds sleeping under mosquito nets.
- Security has been promoted in the province with 97.5% (15,884/16,287) of the community being trained in community policing. 67.1% (2523/3760) Local Defense forces were also trained. Crimes were also reduced at 94%.
- 98.8% (12,671/12,817) of individuals were enrolled in civic education/Itorero as compared to the number that was to be enrolled.
- The youth and women have been promoted with the establishment of 38 cooperatives for the youth and 115 cooperatives for women.
- The private sector has also been promoted with 11,473 entrepreneurs involved in various businesses.

Key Challenges:

- Lack of Monitoring and Evaluation Framework/ Systems in all the Districts and this makes data collected to be un- realistic and inconsistent in most Districts.
- Insufficient funds due to some of the development partners not fulfilling their commitments
- Corruption is still a challenge mostly at the grass root level.
- Unpredictable seasons both for wet and dry seasons.
- Price fluctuations

- Limited capacity
- Food storage
- Increased rural to rural and urban to rural migrations
- Increasing population that does not rhyme with the resources.
- Increased fraud of fertilizers
- Trafficking of crude waragi still remains a challenge and this has resulted to domestic violence and other crimes.
- Savings culture still remains a challenge.
- Distribution of land titles and registration of land
- Gender disaggregated data

Recommendations:

- Need to establish Monitoring and Evaluation Frameworks in all Districts to ensure consistence in figures given and a culture of M&E in all units and where possible it should be budgeted for.
- There is need to dialogue with development partners such that they fulfill their commitments and also a need to establish a sovereignty fund that can reduce foreign dependency.
- Public finance management needs to be emphasized and promotion of transparency and accountability through setting up community committees that need to monitor such corruption cases.
- Rainy seasons need to be fully utilized
- There is need to train all the Eastern Province staff in all areas including Monitoring and Evaluation
- There is need to be speculative and being aware of a likelihood in case of price changes
- A law should be introduced that disables immigrants from establishing grass thatched houses in places that they have migrated to as well as carrying out activities that hinder the development of that area.
- Population should be controlled through sensitization and use of other mechanisms like use of family planning methods.
- There is need to set up a law that punishes fertilizer theft and fraud as well as trafficking of crude waragi.
- SACCOS need to be introduced in all sectors and need to be strengthened.
- There is need to implement the land registration and distribution of land titles
- Gender trainings need to be enhanced country wide as well as for other cross-cutting issues.
- Storage of food in cocoons and by use of other methods is necessary since it has been observed that it has again backslide in different Districts which can bring food insecurity during the dry spell hence causing hunger.

WESTERN PROVINCE

Key achievements

All Districts have achieved the targets at an average of above 85%

VUP public works Activities started and were operational at least in 5 pilot sectors of Western Province with an exception of Nyakarenzo in Rusizi & Muhororo in Ngororero Districts and all the beneficiaries have opened accounts and been paid on their respective Accounts.

With help of some CAPEC's operating in particular sectors, savings for workers involved in public works rose to more than 15 Million and Rurembo sector in Nyabihu District opened saving cooperative

There has been construction of Roads linking sectors at a rate of 45Km and 687.2 Km have been constructed through out 7 Districts

A total of 327 houses are being constructed for people who were displaced by catastrophes in Rubavu and Nyabihu Districts. In addition to this 5,917 Houses for vulnerable people were being constructed, so far 255 houses have been completed and 5,662 were due to be finalized.

All Districts have started to grow the selected crops in the respective District.

- 31,450,692 ha of coffee are well grown & extra 266 Ha have been added on this year
- 7,463,540 HA of tea are well grown & extra 655 Ha have been grown this year.
- 2,448 Ha of rice are grown in Nyamasheke and Rusizi Districts
- 3581 cows were distributed to poor households in 2008
- 7 forestry Master plans were developed through out 7 Districts of Western Province

Key challenges

- Western Province Investment Corporation began in 2008 but there was no subscription of shares by shareholders.
- Late Disbursement of earmarked transfers.
- There is no clear and concrete M&E for decentralized levels
- Late disbursement of funds requested as 2nd transfer for some Districts.
- Lack of equipments by VUP sector staffs such as computers and other stationeries.

- Lack of information from VUP coordination
- Insufficient fertilizer inputs for small scale farmers
- Forestry Master plans are not being implemented due to the fact that, Districts have not yet received permission to operate government forests

Key recommendations

Both OCIR thé and OCIR Café should develop a mechanism for distribution of fertilizers on credit to small scale farmers.

Sensitization of stakeholders meetings organized to tell them about more existing opportunities in Western Investment Corporation

EDPRS STRATEGIC OBJECTIVES	EDPRS STRATEGIC OUTCOMES (Results)	INDICATORS	EXPECTED PERFORMANCE			PUBLIC POLICY ACTIONS		
			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring
EDPRS Drivers of Change								
Macroeconomic stability consistent with private sector led growth								
1. Increased Economic Growth	1.1 Prudent macro economic management ensured	1.1.1 Net domestic financing (as % of GDP)	<0.5	<0.5	(-)3.3%	Expenditures Align Ministry spending with the MTEF and Strategic plan	Prepare and implement 2009 budget in line with the EDPRS priorities and the medium term macro framework	Fully implemented
		1.1.2 Increase of tax revenue to GDP ratio (indicative)	0.2	0.2	0.4	Revenues: Implement new tax policy measures as per 2007 tax policy and strategy	Develop a comprehensive compliance program to identify risks of non compliance, including enhancing the SIGTAS computer system to strengthen information analysis.	Fully implemented
		1.1.3 Inflation rate (core inflation annual % change, end period basis)	11,9	Single digit	15.4%	Set monetary policy to retain single digit inflation. Use reserve money growth as policy instrument	Undertake risk based audits BNR to use policy instruments: Reserve requirement; Foreign exchange sales; and Treasury bill sales to mop up excess liquidity such that monetary policy targets are achieved.	Fully implemented
		1.1.4 Insurance coverage (excluding mutuelles de santé) (% of GDP)	<1%	NA	< 1%	Promote private insurance	In addition supply side constraints will also be dealt by concerned sectors (i.e. agriculture, energy). See policy actions for relevant sectors. Develop National Rural Insurance Strategy and Capacity Building Plan	Fully implemented

EDPRS STRATEGIC OBJECTIVES	EDPRS STRATEGIC OUTCOMES (Results)	INDICATORS	EXPECTED PERFORMANCE			PUBLIC POLICY ACTIONS		
			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring
	1.1.5 Credit to private sector (as % of GDP)		10	11,4	14	Implement Financial Sector Development Plan	2008 Implement the National Microfinance (MF) Strategy and Law. Establish MF Credit fund, and MF capacity building fund. MoU signed between BNR and MINAGRI for the implementation of the final phase of the Rural Investment facility (RIF 2)	All policy targets fully implemented
	1.1.6 NPV of external debt (% of export earnings)		45,1	<150	45	Create and Implement Management Strategy. Ensure loans and guarantee are consistent with Organic Budget Law (OBL) and Investments are consistent with Public Investment Policy (PIP).	Produce the Debt Management Strategy and take approval from the cabinet	1st draft produced, approval from cabinet
<i>Make the Business Climate the most competitive in the region</i>								

EDPRS STRATEGIC OBJECTIVES	EDPRS STRATEGIC OUTCOMES (Results)	INDICATORS	EXPECTED PERFORMANCE			PUBLIC POLICY ACTIONS		
			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring
	1.2 Enhanced business climate	1.2.1 Ranking in Doing Business	158	154	139	Implement strategies to improve business and investment climate in Rwanda	2008 Establish commercial registration agency. Legislate Bills on Companies, Contracts, Secured Transactions, Business Registration and Insolvency. Implement RADEX system to ease cross-border trade with Tanzania and Uganda. Levy taxes on imports at FOB values.	Target fully achieved and exceeded
		1.2.2 Score of Investor Perceptions of regulatory issues, licensing burden, corruption and dispute resolution	Baseline data not available	Baseline data not available	79	Create a conducive environment for both local and foreign investors	Business Licensing reform Identification and approval of quick win reforms on licensing by Cabinet	An inventory of 189 licenses has been created consultation taking place
		1.2.3 Percentage of investment to GDP	16%	17%	18%		Develop Industrial Master Plan (developed by MINICOM)	Fully implemented

EDPRS STRATEGIC OBJECTIVES	EDPRS STRATEGIC OUTCOMES (Results)	INDICATORS	EXPECTED PERFORMANCE			PUBLIC POLICY ACTIONS		
			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring
	1.3 Economic infrastructure built	1.3.1 Number of electricity subscriptions	91 332	100 000	110 000	Increase Access to Electricity for Enterprises and Households to serve as an engine for socio-economic development	2008	
		1.3.2 MW of electricity installed	45MW	50 MW	74.445 MW	Update national energy policy. Electricity network expansion rollout program initiated by MININFRA. Prepare strategic note on electricity tariff, taxes and incentives (Mininfra) Sign MoU with Development Partners as 1st output of SWAp		All policy targets fully implemented
		1.3.3 Percentage of Classified National Road network in good condition	11%	16%	18%	Initiate the rehabilitation and maintenance of classified road network	Submit Laws on Electricity and Gas to parliament Adopt the Transport Policy and Road Maintenance Strategy	All policy targets fully implemented
						Initiate the establishment of the 2 nd generation Road Maintenance Fund	Draft strategic proposal to Cabinet for the second generation Road Maintenance Fund (MININFRA & MINICOM)	All policy targets fully implemented

EDPRS STRATEGIC OBJECTIVES	EDPRS STRATEGIC OUTCOMES (Results)	INDICATORS	EXPECTED PERFORMANCE			PUBLIC POLICY ACTIONS		
			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring
		1.3.4 Percentage of Classified Road network in good condition	15%	22%	Information unavailable due to non submission of reports by Districts	Establish annual road maintenance contracts to be managed by Districts	2008 Districts sign Multi Annual (3 year) Output and Performance Based Road Contracts (OPBRC's) with at least 2 contractors Adopt a District/Rural Road Maintenance and Decentralisation Strategy as part of the Road Maintenance Strategy	All policy targets fully implemented
		1.3.5 (i) ICT composite network coverage (ii) Number of mobile phone users	75%	NA	90%	Develop ICT	Develop regulatory framework for ICT	Fully implemented
	1.4 Increased contribution of strategic exports to GDP	1.4.1 Revenue from strategic exports (tea, coffee, horticulture, hides & skins, minerals), in US\$ million	121	163,1	185	Develop strategies to increase production, quality and management of key exports	Develop Production and Export diversification Strategy.	Fully implemented
		1.4.2 Revenue from tourism, in US\$ million	42	56	208	Diversify tourism Construct and/or rehabilitate regional museums	Review and develop the Tourism master plan (ORTPN, MINICOM) Rehabilitate Karongi & Kandt museums to attract tourists (MIJESPOC, Kigali city & Karongi districts)	Fully implemented Rehabilitation of Kandt completed
<i>Increased agricultural productivity and environmental management</i>								

EDPRS STRATEGIC OBJECTIVES	EDPRS STRATEGIC OUTCOMES (Results)	INDICATORS	EXPECTED PERFORMANCE			PUBLIC POLICY ACTIONS		
			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring
1.5 Increased agricultural productivity	1.5.1 Percentage of land area protected against soil erosion	1.5.1 Percentage of land area protected against soil erosion	40%	45%	44.5%	Develop and implement programmes for construction and rehabilitation of (progressive & radical) terraces and erosion control	Complete feasibility studies for at least 4 out of 34 sites for watershed management Including an assessment of existing pilots as well as a mapping of areas that need protection by watershed management and terracing	A total of 12.920ha of terraces were constructed Feasibility study and details designed were commissioned for 8 sites (32 pre-feasibility studies have been completed)
		1.5.2 Area of marshland developed for agricultural use (Has)	11,000	12,000	12,092	Develop marshland with pre-feasibility studies and compliant with environmental guidelines	Develop Environmental Management Framework for Marshlands, including format and implementation schedule	Fully implemented
		1.5.3 Proportion of farming households using improved farm methods	Farmers using Chemical fertilizer 12%; Organic fertilizer 7%	Farmers using Chemical fertilizer 15%; Organic fertilizer 10%	NA (Unable to measure the use of fertilizer at the HH level annually)	Operationalize National Strategy Input	Implement fertilizer strategy with a clarification of public and private roles. Develop Seed Law	All policy targets fully implemented

EDPRS STRATEGIC OBJECTIVES	EDPRS STRATEGIC OUTCOMES (Results)	INDICATORS	EXPECTED PERFORMANCE			PUBLIC POLICY ACTIONS		
			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring
		1.5.4 Farm households to extension ratio	1:3,000	1:2,900	1:2,218	Roll-out private and public extensionists across Districts	2008 Finalize and Disseminate extension service strategy Implement Decentralized National Agricultural Extension Strategy in 6 pilot districts	All policy targets fully implemented
		1.5.5 Production in MT of key food security and export crops	Maize: 91,813 Rice: 62,932 Wheat:19,549 Tea (green leaf): 73,008	Maize: 101,700 Rice: 66,700 Wheat 24,200 Tea: 77,400	Maize: 166,853 Rice: 82,025 Wheat 67,869 Tea: 83,830	Improve production of key crops through multiplication centers and mother gardens for multiplication in districts and sectors	Establish demonstration sites and farmer field schools for key crops in appropriate districts. Mapping of sectors where farmer field schools can be established. Support feasibility studies of two new tea factories.	All policy targets fully implemented
		1.5.6 Percentage in livestock intensive systems	16	30.7	NA	Develop and publish a clear policy on genetic improvement of livestock Complete study on competitiveness of milk commodity chain	Develop and publish a clear policy on animal nutrition Develop and publish a clear policy on animal disease control	All policy targets fully implemented All policy targets fully implemented

EDPRS STRATEGIC OBJECTIVES	EDPRS STRATEGIC OUTCOMES (Results)	INDICATORS	EXPECTED PERFORMANCE			PUBLIC POLICY ACTIONS		
			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring
2 Managing	1.6 Optimal utilisation of natural resources	1.6.1 Percentage of national forest cover	20,00%	20,70%	21,00%	Increase national forest cover	Complete and adopt National Forest inventory and District management plans (MINITERE and NAFA)	National Forestry inventory is waiting for validation District Management Plans: 12 finalized, 16 in draft and 2 on starting step
		1.6.2 Percentage of area of privately owned land held under written title	1%	3%	1.26%	Protect land rights and simplify land administration to facilitate investments in land	Develop and produce aerial photography and digital ortho maps to guide systematic land registration (National Land Centre)	70% of the whole country
		1.6.3 Proportion issued land titles owned by women	0%	2%	0.02%		Complete and effect secondary registration and manuals in support of 2005 land law	Fully implemented
		1.6.4 Area of land protected to maintain biological diversity currently	8%	8,40%	8,5%	Map, assess and rehabilitate degraded ecosystems and protected areas	Map and assess all degraded areas Rehabilitate 5% of critically degraded ecosystems (MINITERE working with REMA)	Inventory and categorization Feasibility studies were done

EDPRS STRATEGIC OBJECTIVES	EDPRS STRATEGIC OUTCOMES (Results)	INDICATORS	EXPECTED PERFORMANCE			PUBLIC POLICY ACTIONS		
			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring
population growth rate and enhancing population development	2.1 Enhanced family planning	Total Fertility rate	6,1		Traffic light scoring and actual performance		2008	
		2.1.1 Percentage of women aged 15-49 using modern contraceptives	10%	25%	27% (DHS 2007/8)	Scale up FP services	Population and family planning promotion policy published including IEC strategy: Increase number of youth friendly facilities to 30% of facilities 10 centers now have youth friendly facilities	Fully implemented
	2.2 Improved health and nutrition status	Under 5 Child mortality rate (per 1000)	152					
		2.2.1 Percentage of children fully immunized	75%	80%	80.4% (DHS 2007/8)	Outreach services for immunization at community level	10% of health centers do outreach services for immunization	Fully implemented
		2.2.2 Percentage of under five children using Insecticide Treated Long Lasting mosquito-nets	16%	65%	60% (DHS 2007/8)	Free distribution of ITLLN Nets to under Five	All IMIHIGO include use of bed nets by children less than 5 as performance indicator	20% districts have included use of beds nets
		2.2.3 Percentage of under five children with diarrhea who receive ORT treatment within 24 hours	22%	30%	45%	Scale up community treatment of diarrhea	Guidelines for Districts published and training of 30 Districts conducted	Guidelines developed, training in 4 districts
		Maternal Mortality rate (per 100,000 live births)	750					

EDPRS STRATEGIC OBJECTIVES	EDPRS STRATEGIC OUTCOMES (Results)	INDICATORS	EXPECTED PERFORMANCE			PUBLIC POLICY ACTIONS			Traffic light scoring
			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring	
		2.2.4 Percentage of assisted births in an accredited health facility	28.2%	35%	62,8%		Develop incentive mechanisms to increase deliveries in health facilities	2008	Fully implemented
		Nutrition:% of children who have chronic malnutrition	45%						
		2.2.5 Percentage of children U5 who receive 2 doses of vitamin A per year		NA	NA		Provide vitamin A (micro-nutrient) supplements through CHW and immunization services	Design policy and management tools and pilot in 5 Districts in each province	Fully implemented
		HIV Control (Prevalence of HIV among 15-24 years olds (as proxy for incidence in general population))	1.05%						
		2.2.6 Condom utilization rate amongst youth (15-24)	26% women 39% Male	NA	NA		Strengthen medical prevention measures (VCT, PMTCT,PIT,IST, blood safety, post exposure prophylaxis) and non medical programs with particular emphasis to most-at-risk groups Improve the	1)Provider Initiate Testing (PIT) made a national policy and implement in all District hospitals Neonatal and adults male circumcision made a national policy	Policy developed but Scale up PIT will start in 2009 The policy for male circumcision will be integrated in the National Prevention Policy not a separate policy

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			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring
							2008	
						accessibility of quality condoms, increase demand and address barriers to condom utilization	Intensify potential condom access points in the community	condoms widely available
		2.2.7 Percentage still alive 12 months after initiation on HIV Treatment	86,7% (2007)	NA	NA	Strengthen accessibility, coverage and quality of medical care and treatment measures at the health facility level and community level	Develop a tool for parents to facilitate dialogue on condoms	Fully implemented
							Revise care and treatment protocols which integrate task shifting	Treatment protocols revised but ministerial instruction in preparation
							Systematic and early HIV testing of children born to HIV positive mothers introduced	87.3% of newborns in health facilities tested
		Access to Health Care						
		2.2.8 Percentage of population covered under health insurance mechanisms	73%	75%	85%	Develop sustainable health care financing mechanisms	Study on mutuelles sustainability published	
		2.2.9 Utilisation Rate of primary care health services (all visits at health centres, private dispensaries and visits by	0.70	0.75	0.86 (HMIS 2008)	Reduce barriers to utilisation of services	Report on financial access to health care in Rwanda published	Draft financial report completed

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			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring	
		community health workers)							
	2.3 Strengthened health financing and pro-poor approaches	2.3.1 Per capita allocation to PBF for health facilities and community health cooperatives	1.2\$	1.45\$	1.40\$	Scale up PBF in all health facilities	Health facilities receive about 1\$ per capita per year in PBF including deliveryCommunity PBF strategy is approved by Ministry of HealthCredible health sector MTEF that supports community health and nutrition policy reforms including community PBF, CHW training and incentive strategy for maternal health, is drafted by MoH and submitted to MINECOFIN	2008	Fully implemented
		2.3.2 Percentage of public expenditure on health (including domestic, GBS and SBS)	6.5%	NA	9,10%		Community health policy implementation plan and budget, including partners' programs, are approved by the Ministry of health		Activities will start by May 2009
	2.4 Improved Access to Safe Drinking Water	2.4.1 Percentage of population with access to clean drinking water (within	64%	70%	73%		Costing scenarios of EDPRS are published including low, medium and high case scenarios		Fully implemented
							Prepare 5 district water supply master plans		3 (limited budget)

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			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring
		500 meters in rural areas & 200 meters in urban areas)					Construct 517 KM of new water supply systems	Fully implemented
	2.5 Improved sanitation status	2.5.1 Percentage of population using hygienic sanitation facilities	38%	45%	45%	Develop and promote sanitation facilities and hygiene.	Construct 150 underground drills (MINITERE, Kigali City and Southern Province) Initiate rain water harvesting projects in 8 districts	70 boreholes drilled 53 rain water harvesting tanks
	2.6 Integrated and sustainable management of water resources	2.6.1 Percentage of water resources complying with water quality standard	25%	30%	30%	Operationalize the water information system and protect river basins	Construct sanitation facilities in pilot imidugudu, public places including schools, roads, health centers, markets, district headquarters, in Western and Southern provinces MINITERE working with MINISANTE and Districts to have promoted policy, laws on water and sanitation, PHAST and HAMS (West and South provinces) to reinforce community and schools capacity in basic hygiene. Put in place an Institutional and Legal framework on IWRM Update the WIS and rehabilitate 5 hydrological and limn metric stations	Fully implemented Fully implemented Policy and laws have been developed Fully implemented
<i>Promote a knowledge based society</i>						Conduct assessment investment for production	Water resource to facilitate economic production	Feasibility study completed

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			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring
2.7 Enhanced population skills		2.7.1 (i) Primary school completion rate (ii) Male/female ratio in primary school completion	52%	55%	53%	Ensure classroom construction, and qualification of teachers and provide textbooks with pupil textbook ratio of 1:1 in core subjects to ensure completion rate	2008 Develop EMIS Phase I and M&E phase Revise construction norms and distribute in schools	Fully implemented
		2.7.2 Primary school pupil to qualified teacher ratio	72.7:1	72:1	67:1	Provide sufficient teachers who upon satisfactory work join normal permanent cadres	Publish teacher development and management policy Recruit 1000 teachers	Fully implemented
		2.7.3 Transition from basic education (TC) to upper secondary education	82%	84%	78,6%	Implement post basic education which addresses any possible mismatch between basic education and post basic education as well as between post basic and higher education	Develop post basic education strategy and ensure ICT in education policy approved	Fully implemented
		2.7.4 Ratio of higher education students enrolled in science courses for girls	30%	32%	30%	Ensure Girls' Education Strategy indicates affirmative action towards Girls' participation and performance in HLIs	Publish Girls' Education Policy and ensure approval of SEN policy	Fully implemented

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			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring
		2.7.5 Proportion of employers who are satisfied with the performance of TVET graduates	8%*	8.5%	N/A (baselines and targets yet to be set)	Ensure TVET strategic policy and plan to indicate which new courses/schools to be established and which courses to be improved/expanded to accommodate more students in response to market demand	Publish TVET policy	Fully implemented
Combat poverty and extreme poverty								
2.8 Improved Social Safety Net		2.8.1 (i) The percentage of households in the bottom two categories of extreme poverty according to UBUDEHE classification	No baseline survey to be conducted in 2009	NA	Target to be set (N/A)	Government to begin to implement and operationalize the VUP Policy Framework in the 30 pilot districts	Government has committed budget allocations to implement the VUP program in at least 6 pilot sectors and established a core management team to implement the VUP policy framework.	Fully implemented
		2.8.2. Percentage of households eligible for support granted public works	0	35%	35%	Establish and implement a Public Works framework (incorporating good international practice) underpinned by training at local government level.	Finalize budget allocations for VUP public works in line with EDPRS priorities and complete the implementation manuals of PW programmes incorporating international good practice.	Fully implemented

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			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	2008	
		2.8.3 of those households eligible for support, Percentage granted direct support in VUP sector	0	N/A	N/A	Incorporate direct support activities into all district and imirenge plans, and in JADFs at District and Umurenge level	Finalize budget allocations for VUP direct support packages in line with EDPRS priorities and complete the implementation manuals of DS programmes incorporating international good practice.	Fully implemented	
		2.8.4 Number of vulnerable households accessing credit and savings facilities	0	0	N/A	Implement and Operationalize the VUP policy			
	2.9 Integrated social protection programming	2.9.1 Average social protection income provided to poor and vulnerable groups through district social assistance budget		NA	N/A	Put in place social protection strategy and undertake comprehensive mapping of social protection sector	Undertake comprehensive mapping of social protection sector by MINALOC and inform social protection strategy development. Endorse minimum package of services for OVCs.	Fully implemented	
						Define and adopt change management methodology for VUP implementation	Define and adopt change management methodology in all districts for pilot VUP sectors (MINALOC) Develop Itorero scheme (community leaders to act as change agents) to operate in all imirenge	Fully implemented	
Promote justice, decentralization and public sector management									

EDPRS STRATEGIC OBJECTIVES	EDPRS STRATEGIC OUTCOMES (Results)	INDICATORS	EXPECTED PERFORMANCE			PUBLIC POLICY ACTIONS		
			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring
3 Enhanced through good governance	3.1 Enhanced partnership between GoR, Civil Society and Private Sector.	3.1.1 Percentage of CSO and PS representation in JADF Decentralization Cluster	70%	75%	N/A	Public, Private and Civil Society engaged successfully in partnerships for effective delivery of good governance and decentralization	2008 Level of representation of private and civil actors in national and local decision-making bodies improved	Fully implemented
	3.2 Effective coordination of national labour force	3.2.1 Number of new non-farm jobs created (cumulative target) (indicative)3	NA	NA	NA	National employment policy and strategy disseminated and implemented	Implement program to take at least 300 youth from universities on internship; at least 300 youth and 500 women in entrepreneurship;	Multi sector capacity building program supported 20 youth to attend the Internship program 300 youth trained 900 women trained
						Collaborate with CAPMER, RIAM and Women Council to establish RWODA	At least 300 youth trained in entrepreneurship; At least 500 women trained in entrepreneurship;	Fully implemented
						Strengthen Youth savings & credit institutions and enhance employment of youths through cooperatives (MIJESPOC, MINICOM, NYC & BNR)	Strengthen district wide 5 Youth savings & credit schemes Prepare 50 diversified youth cooperatives	Fully implemented

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			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring
3.3 Enhanced Local Governments Capacity	3.3.1 Percentage of Districts which achieve a minimum of 80% of their service delivery and sustainable local development targets for which they are responsible	60%	62%	67%	Fully implemented	Strengthen local government capacities to improve access to quality services, sustain socio-economic development, and manage coordinate sector strategies	Develop and endorse District Capacity Building Needs Assessment and Plans	Fully implemented
3.4 Enhanced citizen participation in decision making	3.4.1 Percentage of citizens who feel that they participate actively in local decision making and that local government is listening to and addressing their priority concerns.	65%	68%	NA	Fully implemented	Reinforce mechanisms for inclusive citizen's participation in local decision-making and governance processes Establish 7 agencies to support the implementation of youth and culture initiatives	Improve electoral regulatory framework for elections Conduct feasibility studies for construction of offices for 7 agencies (on Cinema, Chancery of Heroes, National Library, Civic Service, Academy of Culture and Languages)	Fully implemented Academy & chancery (laws in place in establishing), document on values prepared for training on Civic service; cinema & national library lagging behind
						Enhanced citizen participation in Conflict Management	Ensure 150,000 people in 416 Imirenge pass through Itorero	71.878 passed through Itorero

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			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring
							2008	
							Ensure 200 released suspects of genocide participate in reintegrated Civic Education in each of the 30 Districts of the country	2.500 participate in Civic Education while the national target was 6000
	3.5 Improved public accountability	3.5.1 Proportion of citizens expressing trust and confidence in government.	70%	75%	N/A	Strengthen democratic organizational culture and framework to ensure transparency and accountability	Finalize Joint Governance Assessment Framework and elaborate implementation strategy	Implementation action plan is under preparation
		3.5.2 Percentage of corruption cases treated	100 cases entered in NPPA, 47% of them are treated	60% of cases entered are treated	75% of cases entered are treated	Increase efficiency in overall justice system	Set up an effective coordination between institutions in charge of fighting against corruption.	Fully implemented
		3.5.3 Percentage of Performing Budget Agencies	No baselines, coordination Unit only put in place late 2008	NA	20%	Increase the capacity of budget agencies to deliver on their annual work plan outputs	Implementation of a robust reporting system enabling accurate information to be conveyed to Government decision makers in a timely fashion. Develop the capacity of the Coordination Unit to use tools and techniques to assist budget agencies in driving delivery	Fully implemented

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			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring
3.6 Improved access to quality justice	3.6.1 Number of case backlog in commercial, civil and penal courts and in prosecution services ,	54 409 case backlog	48 409 case backlog(60 00 cases are solved by courts) 4 400 cases are submitted by prosecution services to courts	7 965 case backlog have been judged by courts 4.861 cases backlog were submitted by prosecution services to courts	2008	Increase efficiency in overall justice system	Submit Promulgation law to establish Commercial Courts to Parliament. Conduct assessment of fiscal and commercial laws (MINIJUST and MINICOM). Establish 4 Commercial Courts and Train 8 Commercial Court staff (Supreme Court)	Fully implemented
	3.6.2 Percentage of Prisoners relevant to actual Jail Capacity	140%	135%	130%	Continue expansion of Butare prison Acceleration of TIG activities Speeding up of judgement execution	Increase productive capacity of prisons and ease the pressure on prison infrastructure	Establish Law Reform Commission Begin construction of Institute of Law and Practice Development (ILPD). Improve Legal aid framework. Put in place Bureaus of justice in 4 districts	Fully implemented Fully implemented

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			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring
		3.6.3 Proportion of Human Rights reports timely submitted	50%	55%	50%	Human rights treaties are ratified and integrated into national legislation to ensure they are observed and implemented	<p>2008</p> <p>Propose the signature and ratification of international instruments not yet signed or ratified and incorporate them in national legislation</p>	Task force in place
							Elaboration of periodic reports on the implementation of international instruments signed and ratified related to Human RightsMonitoring of the implementation of reports and observations given by UN on Human Rights	Fully implemented

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			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring	
		3.6.4 Proportion of Resolved Human Rights cases	35%	40%	63%	Sensitize and educate the population on Human rights	2008 At least 300 members of religious groups are sensitized Human rights clubs in secondary schools are trained on human rights At least 2 teachers in all secondary schools are trained on human rights Received complaints are addressed and victims of violations of Human Rights are restored their rights Authors of Human Rights Violations' are brought to justice	Fully implemented	
	3.7 Reduced crime	3.7.1 Reduced crime rate	10%	15%	15%		Reform criminal laws and publish Criminal Law Guidelines document	Criminal Guideline document not produced	
	3.8 Enhanced public financial management	3.8.1 Index for multiyear perspective in fiscal planning, expenditure policy and budgeting	C+ (2007)	NA	NA	Public Management Follows International Best Practices	Prepare an MTEF implementation guidelines Conduct an assessment of improving Budget Classification	Fully implemented	

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			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring	
		3.8.2 Index of effectiveness of payroll controls	D+(2007)	NA	NA	Public Management Follows International Best Practices	2008 IPPIS System Requirements and Functional Specification carried-out. System Gap Analysis carried-out. HR-Module (Subsystem) accomplished	Fully implemented	
		3.8.3 Index on quality and timeliness of annual financial statements	C+ (2007)	NA	NA	Public Management Follows International Best Practices	Update and refine the short and long term capacity building needs assessment Complete development of PublicBooks software	Postponed to 2009 Ongoing and Near Completion: A quality assurance team is in place, target to be reassessed	
		3.8.4 Percentage of Internal audit reports submitted	20% of all budget agencies submit internal audit report	25% of all budget agencies submit internal audit report	30% of all budget agencies submitted internal audit reports	Public Management Follows International Best Practices	Provide training on systems audit	A firm to provide training is under procurement	

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			Baseline 2006	Targets 2008	Traffic light scoring and actual performance	EDPRS Described Policy Action	Key Policy Benchmarks/Outputs by Year	Traffic light scoring	
	3.8.5 Percentage of Government expenditure audited by OAG	50% both CG entities & districts	50% both CG entities & districts	60% both CG entities & districts	60% both CG entities & districts	Public Management Follows International Best Practices	2008		The Rwanda Expertise Scheme has been drafted but not yet approved by Cabinet
	3.8.6 Percentage of Public enterprise submitting fiscal reports	Limited submission by GBEs and no consolidated reports	43% of GBEs submit fiscal reports; all reports consolidated	All GBEs submitted reports;	All GBEs submitted reports;	Public Management Follows International Best Practices			Develop a strategy for government portfolio management (with clear guidelines on borrowing) Gather annual financial statements from all GBEs
	3.8.7 Proportion of the value of procurement tendered competitively or justified	73%	75%	86%	86%	Public Management Follows International Best Practices			Train procurement officers at all levels on new procurement law. Publish the independent review (appeal) panel report. Develop the institutional and legal framework to support capacity in procurement
	3.9 A safe and secure environment ensured for all	3.9.1 Percentage of citizens (disaggregated by gender and provinces) satisfied with the overall security in	85%	NA	NA	Develop and implement a holistic National Security Policy with key partners: MINADEP, NSS, MINAFFET			Sector wide needs assessment completed, Submit National Security Policy to Cabinet and disseminate at all administrative levels

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		Rwanda					2008		
		3.9.2 Movement of voluntary returnees as indicated by the reduced number of Rwandan refugees and/or Rwandese who have denounced their refugee status	47,021 (100%)	NA	NA		Formulate and adopt Joint Strategy for Repatriation of Refugees with regional and international partners (MINADEF to coordinate)		sector is being restructured
		3.9.3 Rwanda's most wanted criminals in foreign lands arrested and /or repatriated	NA	NA	NA		Formulate and adopt Joint Strategy on arrest and repatriation of the most wanted criminals with regional and international partners (coordinated by MINADEF)		sector is being restructured