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THE REPUBLIC OF RWANDA



MINISTRY OF LOCAL GOVERNMENT

B.P. 3445 Kigali

Website: www.minaloc.gov.rw

The Permanent Secretary and Secretary to the Treasury
Ministry of Finance and Economic Planning
KIGALI

Dear Sir,

Re: Submission of Backward Looking Joint Sector Review – FY 2015/16

The Ministry of Local Government is pleased to submit to you the attached Backward Looking Joint Sector Review Report for the financial year 2015/16 for Governance and Decentralization Sector Working Group.

The report comprises of progress in achieving sector objectives with a focus on progress against 2015/16 Sector indicators and EDPRS-2 Core indicator targets and their corresponding policy actions. Also, the report consists of budget execution for the period reported.

This report has gone through a series of validations starting with TWGs, Sector Working Group validation meeting held on 2nd November 2016 and the quality assurance from MINECOFIN Focal Person.

Sincerely,


Odette UWAMARIYA
Permanent Secretary



THE REPUBLIC OF RWANDA



THE MINISTRY OF LOCAL GOVERNMENT

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**GOVERNANCE AND DECENTRALIZATION BACKWARD
LOOKING JOINT SECTOR REVIEW REPORT 2015/2016**

18 November 2016

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Table of Contents

Table of Contents	ii
1. BACKGROUND	1
2. PROGRESS IN ACHIEVING INDICATORS.....	3
2.1. Achievement against EDPRS-2 core indicators (See details in annex 1.1)	3
2.1.1 Increased citizen satisfaction in participation in planning processes and solving their own problems.	3
2.1.2. Improved public service delivery	4
2.2 Progress against sector indicator matrix (Annex 1.2)	5
2.2.1. Outcome on “Enhanced volunteerism, bottom up accountability, citizen participation and democratization”	5
2.2.2. Outcome on “Increased efficiency and effectiveness in service delivery by local governments”	5
2.2.3. Outcome on “Capacity building interventions are harmonized, well-coordinated adequately and demand driven to address local needs”	5
2.2.4. Outcome on “Creating vibrant local economies that are attractive to investments and skills”	6
2.2.5. Outcome on “Coherent and harmonized decentralized structures, policy guidelines and laws to improve the effective implementation of decentralization”	7
2.2.6. Efficient and financially autonomous LGs are established for sustainable development	7
3. SUMMARY ON THE OVERALL PROGRESS AGAINST MID-TERM TARGETS:	9
4. SUMMARY ON THE CATCH-UP PLANS FOR AREAS LAGGING BEHIND.....	10
5. SUMMARY ON THE LESSONS LEARNED FROM THE EDPRS 2 IMPLEMENTATION	11
6. BUDGET EXECUTION PERFORMANCE (ANNEX.2.1).....	11
7. FIVE HIGHLIGHT PRIORITY AREAS FOR THE 2017/18 FISCAL YEAR	12
8. PROGRESS AGAINST IMPLEMENTATION OF RECOMMENDATIONS FROM THE LAST JSR MEETING.....	12
9. PROGRESS ON IMPLEMENTATION OF 2014/15 OAG RECOMMENDATIONS.....	12
10. UPDATES ON LATEST DEVELOPMENTS IN THE SECTOR INCLUDING ANALYTICAL WORKS.....	14

1. BACKGROUND

In abide to fast track the implementation of Vision 2020, EDPRS 2 was developed and Good Governance was given priority to build an effective State by establishing the culture of rule of law, accountability and transparency as well as citizen participation.

Accountable Governance thematic area is linked with the first pillar of Vision 2020, which aims at making Rwanda a capable and well governed state. This thematic area envisages mainly at fostering citizens' engagement in all aspects of governance around two priority areas, namely *Strengthening Citizen Participation, awareness and demand for accountability, and Service Delivery*.

The Governance and Decentralization Sector Strategic Plan for the period 2013-2018 was developed as a governing instrument to deepen and sustain grassroots-based democratic governance and promote equitable local development by enhancing citizen participation and strengthening local government system, while maintaining effective functional and mutual accountable linkages between Central and Local Government entities.

Under the fourth thematic area of EDPRS 2 "Accountable Governance", Strengthening Citizen Participation in decision making and improving service delivery are the key sector priority areas monitored by Governance and Decentralization Sector Working Group.

Thus, the sector was committed to achieve the following seventeen Policy Actions in 2015-2016 financial year, referring to the Forward Looking JSR for FY 2016/17, SSP and EDPRS 2 respectively:

1. *The 6th Governance month will be conducted by December 2015*
2. *LG elections organized and conducted in a free, fair and transparent way.*
3. *Imihigo concept for LGs administrative entities reviewed by July 2015*
4. *The service charters will be disseminated systematically to all Districts, Sectors and Cells in order to streamline administrative service delivery.*
5. *RBG will conduct monitoring on implementation of LGs standard service charters using the appropriate tools by June 2016.*
6. *Develop a monitoring framework on implementation of capacity building planned activities (TWG M&E).*

7. LGI will be accredited and operational by September 2015.
8. Induction course for the newly elected LGs leaders will be conducted by June 2016.
9. The PFM CB-Program for LG will be developed.
10. Development of public private partnership guidelines at district level by June 2016
11. Adoption of Ministerial Instructions for a coordination framework of community development, LED and integrated development programs by 2016
12. Develop a monitoring framework for the new indicator (TWG M&E).
13. Conduct human resources inspection in LGs by June 2016
14. Review of intergovernmental fiscal transfers formula by June 2016
15. Local tax payer sensitization and communication strategy disseminated by June 2016
16. Review of fiscal laws on collection of decentralized taxes and fees by June 2016
17. Conduct PFM inspection for LGs' non-budget agencies by March 2016

The main objectives for 2015/16 Backward Looking Joint Sector Review

- i. To assess progress in achieving sector objectives with focus on 2015/16 targets for: EDPRS 2 core indicators (annex 1.1), selected sector indicators (annex 1.2) and their corresponding policy actions. This will also include a discussion on catch up plans for areas lagging behind.
- ii. To present and discuss budget execution performance (annex.2.1) for 2015/16.
- iii. To highlight priority areas (maximum of five) for the 2017/18 fiscal year that will inform the planning and budgeting process for institutions in the sector.
- iv. To review progress against implementation of recommendations from the last JSR meetings.

2. PROGRESS IN ACHIEVING INDICATORS

2.1. Achievement against EDPRS-2 core indicators (See details in annex 1.1)

2.1.1 Increased citizen satisfaction in participation in planning processes and solving their own problems.

The citizens' satisfaction with decentralization and participation stands at 69,56 (RGS 2016 data) against the target of 80% and previous year performance that stood at 71,89%. EDPRS -2 mid term review highlights some of the major challenges related to the performance of this sub indicator: lack of sensitization to the citizens about their indirect participation for some activities e.g. involving district councillors to interact with citizens and lack of proper documentation on citizens' involvement in national planning and decision making process. In terms of catch up plans, the central government reaches out to district in support of citizen participation in Planning and budgeting. MINALOC has organised formal consultations to be held from the bottom (villages, cells, sectors up to the province level to ensure improved citizens participation in planning and budgeting.) This approach was launched on 2nd Nov 2016 and is pursued in the framework of strengthening sub-district Imihigo (bottom-up approach).

Policy Action 1: *The 6th Governance month to be conducted by December 2015.*

The 6th Governance month was conducted in November 2015.

The main objectives of the second phase of Governance Month 2015 were two-fold:

- Promote citizen engagement and good governance by strengthening citizens- leaders dialogue through the framework of Governance Clinics;
- Conduct accountability days in order to improve service delivery in local governments.

The report indicates progress in citizen engagement, their participation in decision making and in findings solutions to problems affecting them. Citizens' complaints received were 4.373 and cases resolved were 58%, while cases re-oriented were at 42%.

Policy Action 2: *The LG Elections in March 2016 to be organised and conducted in a free, fair and transparent manner.* The implementation of the said policy action was successfully accomplished. The



election turn-up was 89%, which were conducted from 08th February at Village level countrywide and ended on 2nd March 2016 with elections of the City of Kigali Councillors. The Local Government elections were the fourth since the adoption of the national decentralization policy in 2000.

Policy Action 3: *Imihigo concept for LGs administrative entities reviewed by July 2015.* The review of Imihigo concept was done, which led to new concept of joint imihigo where central government and local government have one or more Imihigo, where contribution of the central government ministries or department and district contributions are separate but complementary towards the achievement of jointly owned Umuhigo/Imihigo.

2.1.2. Improved public service delivery

Concerning the indicator “*Citizens satisfied with quality of service delivery at the local level*” it has been noted, that the indicator performance is at 72.93% against the target of 75%.

Catch up plans include to increase the numbers and accessibility of services provided through IREMBO, streamline civil registration services, ensure that all key positions related to service delivery are filled, enforce the use of standard service charters, inspection of service delivery, training of service providers and district councillors to educate the population on service delivery as well as on demand for accountability.

Policy Action 1: *The revised service charters will be disseminated systematically to all Districts, Sectors, and Cells in order to streamline administrative service delivery.*

Revised service charters were systemically disseminated to all District, Sector and Cells through the support of GIZ. Training of Trainers for the users of SD charters has been conducted at both District and Provincial/CoK levels.

Policy Action 2: *RGB, to conduct monitoring on implementation of LGs standard service delivery using appropriate tools by June 2016.*

MINALOC and RGB conducted monitoring for implementation of standard service charters from 02-07 May 2016. RGB also conducted assessments on service delivery at central level.

2.2 Progress against sector indicator matrix (Annex 1.2)

2.2.1. Outcome on “Enhanced volunteerism, bottom up accountability, citizen participation and democratization”

Concerning the indicator of *% of citizens satisfied with their participation in decision making at local level (KPI)* stands at 59% against the target 80%. *Details on policy actions related to citizen satisfaction with service delivery and decentralization s. Chapter 2.1.1 on EDPRS II Core Indicators.*

Concerning the indicator of *“% of the population that perceives the District Administration as transparent, accountable and citizen oriented”*. The aforementioned indicator was achieved at 51% against the target of 50% (Source: CRC 2016).

2.2.2. Outcome on “Increased efficiency and effectiveness in service delivery by local governments”

Concerning the indicator *“Citizens satisfied with quality of service delivery at the local level”* it has been noted, that:

The indicator stands at 72,93%, the target of 75%. Details on achievement and policy actions s. Chapter 2.1.2 on EDPRS II Core Indicators.

2.2.3. Outcome on “Capacity building interventions are harmonized, well-coordinated adequately and demand driven to address local needs”

Concerning the indicator on the *“Percentage of District Capacity Building planned activities that are implemented”*, it can be reported that 54% of the planned activities have been implemented jointly with Central and Local Governments organs against the target of 70%. The poor performance is partly linked to inadequate budget. That constraint has been resolved by BTC through Rwanda Decentralisation Support Program (RDSP). The mismatch between the high targets and the results should be further assessed during the on-going MTR of the 5-year Capacity Building Plans.

Policy Action 1: Develop a monitoring framework for the indicator on implemented CB activities (Metadata and targets).

A consultancy firm has been procured for the MTR of the on-going 5-year Capacity Building plans. They will also develop a monitoring framework for the implementation of LG capacity building activities. The M&E framework is expected to be produced by December 2016.

Policy Action 2: Local Government Institute (LGI) will be accredited and operational by September 2015. LGI is operational since 31st July 2016. LGI is registered as non-profit organisation responsible for training of LGs. Its Masters programme has been accredited by HEC and is affiliated to the University of Rwanda. The programme began on 31 July 2016 with 49 students.

Policy Action 3: Induction course for the newly elected LG leaders will be conducted by June 2016.

The induction course done in March 2016 at Gabiro in Gatsibo District. The turn up was a total of 834 (494 men and 340 women participants (trainees) who were registered to the induction (86%). They were less than the expected number of 937.

Policy Action 4: The PFM CB-Program for LG will be developed.

PFM peer learning is on-going and the Local PFM CB Programme has been validated during the meeting of District CBMs on 11th November 2015. It is being implemented by MINECOFIN.

2.2.4. Outcome on “Creating vibrant local economies that are attractive to investments and skills”

Concerning the indicator on the *“Number of new projects of Public-Private Partnership implemented at districts but counting at the national level”*.

Due to some shortcomings of the new PPP-law, in particular a definition of a PPP, it is not possible for LODA to report on the progress of this indicator.

Policy Action 1: Development of public private partnership guidelines at district level by June 2016.

The guidelines were not yet developed. It has proven to be difficult because after enactment of the PPP-law, RDB claims its responsibility of guidelines preparation. However, LODA has started negotiations with RDB.

Policy Action 2: Adoption of Ministerial Instructions for a coordination framework of community development, LED and integrated development programs by 2016. The final draft Ministerial instructions have been submitted to MINALOC for approval.

Policy Action 3: Develop a monitoring framework for the new indicator (TWG M&E). The SWG meeting on 21st June 2016 approved the revised monitoring framework. The new LED-indicator at the SWG level is “Number of Districts having a LED-Strategy”. The target is 30 by 2018.

2.2.5. Outcome on “Coherent and harmonized decentralized structures, policy guidelines and laws to improve the effective implementation of decentralization”

Concerning the indicator on *“Percentage of staff positions filled as per the revised organizational structures of LG”*. The indicator is “on watch” at 62.8% against the target of 80%. While filling staff positions depends on the availability of budget; MINALOC and MIFOTRA will conduct a scan through to identify key positions that must be filled.

Policy Action 1: Conduct Human Resources Inspection in LGs by June 2016. Human resource inspection was jointly done by MINALOC and MIFOTRA.

2.2.6. Efficient and financially autonomous LGs are established for sustainable development

Concerning the indicator on the *“% increase of the expenditures at District level over which Local Governments have discretionary powers (compared to the baseline of FY 2012/13)”*

According to MINECOFIN report, there is an increase of 50%. The increase is partly due to the increase in district own revenues resulting from RRA support to the district revenue collections.

As discussed at the SWG since 2015 MINECOFIN and MINALOC jointly revised the metadata and the baseline of this indicator. It has been agreed, that “discretionary power” are Own Source Revenues (OSR) from decentralized taxes and fees plus block grants to LG. The denominator is the total transferred budget to LG. The % increase is meant with regards to FY 12/13. The revised targets are +20% (FY 13/14), + 30% (FY 14/15), +50% (FY 15/16), +70% (FY 16/17) and +80% (FY 17/18).



Policy Action 1: Review of intergovernmental fiscal transfer formula by June 2016.

The Revised block grant will be introduced for 2018-2019 FY. LODA is still revising its formula with the emphasis on infrastructure development for the secondary cities.

Concerning the indicator on the “*Annual % increase of District own revenues*”. The increase of 9% compared to the previous FY is partly due to RRA support to districts in revenue collection and increased sensitization to the population in meeting tax obligations.

As discussed at the SWG since 2015 MINECOFIN and MINALOC jointly revised the metadata and the baseline of this indicator. It has been agreed, that “District own revenues” are decentralized taxes and fees. The denominator is the total transferred budget to LG. The target is +10% increase to the previous FY.

Policy Action 1: Review of fiscal laws on collection of decentralised taxes and fees by June 2016.

The new law on LG taxes is now in Rwanda Law Reform Commission (RLRC) for finalization and later it will be sent to cabinet for approval. It is expected that the law will be approved still in 2016.

Policy Action 2: Local tax payer sensitization and communication strategy disseminated by June 2016.

The local tax payer sensitization and communication strategy was disseminated in November 2015.

Concerning the indicator on the “*% of internal and external audit recommendations fully implemented*”.

The implementation of external audit recommendations fully implemented by LG stands at 74%. Concerning internal audit recommendations MINECOFIN changed its approach and does not conduct it with the same coverage as before. Therefore, a revision of the indicator will be discussed with MINECOFIN’s Chief Auditor and the OAG.

Policy Action 1: Conduct PFM inspection for LGs’ non-budget agencies by March 2016.

PFM peer learning is on-going and Local PFM CB has been validated during the meeting of District CBMs on 11th November 2015 and is being implemented by MINECOFIN.



3. SUMMARY ON THE OVERALL PROGRESS AGAINST MID-TERM TARGETS:

Sector	Sector Indicators 2015/16 EDPRS 2targets			Policy Actions 2015/16		
	Total indicators	Achieved	Not Achieved	Total Policy Actions	Achieved	Not Achieved
Governance & Decentralization	10	4	6	17	13	4
	100%	40%	60%	100,00%	76,5%	23,5%

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4. SUMMARY ON THE CATCH-UP PLANS FOR AREAS LAGGING BEHIND

Indicators	Policy Actions	Catch up plan
Citizens satisfied with decentralization and participation	The 6th Governance month to be conducted by December 2016	Central government outreach to district in support of citizen participation in Planning and budgeting. The Ministry of local government has organised formal consultations to be held from the bottom (villages, cells, sectors up to the province level to ensure improved citizens participation in planning and budgeting.) This approach was launched on 3 Nov 2016.
	The LG Elections on March 2016 to be organised and conducted in a free, fair and transparent manner.	To keep monitoring their performance towards promoting citizen's participation in planning and monitoring of gov't programs.
Citizens satisfied with quality of service delivery at the local level	The service charters will be disseminated systematically to all Districts, Sectors and Cells in order to streamline administrative service delivery.	To increase the numbers and accessibility of services provided through Irempo, streamline civil registration services, ensure that all key positions related to service delivery are filled and enforce the use of service charters. Inspection of service delivery, training service providers, district councillors to educate the population on service delivery and demand for accountability and continuous training of councillors.
Capacity building interventions are harmonized,	A Monitoring framework for the indicator on implemented CB activities has to be developed (Metadata and targets)	The mismatch between the high targets and results should be further assessed during the on-going MTR of the 5-year-Capacity Building Plans. There has been a constraint of funding which has been resolved by BTC funded program through RDSP.
Creating vibrant local economies that are attractive to investments and skills.	Development of public private partnership guidelines at district level by June 2016	LODA has started negotiations with RDB to develop PPP guidelines.
Coherent and harmonized decentralized structures, policy guidelines and laws improve the effective implementation of decentralization	Conduct human resources inspection in LGs by June 2016	Filling staff positions depends on the availability of budget. However, MINALOC and MIFOTRA will conduct a scan through to identify key positions that must be filled.
Review of fiscal laws on collection of decentralised taxes and fees by June 2016	The new law on LG taxes is now in Rwanda Law Reform Commission (RLRC) for finalization and later it will be sent to cabinet for approval.	The new law will be approved by cabinet before the end of this year.
Review of intergovernmental fiscal transfers formula by June 2016	The Revised block grant will be introduced for 2018-2019 FY. LODA is still revising its formula with the emphasis on infrastructure development for the secondary cities.	

5. SUMMARY ON THE LESSONS LEARNED FROM THE EDPRS 2 IMPLEMENTATION

1. Introduction of joint Imihigo has improved joint planning and budgeting and implementation between Central Government, District and the Private sector.
2. Local Government service delivery via on-line provision of IREMBO platform. Each Murenge has got one stop centre of service delivery (IREMBO Centre) where 36 services are accessed via on-line. The transaction cost in time has tremendously reduced, thus improving the quality of services at local government level.
3. The new approach of LG to have weekly outreach to meet citizens every Wednesday to discuss issues affecting them and, together with the citizens, local leaders find solutions to community complaints.
4. Strong commitment from the members of the SWG and the TWGs, from both government and development partners side.

6. BUDGET EXECUTION PERFORMANCE (ANNEX.2.1)

The total budget approved for the Ministry of local government and its affiliated agencies with governance and decentralization sector was 24.320.674.460 Rwf. The executed budget was 23.875.768.466 Rwf and budget execution rate was at 98%. Administrative and support services had a budget of 8.513.838.977 Rwf. The executed budget was 8.294.312.727 Rwf and budget execution rate was at 97%. Policy development and coordination had a budget of 606.200.000 Rwf. The executed budget was 599.409.312 Rwf and budget execution rate was at 99%. Local election preparation and management had a budget of 8.513.838.977 Rwf. The executed budget was 8.294.312.727 Rwf and budget execution rate was at 97%. Good governance and justice had a budget of 8.472.763.085 Rwf. The executed budget was 831,050,222 Rwf and budget execution rate was at 98%.



7. FIVE HIGHLIGHT PRIORITY AREAS FOR THE 2017/18 FISCAL YEAR

1. Citizen participation in Planning, M&E and decision making
2. Service delivery via leadership outreach and on-line service provision using irembo platform
3. Socio economic development with emphasis on LED
4. Increased engagement of stakeholders in joint Imihigo formulation, implementation, M&E & reporting
5. Capacity building of sub-district entities (Sector, Cell and Village)

8. PROGRESS AGAINST IMPLEMENTATION OF RECOMMENDATIONS FROM THE LAST JSR MEETING

1. Workshop on domestication of SDG was conducted and a list of SDGs to be monitored by G&D Sector was adopted by the SWG
2. Revised sector indicator matrix was validated and adopted by the SWG
3. G&D SWG Secretariat was established and will be fully staffed and operational by December 2016.
4. TWG on LED held study visits in the Western and Eastern Provinces to assess the status of LED projects.

9. PROGRESS ON IMPLEMENTATION OF 2014/15 OAG RECOMMENDATIONS.

No District so far has implemented OAG recommendations at 100%. As noted above in the table all districts together have an average of 74 % implementation of Auditor General's recommendations. The summary of district performance in implementing OAG's recommendations is provided below in categories starting with districts with performance over 80% to districts with performance under 60%.

Category one: 14/30 Districts which are (Ruhango, Nyamagabe, Huye, Nyaruguru, Kamonyi, Rwamagana, Nyagatare, Rutsiro, Karongi, Musanze, Gakenke, Gicumbi, Burera and Rulindo have over 80% ,

Category two: 11/30 districts which are Kicukiro, Nyarugenge, Muhanga, Ngoma, Kirehe, Kayonza, Gatsibo and Bugesera are in range of 60% - 79% and

Category three: 5 Districts are under 60%. (Nyanza, Gisagara, Gasabo, Rusizi, Nyabihu)

A major weakness identified from many districts in the implementation of OAG recommendations is the absence of OAG recommendations implementation strategy. The report suggests that districts should develop an implementation plan to guide implementation of all recommendations of OAG and Internal Auditors.

The table below shows the implementation of OAG recommendations in LGs.

	District	% of OAG recommendations implemented
1	GASABO	58%
2	KICUKIRO	75%
3	NYARUGENGE	63%
4	BURERA	82%
5	GANKEKE	87%
6	GICUMBI	85%
7	MUSANZE	85%
8	RULINDO	84%
9	BUGESERA	60%
10	GATSIBO	66%,
11	KAYONZA	69%
12	KIREHE	72%
13	NGOMA	66,7%
14	NYAGATARE	95%
15	RWAMAGANA	86,8%
16	KARONGI	82%
17	NGORORERO	70%
18	NYABIHU	53%
19	NYAMASHEKE	62.5%
20	RUBAVU	67%
21	RUSIZI	59%
22	RUTSIRO	82,89%
23	HUYE	86%
24	KAMONYI	90%
25	MUHANGA	60%
26	NYAMAGABE	80%
27	NYANZA	58%
28	NYARUGURU	75%
29	RUHANGO	85%
30	GISAGARA	57.6%
	Average	74%

Source: MINALOC PFM Inspection Report, 2016.

10. UPDATES ON LATEST DEVELOPMENTS IN THE SECTOR INCLUDING ANALYTICAL WORKS

The Ministry of Local government was restructured from three General Directorates to four, including the new General Directorate for LG Inspection. Also, there were Cabinet changes where two Director Generals were replaced (DG of Planning, M&E and DG for Social Affairs and Social Protection). The new position of a Minister of State in charge of Socio-Economic Development has been created.

Concerning the status of analytical works conducted the following table provides an overview.

EDPRS2/Sector outcome	Status of analytical works	Progress achieved
Enhanced volunteerism, bottom up accountability, citizen participation and democratisation	Rwanda Governance Scorecard (RGS) by June 2016	The RGS 2016 has been conducted by RGB and is planned to be published end November 2016.
	Conduct and disseminate Citizen Report Card (CRC) 2015 by June 2016	CRC 2016 was conducted and will be published end of November 2016.
	Conduct Rwanda Media Barometer 2015	Publication of the report and its dissemination was done in November 2016.
	Assess the performance of NGOs, RBOs and professional associations against their action plans.	For FY 2015-2016, 198 NGOs and professional associations, and 137 religious organizations has been assessed. This makes a total of 335 NGOs & RBOs.
	Impact assessment on the three Home Grown Initiatives (LG Imihigo, Governance Month and Army week)	An assessment was conducted on three home grown initiatives, which included National Leadership Retreat, National Dialogue Council and Community Health Workers/Abajyanama b'Ubuzima. Reports are available for the National Dialogue and the Community Health Workers. Both will be published end of November 2016. The draft report on National Leadership Retreat is available and will be published in December 2016.
	Undertake Public Expenditure and Financial Accountability (PEFA) at local administrative entities' level (July 2015).	The PEFA assessment for national government institutions and 8 selected districts took place. Draft reports have been submitted to the PEFA Secretariat for review and approval.
Creating vibrant local economies that are attractive to investments and skills	Mid-Term-Review of the community development and LED strategy.	The mid-term review of the National Community Development and LED Strategy was conducted; gaps and challenges were identified and discussed in the TWG LED. Since the current strategy expires by 2018, a new, updated strategy covering another five years has been recommended. MINALOC agreed that LODA proceeds with the review of the strategy in the framework of+ the TWG LED.
	Impact assessment of LED projects to inform LED policy dialogue	Final draft assessment report on the impact for LED projects is available waiting the approval from relevant authorities.


Mandy HUPFER

Deputy Head of Cooperation, German Embassy

Co-Chair of the Governance and Decentralisation Sector Working Group


Odette UWAMARIYA



Permanent Secretary MINALOC

Chair of Governance and Decentralisation Sector Working Group

Annex 1.1 EDPRS 2 Core Indicators Matrix

EDPRS/SECTOR OUTCOME	INDICATORS	UNIT	BASELINE (2014/15) VALUE	Targets - 2015/16	Actual performance 2015-2016	Scoring of achievement	Policy Actions	Brief Narrative Progress against Policy Actions	Responsibility for Reporting	Catch up plan for areas lagging behind
ACCOUNTABLE GOVERNANCE										
Increased citizen satisfaction in participation in planning processes and solving their own problems	Citizens satisfied with decentralization and participation	%	64.00	80	69.56		The 6th Governance month to be conducted by December 2016	The 6th Governance month was jointly conducted and the report is available on RGB website.	RGB	The reason for the low score of the indicator is the decrease in citizen participation in budgeting from 28.9% to 7.4% and decrease in citizen participation in planning from 72.2% to 27.3% (Source RGS 2016). Catch up plans: Central government outreach to district in support of citizen participation in Planning and budgeting. MINALOC has organized formal consultations to be held from the bottom (villages, cells sectors up to the province level) to ensure improved citizens participation in planning and budgeting. This approach was launched on 2nd Nov 2016 and is pursued in the framework of strengthening sub-district (Inihigo (bottom-up approach)).
Improved public service delivery	Citizens satisfied with quality of service delivery at the local level	%	72	75	72.83		The LG Elections on March 2016 to be organized and conducted in a free, fair and transparent manner The new generation of Inihigo was launched on 13 August 2015	Local Government elections was well conducted and turn up was at 89%. Elected councilors were 55.82% male and 44.18% female. The new generation of Inihigo was launched on 13 August 2015	NEC MINALOC	To increase the numbers and accessibility of services provided through inihigo, streamline civil registration services, ensure that all key positions related to service delivery are filled, enforce the use of standard service charters, inspection of service delivery, training of service providers and district councilors to educate the population on service delivery as well as on demand for accountability.
							RGB will conduct monitoring on implementation of LGs standard service charters using the appropriate tools by June 2016	MINALOC and RGB conduct monitoring for implementation of standard service charters from 02-07 May 2016. RGB also conducted assessments on service delivery at central level.	RGB	



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Annex. 1.2 Sector Indicators Matrix (For the selected 10 sector indicators)

No.	EDPRS/SECTOR OUTCOME	INDICATOR	UNIT	BASELINE (2014/15)	2015/2016 Targets	Actual Performance	Indicator score	Policy Actions	Brief Narrative Progress against Policy Actions	Catch up plan for areas lagging behind
1	Enhanced volunteerism, bottom up accountability, citizens participation and democratization	% of citizens satisfied with their participation in decision making at local level (KPI)	%	71.89	80.00%	59.00%		The 6th Governance month to be conducted by December 2015	The 6th Governance month was conducted and the report is available on RGB website.	The reason for the low score of the indicator is the decrease in citizen participation in budgeting from 28.9% to 7.4% and decrease in citizen participation in planning from 72.2% to 27.3% (Source RGS 2016). Catch up plans: Central government outreach to district in support of citizen participation in Planning and budgeting. MINALOC has organised formal consultations to be held from the bottom (villages, cells, sectors up to the province level to ensure improved citizens participation in planning and budgeting.) This approach was launched on 2 Nov 2016 and is pursued in the framework of strengthening sub-district Imhingo (bottom-up approach).
		Percentage of the population that perceives the district administration as transparent, accountable and citizen oriented	%	48.00%	50%	51%		Imhingo concept for LGs administrative entities reviewed by July 2015	The new generation of Imhingo was launched on 13 August 2015.	To keep monitoring LGs performance towards promoting citizens participation in planning and monitoring of govt programs.
2	Increased efficiency and effectiveness in service delivery by local governments	Citizens satisfied with quality of service delivery at the local level	%	72%	75%	72.93%		The service charters will be disseminated systematically to all Districts, Sectors and Cells in order to streamline administrative service delivery.	Revised service charters were systematically disseminated to all District, Sector and Cells through the support of GIZ. Training of Trainers for the users of SD charters has been conducted at both District and Provincial/Cok levels.	To increase the numbers and accessibility of services provided through rembo, streamline civil registration services, ensure that all key positions related to service delivery are filled, enforce the use of standard service charters, inspection of service delivery, training of service providers and district councillors to educate the population on service delivery as well as on demand for accountability.

3	Capacity building interventions are harmonized, well-coordinated adequately and demand driven to address local needs.	% of District CB planned activities that are implemented.	52%	70%	54%	RBG will conduct monitoring on implementation of LGs standard service charters using the appropriate tools by June 2016.	MINALOC and RGB conduct monitoring for implementation of standard service charters from 02-07 May 2016. RGB also conducted assessments on service delivery at central level.	The mismatch between the high targets and results should be further assessed during the on-going MTR of the 5-year-Capacity Building Plans. There has been a constraint of funding which has been resolved by BTC funded program through RDSP.
4	Creating vibrant local economies that are attractive to investments and skills	Number of new projects of Public-Private Partnership implemented at the national level	No.	0	5	n.a.	Development of public-private partnership guidelines at district level by June 2016 Adoption of Ministerial Instructions for a coordination framework of community development, LED and integrated development programs by 2016.	The guidelines were not developed. It has proven difficult because after enactment of the PPP-law, the responsibility of guidelines preparation is the responsibility of RDB. Submitted to MINALOC for approval.
							The PFM CB-Program for LG will be developed.	PFM peer learning is on going and Local PFM CB has been validated during the meeting of District CBMs on 11th November 2015 and is being implemented by MINECOFIN.
							LGI will be accredited and operational by September 2015.	LGI is operational since May 2016. LGI is registered as non-profit organisation responsible for training of LGs. Its Masters programme has been by HEC and is affiliated to the University of Rwanda. The program began on 31/7/2016 with 49 students.
							Induction course for the newly elected LGs leaders will be conducted by June 2016.	Was done in March 2016 at Gasho in Gasho District. The turn up was a total of 834 (494 men and 340 women participants (trainees) who were registered to the induction (86%). They were less than the expected number of 937.
							Develop a monitoring framework for the new indicator (TWG M&E).	The SWG meeting on 21 June 2016 approved the revised monitoring framework.

5	Coherent and harmonized decentralized structures, policy guidelines and laws improve the effective implementation of decentralization	Percentage of staff positions filled as per the revised organizational structures of LG	%	63%	80%	63%	63%	Conduct human resources inspection in LGs by June 2016	Human resource inspection was jointly done by MINALOC and MIFOTRA	Filing staff positions depends on the availability of budget. However, MINALOC and MIFOTRA will conduct a scan through to identify key positions that must be filed.
6	Efficient and financially autonomous LGs are established for sustainable development	Percentage increases of the expenditures at District level over which LG have discretionary power (compared to the baseline of FY 12/13)	%	34%	50%	50%	50%	Review of intergovernmental fiscal transfers formula by June 2016	The Revised block grant will be introduced for 2018-2019 FY. LODA is still revising its formula with the emphasis on infrastructure development for the secondary cities.	
		Annual Percentage increase of districts' own revenues	%	21%	10%	9%		Review of fiscal laws on collection of decentralised taxes and fees by June 2016	The new law on LG taxes is now in Rwanda Law Reform Commission (RLRC) for finalization and later it will be sent to cabinet for approval.	The new law will be approved by cabinet before the end of this year.
		Percentage of internal and external audit recommendations fully implemented by LGs (for FY 15/16 only OAG recommendations)	%	50%	75%	74%		Local tax payer and communication strategy disseminated by June 2016.	The local tax payer sensitization and communication strategy was disseminated in November 2015.	
								Conduct PFM inspection for LGs' non-budget agencies by March 2016	PFM peer learning is on going and Local PFM CB has been validated during the meeting of District CBMs on 11th November 2015 and is being implemented by MINECOFIN	



Annex.2.1 Execution Performance against Domestically Financed Budget
Table.1 2015/16 Budget Execution by Programme and Sub Programme

	Allocation (Rwf)	Execution (Rwf)	% Execution
CENTRAL GOVERNMENT	15,847,911,375	15,565,266,246	98%
09 ADMINISTRATIVE AND SUPPORT SERVICES	8,513,838,977	8,294,312,727	97%
0901 ADMINISTRATIVE AND SUPPORT SERVICES: MINALOC	1,097,467,892	1,032,894,274	94%
0902 ADMINISTRATIVE AND SUPPORT SERVICES: RGB	857,053,990	869,248,310	101%
0903 ADMINISTRATIVE AND SUPPORT SERVICES: NIDA	1,097,871,095	1,059,099,764	96%
0904 ADMINISTRATIVE AND SUPPORT SERVICES: NEC	1,206,319,911	1,135,753,599	94%
0905 ADMINISTRATIVE AND SUPPORT SERVICES: MHC	277,256,933	272,194,290	98%
0906 ADMINISTRATIVE AND SUPPORT SERVICES: RBA	1,258,697,286	1,258,697,286	100%
0907 ADMINISTRATIVE AND SUPPORT SERVICES: NIC	622,922,003	601,901,127	97%
0910 ADMINISTRATIVE AND SUPPORT SERVICES: LODA	688,812,600	673,428,013	98%
0912 ADMINISTRATIVE AND SUPPORT SERVICES: PROVINCES	1,407,437,267	1,391,096,064	99%
10 POLICY DEVELOPMENT AND COORDINATION	606,200,000	599,409,312	99%
1001 GOOD GOVERNANCE AND DECENTRALISATION	552,800,000	550,759,372	100%
1005 LOCAL GOVERNMENT PLANNING AN IMHIGO	53,400,000	48,649,940	91%
11 ELECTION PREPARATION AND MANAGEMENT	3,947,955,000	3,917,727,216	99%
1101 ELECTION PREPARATION AND MANAGEMENT	3,443,000,000	3,419,431,825	99%
1102 CIVIC EDUCATION ON ELECTIONS	504,955,000	498,295,391	99%
13 DECENTRALISATION AND GOOD GOVERNANCE	431,571,380	415,189,851	96%
1302 POLICY ADVOCACY GOOD GOVERNANCE RESEARCH AND MONITORING	110,076,257	103,700,626	94%
1303 LOCAL NGO AND RBO REGISTRATION AND MONITORING	109,356,614	105,172,828	96%
1304 MEDIA SECTOR REFORM	135,226,466	131,337,688	97%
1316 GOOD GOVERNANCE PROMOTION AND DECENTRALIZATION	76,912,043	74,978,709	97%
14 LOCAL DEVELOPMENT SUPPORT	17,100,532	17,100,532	100%
1402 LOCAL DEVELOPMENT INITIATIVES	17,100,532	17,100,532	100%
16 LOCAL GOVERNMENT AND PARTNERS COORDINATION, MONITORING AND EVALUATION	239,365,433	229,393,773	96%
1601 LOCAL GOVERNMENT PLANNING SYSTEMS COORDINATION AND MONITORING	62,656,871	61,150,057	98%
1602 ECONOMIC DEVELOPMENT COORDINATION AND MONITORING	51,041,036	50,027,960	98%
1603 SOCIAL DEVELOPMENT COORDINATION AND MONITORING	61,075,680	55,134,282	90%
1604 GOOD GOVERNANCE AND JUSTICE PROMOTION	64,591,846	63,081,474	98%
17 NATIONAL IDENTIFICATION	1,079,626,842	1,079,499,165	100%
1701 CIVIL REGISTRATION	1,500,000	1,500,000	100%
1702 IDENTITY CARD PRODUCTION AND DISTRIBUTION	480,757,685	480,630,008	100%
1703 NATIONAL ID SYSTEM INFRASTRUCTURE AND SECURITY	597,369,157	597,369,157	100%
19 BROADCASTING SERVICES	627,560,356	627,560,356	100%
1902 TELEVISION PROGRAMMES	627,560,356	627,560,356	100%
20 MEDIA DEVELOPMENT CAPACITY BUILDING	25,827,915	25,827,913	100%
2001 MEDIA CAPACITY BUILDING COORDINATION	25,827,915	25,827,913	100%

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21 PROMOTION OF NATIONAL CULTURAL VALUES AND ETHICS				
2101 CULTURAL VALUES PROMOTION	358.864.940	359.245.401	100%	
2102 NATIONAL SERVICE	328.214.940	327.644.940	100%	
	30.650.000	31.600.461	103%	
LOCAL GOVERNMENT	8.472.763.085	8.310.502.220	98%	
46 GOOD GOVERNANCE AND JUSTICE	8.472.763.085	8.310.502.220	98%	
4601 GOOD GOVERNANCE AND DECENTRALISATION	8.472.763.085	8.310.502.220	98%	
TOTAL	24.320.674.460	23.875.768.466	98%	

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Annex 2.2 Execution performance of other off-budgetary Projects externally financed"

NB. This is meant to capture execution on Externally financed projects that were not on budget in the 2015/16 Finance law

MAIN AGENCY	PROJECT NAME	DONOR	FIN. TYPE	PROJECT TOTAL COST	2015/16 BUDGET	START DATE	END DATE	ACTUAL BUDGET BY END JUNE 2016	CUMULATIVE DISBURSMENT END JUNE 2016	ANNUAL EXECUTION RATE IN FY 2015/2016	CUMULATIVE PROJECT SPENDING RATE	TIME EXECUTION RATE	ASSESSMENT ON PROJECT PERFORMANCE (*)
MINALOC	No off-budget projects externally financed.												