

REPUBLIC OF RWANDA



MINISTRY OF INFRASTRUCTURE

MINISTERIAL INSTRUCTIONS No. 02/M.O.S/Trans/16 DETERMINING MONTHLY LUMP SUM AND OTHER FRINGE BENEFITS FOR GOVERNMENT OFFICIALS AND PEOPLE'S REPRESENTATIVES UNDER THE FLEET POLICY OF THE GOVERNMENT OF RWANDA.

After consideration and approval of the Fleet Policy by Cabinet in its session of 13/09/2016; the Minister of State in Charge of Transport is hereby issuing instructions for the implementation of the Fleet policy:

1- Objective

The instructions specify monthly lump sum and other fringe benefits under the Fleet Policy.

2- Scope

- ✓ The instructions apply to all government ministries/agencies, commissions, projects and local governments;
- ✓ These instructions shall apply to all entitled beneficiaries (both new entrants and existing contracts) with due consideration to the applicable case;
- ✓ On-going contracts will continue until their terms are completed after which the beneficiaries will join the new Fleet Policy program;

3-Variant of the lump sums under the 2014 Government of Rwanda fleet policy

Under the 2014 Government of Rwanda fleet policy, there are provisions for two variants of the vehicle loan scheme as follows:

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Vehicle Loan Scheme

Vehicle Loan Scheme will be applicable to Ministers, Ministers of State, Permanent Secretaries, Senators, Members of Parliament, Mayors, Director Generals, Vice Mayors, Executive Secretaries of District and their equivalents, selection being on the basis of operational needs. Under the scheme the beneficiary shall be entitled to receive:

- A full tax exemption on the retail cost of a vehicle;
- A portion of monthly lump sum that will cover 100% of the expected running costs; and
- A 100% contribution towards the repayment of monthly loan instalments including interest for 100% purchase cost of the vehicle without tax for a period of 5 years, to be received as a part of monthly lump sum.
- A Km Indemnity for using the vehicle for long distance travel (outside the 30 km of the radius of the main workplace, that is, outside Headquarters City) instead of hiring another vehicle.

In order to be eligible for Km Indemnity payment, the concerned beneficiary shall obtain necessary authorisation for business miles outside 30 km radius from the competent authority.

Special Group

The Special Group has three categories of officials as follows:

Category I

The Category I under Special Group will consist of Executive Secretaries of Local Government at Sector level, the selection being on the basis of operational needs;

A beneficiary under this category shall be entitled to receive:

- A full tax exemption on the retail cost of a vehicle;
- A fixed monthly lump sum as indicated in the Ministerial Instruction.

Category II

The Category II under Special Group will consist of a selected group of Government officials, such as, Agronomist and Veterinary officer of the Sector, ,

Agronomist, Veterinary officer and Education Officer at District level, Labour Inspector at District Level, the selection being on the basis of operational needs.

A beneficiary under this category shall be entitled to receive:

- A full tax exemption on the retail cost of a motorcycle;
- A monthly transport allowance as a part of monthly salary as determined by the Ministry of Public Service and Labour (MIFOTRA)

All other employees of the Government of Rwanda who will remain outside the scope of monthly lump sum payment shall be entitled to receive a monthly transport allowance as a part of monthly salary as determined by the Ministry of Public Service and Labour (MIFOTRA).

Category III

The Category III under Special Group will consist of Specialist Doctors of public hospitals, Senior Lecturers and Professors of public higher learning institutions, Rwandan Diplomats returning from foreign postings, the selection being on the basis of operational needs.

A beneficiary under this category shall be entitled to receive on full tax exemption for the retail cost of a vehicle in accordance with the maximum ceiling as specified in this Ministerial Order. A beneficiary under this category shall not be entitled to get any monthly lump sum or Km Indemnity.

4- Duration of the scheme for existing contracts under the August 2008 Government of Rwanda Fleet policy and term period for lump sum computation under the current Fleet Policy

The duration of the scheme for the beneficiary to take ownership of the vehicle is four (4) years and five (5) years for renewal of the scheme for existing contracts under the 2008 fleet policy of the Government of Rwanda. The term period for both for loan repayment and lump sum computations as well as renewal of the scheme is five (5) years for the 2013 and 2014 fleet policies of the Government of Rwanda. The transitional period between the end of the period of the scheme (5 years) and the re-entry of the beneficiary into the scheme can go up to a maximum of three (3) years after which time the beneficiary has to re-enter the scheme or lose all benefits of the fleet policy of the Government of Rwanda. The beneficiary can re-enter the scheme any time during the transitional period. In addition, during this transitional period, the beneficiary will be entitled to receive a portion of monthly lump sum that will cover 100% of the expected vehicle running costs as indicated in this ministerial instructions.



5- Maximum Ceilings

Under the current 2014 Fleet Policy of the Government of Rwanda, the ceilings are fixed as follows:

Vehicle Loan Scheme:

The ceilings for the purchase cost of a tax-free vehicle effective from 1st July 2014 based on the rank of the Vehicle Loan Scheme beneficiaries are as follows:

#	Beneficiary	Maximum Ceiling
1	Minister and Minister of State (and equivalent)	RWF 25 Million
2	Permanent Secretary (and equivalent); Senator, Deputy (Member of Parliament) and Mayor of District	RWF 18 Million
3	Director General (and equivalent)	RWF 10 Million
4	Vice Mayor and Executive Secretary of District	RWF 10 Million

Special Group Categories I, II and III

The maximum ceilings for the purchase cost of a tax-free vehicle/motorcycle for different categories under Special Group are follows:

#	Beneficiary	Maximum Ceiling
1	Returning Ambassador	RWF 18 million
2	Returning Minister Counsellor of embassy	RWF 10 Million
3	Returning Commercial attaché	RWF 10 Million
4	Returning 1 st Counsellor of Embassy	RWF 10 Million
5	Returning 2 nd Counsellor of Embassy	RWF 10 Million
6	Specialist Doctor of Public Hospital, Senior Lecturer and Professor of Public Higher Learning Institution	RWF 10 Million
7	Executive Secretary of the Sector (for a vehicle)	RWF 8 Million
8	Returning 1 st Secretary of Embassy	RWF 8 Million
9	Returning 2 nd Secretary of Embassy	RWF 8 Million
10	Returning 3 rd Secretary of Embassy	RWF 8 Million
11	Agronomist and Veterinary officers of the Sector; Agronomist, Veterinary officers, Inspector of Education at District level and Labour Inspector at District Level (for a motorcycle)	RWF 3 Million



6- Monthly Lump sum

Existing Contracts under the 2008 Fleet Policy:

For an existing contract under the 2008 Fleet policy, which is less than 4 year old, a beneficiary under this Joint Equity Vehicle Loan scheme shall be entitled to receive an updated monthly lump sum, which is equivalent to 75 % of vehicle running cost and 80% monthly loan repayment including interest on the basis of ranks. On the other hand if the contract is more than 4 years old, the beneficiary will be entitled to receive 100% of the vehicle running costs only without any monthly loan repayment contributions as follows:

Joint Equity Vehicle Loan Scheme (2008n Fleet Policy)

#	Beneficiary	Monthly lump sum	
		For first 4 years	For the 5 th and the transitional period
1	Minister and Minister of State (and equivalent)	RWF 1,007,863/month	RWF 785,681/month
2	Permanent Secretary (and equivalent), Senator, Deputy (Member of Parliament) and Mayor of District	RWF 672,198/month	RWF 497,596/month
3	Director General (and equivalent)	RWF 501,374/month	RWF 381,457/month
4	Vice Mayor and Executive Secretary of District	RWF 598,462/month	RWF 510,909/month

Subsidiary Scheme (I and II) (2008 fleet Policy)

#	Beneficiary	For the 5 th and the transitional period Monthly lump sum
1	Category 1:	RWF 224,251/month
2	Category 2:	RWF 74,750/month

Special Group (2008 Fleet Policy)

#	Beneficiary	Monthly lump sum	
		For first 4 years	For the 5 th year and the transitional period
1	Senator	RWF 672,198/month	RWF 497,596/month
2	Deputy (Member of Parliament)	RWF 672,198/month	RWF 497,596/month

Monthly lump sums under the 2013 and 2014 Fleet Policies of Government of Rwanda

The monthly lump sum payments for a beneficiary for the different schemes are:

Vehicle Loan Scheme

Beneficiaries under the vehicle loan scheme that entered into contract with Government of Rwanda under the 2013 Fleet policy of Government of Rwanda and beneficiaries under the vehicle loan Scheme under the 2014 Fleet Policy of Government of Rwanda, shall be entitled, during the duration of the scheme loan scheme (five (5) years) to receive a monthly lump sum, which is equivalent to 100% of vehicle running cost and 100% monthly loan repayment including interest on the basis of ranks . They are also entitled to receive 100% of vehicle running cost only during the transitional period that can go up to three (3) years. Monthly lump sums are fixed as follows:

#	Beneficiary	Monthly Lump sum for first 5 years	Monthly Lump sum for the transitional period
1	Minister and Minister of State (and equivalent)	RWF 1,298,421/ month	RWF 649,908/ month
2	Permanent Secretary (and equivalent), Senator, Deputy (Member of Parliament) and Mayor of District	RWF 839,037/month	RWF 372,107/month
3	Director General (and equivalent)	RWF 537,648/ month	RWF 278,242/ month
4	Vice Mayor and Executive Secretary of District	RWF 703,401/month	RWF 443,995/month

Special Group

Category I

A beneficiary under this category shall be entitled to receive a monthly fixed lump sum as follows:

Category I

#	Beneficiary	Monthly Lump sum for first 5 years	Monthly Lump sum for the transitional period
1	Executive Secretary of the Sector	RWF 300,000 /month	RWF 99,861/month

Category II

A beneficiary under this category shall be entitled to receive a monthly transport allowance as a part of monthly salary as determined by the Ministry of Public Service and Labour (MIFOTRA)

8- Km Indemnity

Existing Contract

For existing contract subjected to the August 2008 Fleet Policy of the Government of Rwanda, for travel outside a 30 km radius (i.e. outside Headquarters City) only beneficiaries in the Joint Equity Vehicle Loan scheme and Senator/Deputies will be entitled to receive a Km Indemnity based on a 60 km/day to cover the additional fuel, maintenance and depreciation costs and thus to encourage the use of the joint equity scheme vehicle for business miles rather than hiring another vehicle. A beneficiary under the Vehicle Loan Scheme shall be entitled to receive Km Indemnity in accordance with the time of his/her contract as follows:

#	Beneficiary	Km Indemnity
1	Minister and Minister of State (and equivalent)	RWF 377 per km
2	Permanent Secretary (and equivalent), Senator, Deputy (Member of Parliament) and Mayor of District	RWF 300 per km
3	Director General (and equivalent)	RWF 254 per km
4	Vice Mayor and Executive Secretary of District	RWF 298 per km

Contracts under the 2013 and 2014 Fleet policies of Government of Rwanda

For contracts subjected to 2013 and 2014 Fleet Policies of Government of Rwanda, and for travel outside a 30 km radius (i.e. outside Headquarters City) only beneficiaries under the Vehicle Loan Scheme will be entitled to receive a Km Indemnity based on a 70 km/day to cover the additional fuel, maintenance and depreciation costs. The Km Indemnity is as follows:

Vehicle Loan Scheme

#	Beneficiary	Km Indemnity
1	Minister and Minister of State (and equivalent)	RWF 277 per km
2	Permanent Secretary ((and equivalent but excluding Mayor of District)), Senator, and Deputy (Member of Parliament)	RWF 211 per km
3	Director General (and equivalent)	RWF 175 per km
4	Mayor, Vice-Mayor and Executive Secretary of District	RWF 228 per km

9- Contract Obligation

Existing contracts will be enforced until the end of respective terms.

10- Special provisions for used cars

A beneficiary can purchase a new or used vehicle. In the case of a used vehicle, the used vehicle should comply with the following criteria by the time of acquisition by the beneficiary:

- a) Imported vehicles must be less than 5 years old;
- b) The mileage should not exceed 40000 km;
- c) Should comply with national motor vehicle inspection requirements;
- d) Should be eco-friendly (not exceeding the limit of CO2 emissions as provided by the Prime Minister's ministerial order no 005/03 of 27/12/2013 preventing air pollution caused by vehicular emissions and machines using petroleum produces in Rwanda).

Requirements a) and b) do not apply to Rwandan diplomats returning from foreign postings.

11- Authorities responsible for implementation of this order

All concerned government ministries/agencies commissions, projects and local governments are responsible for implementing these instructions.

12- Repealing of inconsistent provisions

All prior provisions contrary to these instructions are hereby repealed.

13- Commencement

These instructions shall come into force from the date of their signature.

Kigali, on 14 September 2016


Dr. ALEXIS NZAHABWANIMANA
Minister of State in Charge of Transport

