



Aid Effectiveness Agenda

Aid effectiveness is at the center of today's development discourse. Over one hundred donors and developing countries, including Rwanda, signed the **Paris Declaration on Aid Effectiveness**. In doing so, they agreed to measure their success at making aid more efficient with a set of indicators and targets. Donors and recipient countries now have a practical blueprint to advance development, enhance aid effectiveness, and monitor progress. Inherent to the Paris Declaration is the principle of country ownership. The **Government of Rwanda** and its **Development Partners** are devoted to implementing global commitments through their **ACHA** framework and within Rwanda's national policies and strategies. A strong national resolve, supported by an influx of international assistance, allowed the country to move from an emergency phase to effective sustainable development. While Rwanda has emerged from difficult sets of development circumstances, its achievements in establishing an ACHA framework are being recognized as international best-practice.

Rwanda Aid Policy

In the context of the global commitments to increase the effectiveness of aid, the **Rwanda Aid Policy** ensures that the impact of external assistance is maximized in order to better the lives of Rwandan citizens. Ultimately, the Policy allows the Government to regulate and monitor aid flows while clearly stating its expectations and commitments. Moreover, it articulates the Government's preferences regarding the types of external assistance it solicits and the processes to be adopted in the negotiation and management of external aid – this includes a much clearer division of tasks between government institutions and departments. The Policy provides a basis for attracting increased volumes of assistance needed in the medium term for Rwanda to meet its development objectives. The Rwanda Aid Policy is the outcome of an extensive process of consultations involving all stakeholders in Rwanda's development. To ensure its viability, two studies were commissioned, in the form of a **Baseline Survey on Donor Harmonization and Alignment** and an **Aid Policy Consultation Paper**.

Development Assistance Database

The Government of Rwanda has procured the **Development Assistance Database (DAD)** to complement existing Public Financial Management systems and provide comprehensive and essential data on ODA flows. DAD is an aid management and coordination system that strengthens the effectiveness and transparency of international assistance to a country. It is a powerful, Web-based information collection, tracking, analysis, and planning tool for use by the Government and its Partners. It tracks donor contributions inside and outside the National Budget, enables identification of funding gaps with the National Development Budget, and assesses the rate of translation of donor pledges into budget support, pooled funding mechanisms, and projects. This data assists line ministries in resourcing and managing their programs. DAD-Rwanda enables all stakeholders to identify national priorities, to facilitate the effective management of international assistance, to provide a consolidated overview, and to expand public information and awareness on development.

Coordination System

The **External Finance Unit**, within the Ministry of Finance and Economic Planning, is mandated with the coordination and management of external aid. It does so with the support of the **Aid Coordination Unit**, which is financed by a basket fund of 6 donors under the United Nations Resident Coordinator's Office. Both units are fully integrated within Government offices. The Government and its Partners maintain regular and transparent dialogue through the **Development Partners Coordination Group**, the highest level coordination structure in Rwanda. The **Budget Support and Harmonization Group** monitors the implementation of the **Partnership Framework**, which outlines commitments in terms of macroeconomic stability, public financial management, and policy formulation. **Clusters / Sector Working Groups** allow all stakeholders to hold technical discussions with regard to budgeting, (cross) sector planning, and prioritization according to strategic plans and policies.

Other Tools

The **Development Partners Website** (www.devpartners.gov.rw), provides a central depository of resources and information which serve to improve and better coordinate development activities. The quarterly e-newsletter, **FOCUS**, is widely disseminated and allows all stakeholders to review key developments with regard to Rwanda's ACHA Framework. The Government of Rwanda is developing a mechanism for monitoring and evaluating progress by Government and Partners on meeting key aid effectiveness targets.

