

Development Partners Coordination Group (DPCG)

Meeting

63rd (LXIII) DPCG Draft Minutes
22nd of September 2016
MINECOFIN Boardroom

Annex: List of Participants

1. Remarks by Chair and Co-Chairs

The Chair of the Development Partners Coordination Group (DPCG) and Permanent Secretary and Secretary to the Treasury (PS/ST), Mr. Caleb Rwamuganza opened the meeting and welcomed all participants. He introduced the new Permanent Secretaries within the Government of Rwanda (GoR), namely the PS-MINAFFET, PS-MINISPOC, PS-MINAGRI, PS-MIGEPROF and representatives of development partners, namely the new Head of Cooperation of Belgium, the Acting Representative of UNWOMEN, and the Deputy Head of the Dutch Development Cooperation.

Ms. Laure Beaufils, Head of DFID and Donor Co-Chair of the DPCG thanked the PS/ST and underscored the progress made in the past year in key areas such as the fight against malnutrition and the support provided to incoming refugees, among others. In this regard, she welcomed the upcoming launch of the joint MIDIMAR/UNHCR livelihoods strategy for refugees.

The Donor Co-Chair expressed satisfaction with the progress made in the dialogue on prioritization of policy choices and budget allocations and proposed the establishment of a small team under the guidance of the Director General of Budget that can look into greater detail in the contribution that DPs can make to the budget preparation process, the best modalities and timing. Ms. Beaufils also welcomed the forward-looking agenda of the DPCG meeting and the willingness of partners to contribute to the development of the Vision 2050, the next generation of EDPRS, as well as the importance of learning and sharing the outcomes of the EDPRS2 Mid-Term Review (MTR) and the Imihigos.

Mr. Ted Maly, Resident Representative of UNICEF spoke on behalf of the UN Resident Coordinator and DPCG Secretariat Co-Chair. He congratulated the PS/ST for the effective leadership of the DPCG forum and for the implementation of the SDGs domestication agenda for which the UN is providing concerted support.

2. Approval of the draft minutes of the previous DPCG and review of 2016 DPR agreed actions

A. Approval of minutes

The minutes of the 62nd DPCG meeting were approved without any amendments.

B. Review of the 2016 DPR agreed actions

The Director of the External Finance Unit of MINECOFIN, Mr. Ronald Nkusi, updated the DPCG members on the implementation of the agreed actions from the 2016 Development Partners Retreat in Rubavu. Each recommendation/agreed action and its update are provided below:

- Pool funding in order to ensure long-term sit-in TA: this recommendation will be implemented following the ongoing Single Project Implementation Units' (SPIUs) assessment and as part of the capacity development strategy for SPIUs. MINECOFIN also expects AfDB and WB to lead DPs on this given their role and expertise in large investment projects.
- Develop and roll-out a Project Management framework and training for SPIUs: also to be done in the context of the above mentioned assessment and capacity development strategy. MIFOTRA, NCBS and MINECOFIN are closely working on the assessment and will liaise with DPs in due course.

- Circulate the EDPRS2 MTR and organize a discussion on its findings: the discussion took place in this 63rd DPCG meeting. It examined the preliminary findings of the self-assessment conducted by GoR.
- Disseminate SDGs Initial Gap Analysis and pursue phase 2 of the gap analysis at the sector level: the dissemination was done as part of the background documentation for the forward-looking JSRs. Furthermore, the SWGs undertook analysis of the SDGs indicators and how to integrate them into the existing results frameworks at the sector level. This work will continue with the support of the UN.
- Define better capacity building support for CSOs and for their effective engagement in the SDGs domestication process: The GoR together with CSOs have worked on a programme for engagement of CSOs in the social protection sphere. The GoR and the UN are also reaching out to CSOs as part of the SDGs domestication process.
- Benchmark progress in competitiveness and productivity of the private sector: this has not been completed yet. MINICOM and RDB are doing it as part of the World Economic Forum Competitiveness Report. MINICOM has also continued an initiative to facilitate exporters by signing MoUs on what GoR is required to do, on one side and exporters, on the other (e.g. lowering energy tariff for industries, facilitating raw materials access, etc.).
- Develop financing options for SMEs and export businesses: The GoR has set up the Export Growth Fund as per the National Export Strategy; along with it, RDB has developed an SMEs Development Programme (mainly TA) and BDF is providing different guarantees, quasi-equity investments and TA to SMEs. DPs were urged to look into supporting the different GoR initiatives to support SMEs.
- Define a clear investment roadmap and consolidate the investment tracking and after-care service: RDB is developing an investment process for all economic sectors. It has also developed a customer relationship management system, which will track investments across their lifecycle. All issues of concern to investors will be recorded in the system for close monitoring and follow up.
- GoR to define level of nutrition coordination structure and required funding: fully on track. MINALOC reported in detail on the progress made in 63rd DPCG's meeting.
- Implementation of recommendations on the performance of the SWGs: More specifically, the fulfillment of the role of the Sub-Sector Working Groups on Planning and Budgeting is a responsibility of each of the SWGs. SWGs will report back in the next DPR on the progress they have made.
- Develop New DPAF indicators: the first consultation on the proposed DPAF indicators was held in June 2016 with 3 DPs who volunteered to be part of the process, namely Belgium, Germany and Japan. The next consultation will take place in October and the plan is to prepare a draft proposal to be tabled prior to DPR in 2017.
- Joint commitments of DPs: it has been agreed with the DPCG Co-Chairs that the progress in implementing these will be reviewed in the December DPCG meeting.

3. Analysis of budget execution for FY15/16

The Acting Director General of Budget presented an overview of the budget execution in FY15/16, of which its execution was affected by three factors, i.e. the performance of the economy (mainly due

to the fall in projected exports), the rate of project implementation and the delayed donor disbursements. Budget execution is satisfactory and stands at 80%. The total revised budget was RWF 1,808 billion. The total revenues (RWF 1,478 billion) consisted of RWF 1.104 billion domestic revenues and RWF 374.8 billion in grants. The net expenditure and net lending were projected at RWF 1,785 billion. The deficit of RWF 332.5 billion was financed by borrowing (foreign and domestic). The Acting DG of Budget provided a more detailed breakdown of the performance at the sector level, highlighting achievements in the past year as follows:

- Agriculture: irrigation of 4,408 ha of marshland; Girinka program distributed more than 23,000 cows; national reserves replenished, etc.;
- Transport: upgrading of roads (Gisiza-Rubavu, urban roads in Rubavu, Musanze and Rusizi);
- Energy: 79,583 households were connected to the national grid and more than 8,000 new off-grid connections were established through Mobisol;
- Education: improvement in the drop-out rate from 14.4% in 2014 to 6.5% in 2015; reinforcement of school feeding in all day schools, new TVET competencies-based curricula developed, etc.;
- Health: AVR drugs procured and distributed throughout the year; rate of children immunized against measles increased to 97.9%, etc.

Development partners expressed appreciation for the timely publication of the budget execution documents by MINECOFIN and congratulated the Ministry for the transparency. They also requested that the information is provided in a more user-friendly format in the future. The PS/ST of MINECOFIN responded that the published information will be provided in pdf format in order to ensure it is properly safeguarded. MINECOFIN will consider individual requests for the provision of the information in other formats. DPs also welcomed the efforts made in increasing the domestic revenues and the significant increase in resources allocated for development projects.

DPs also asked how the GoR is adapting to the pressure from the foreign exchange rate depreciation. The Chair responded that this is managed through quarterly meetings with the Central Bank and adjustments in the spending, as well as through the budget revision process.

Agreed Action:

World Bank to lead a consultation among interested DPs on analysis of budget execution and organize a follow-up meeting with the Budget Department of MINECOFIN or submit the consolidated comments.

4. Emerging issues from the forward-looking JSRs and key findings of the EDPRS2 Mid-Term Review. Vision 2050 and EDPRS3.

A. EDPRS2 Mid-Term Review (MTR)

The Director General of Planning of MINECOFIN outlined the key findings from the self-assessment of the EDPRS2 conducted by GoR. The objectives were twofold: i) to assess the likelihood of meeting the targets in FY17/18 and ii) to identify actions that need to be fast-tracked. The level of achievement was assessed in reference to 15/16 targets, while the policy actions were assessed for FY13/14 and 14/15. In a nutshell, out of the 30 core EDPRS2 indicators, 27 were assessed of which 13 (48%) were achieved, 5 (18.5%) are on track, while 5 (18.5%) are on watch and 6 (22.2%) are off-track. The DG of Planning then gave a detailed analysis of the performance of the various thematic areas and sectors. Key targets that have not been attained include the amount of MW of electricity generated (186 vs 235); % of exports to GDP (15.3 to

21.1); % of households with access to electricity (24.55 to 36.6); % of citizens satisfied with decentralization (75.36 to 80); etc. The GoR has envisaged a number of countermeasures to close the implementation gaps. For example, it is expected that off-grid access to electricity will improve rapidly in the current year due to the increased offer available by the private sector; the revision of the Ubudehe categories will allow for better monitoring of the changes in graduation from poverty, etc. There have been a number of challenges as well in measuring progress – e.g. there is a lack of clear indicators for the tracking of changes in skills development. Other challenges are caused by the global and regional economic outlook, which is affecting the performance of the economy and of the growth of exports.

MINECOFIN is urging sectors to look at the unfinished policy actions at the sector level and define corrective measures. It is also planning on supplementing the self-assessment by an independent evaluation of the EDPRS2 in January 2017, which will be informed as well by the outcomes of the backward-looking joint sector reviews.

B. Vision 2050. Preparations for EDPRS3.

Regarding the Vision 2050, MINECOFIN aims at undertaking analytical work and it will soon open consultations with various stakeholders (November 2017), followed by public discussions and the National Dialogue (December 2017) and the Leadership Retreat. Preparations for EDPRS3 are slotted for July next year.

In the ensuing discussion, DPs urged MINECOFIN to further look into the quality of the results, especially in the health and education sectors and to reflect on the growth dynamics going forward. Another constrain is the potentially shrinking resources from traditional donors and the need to devise a strategy to diversify the financing options (domestic and external). DPs also asked what are the key lessons learnt to date and principles for the next EDPRS and requested a more in-depth discussion of the achievements and lack of progress in the energy sector, looking at pricing/financial sustainability, in particular.

The DG of Planning responded that regarding the energy sector, the GoR is preparing a long-term sustainability plan and there is ongoing analytical work.

Agreed action:

SWGs to reflect on outcomes of the EDPRS2 MTR self-assessment and propose actions to fast-track implementation towards meeting targets. This task will be incorporated into the TORs of the backward-looking JSRs.

C. Outcomes of the forward-looking JSRs

The Director General of Planning of MINECOFIN presented the outcomes of the forward-looking Joint Sector Reviews (JSRs) for FY16/17, which were held in June 2016. The objectives of the JSRs were to discuss priority areas and policy actions and to validate the sector targets for FY16/17. The JSRs also assessed progress in the implementation of the FY15/16 policy actions and looked into the SDGs indicators to be monitored at the sector level. MINECOFIN judges the overall quality of the JSRs in terms of process and outcomes to be satisfactory as most of the Sector Working Groups (SWGs) have been able to fulfill the requirements of the TORs. Additional work needs to be done in ensuring that the SDGs indicators are well understood by all actors at the sector level. SWGs have been able to submit their SDGs indicators with the exception of the Urbanization SWG.

Some issues that are common concern the level of participation of the private sector in the reviews; the need to ensure that studies presented for approval at the SWG level are prior to this approved by the relevant technical working groups; and the need for a centralized system for sharing information across sectors, etc. With regard to the latter proposal, many of the SWGs have made progress with the timely sharing of information and the setting up of online information repositories. MINECOFIN has provided all links to the documents published by the various SWGs on the development partners' website, www.devpartners.gov.rw. A number of sectors have also highlighted issues that are specific to them and that need to be addressed. For example, the need to strengthen the Urbanization SWG Secretariat, to nominate a new Co-Chair for the ICT SWG, etc.

Some of the lessons learnt from the Forward-Looking JSRs include the need for more background work on the SDGs indicators; to systematically require that sector studies are included in the plan and there are no significant deviations; the systematic collection and publication of relevant SWGs documents through the online repositories.

The Planning Department of MINECOFIN will issue the TORs for the backward-looking JSRs by the 30th of September and the reviews will be completed by 10th November 2016.

The PS/ST of MINECOFIN informed DPs that the Ministry is reviewing the co-chairmanship arrangements of the SWGs with partners on a bilateral basis and will soon inform the DPCG of any changes to be introduced.

The PMO Director of Cabinet noted that the Urbanization and Rural Settlements SWG requires some concerted efforts by the Chair and Co-Chair and MINECOFIN to bring it to the level of the other groups.

5. Linking Imihigo to national plans and Imihigo monitoring and evaluation

The Director General of Planning presented the key features of the Imihigo (performance plans for government institutions and local authorities), which were introduced in 2006 as a key tool to boost performance and accountability for results. Since FY 2015/16, MINECOFIN has introduced the so-called joint Imihigo, which span across individual institutional mandates and address complex sectors (exports, agriculture, energy, urbanization and rural settlements, social protection) and issues (malnutrition, job creation, service delivery, etc.), which require planning and coordinated implementation across different GoR institutions. Another series of improvements were introduced in FY16/17 such as linkages to the EDPRS2 targets and the recommendations from the Leadership Retreat; alignment of the Imihigo cycle with the budget cycle and robust quarterly monitoring of Imihigo by MINECOFIN and an annual evaluation conducted by the Prime Minister's Office through an independent company. The preparation of Imihigos at the central level is initiated and guided by MINECOFIN, while MINALOC has the lead for district and sub-districts. All Imihigos have been made public on MINECOFIN's website.

DPs congratulated MINECOFIN on the adoption of the joint Imihigo as a way of overcoming institutional silos. They requested more information on how progress against targets that require collaboration between institutions is being tracked; what are the coordination and implementation arrangements put in place and how these relate to the SWGs; how is the quality of Imihigos assessed, of their results and targets; more specifically, how does the GoR balance between upstream and downstream activities such as expropriation and contract management; where nutrition is catered for.

In response the Director General of Planning clarified that MINECOFIN has a grasp of all cross-cutting issues underpinning the Imihigos and that cross-government cluster meetings are being held to tackle these issues. Joint Secretariats are being put in place to assist with the implementation of the joint Imihigos, as well as Joint Implementation Plans put in place. For example, the National Employment Secretariat coordinates all activities under the Job Creation Imihigo. The PS/MIFOTRA mentioned as well the Capacity and Skills Development Board, which has recently been established as a parastatal agency to support skills development (the latter falling under the Job Creation Imihigo).

Regarding the linkages between the Imihigo cluster coordination and the SWGs, the common thread is the EDPRS2 results framework. Nutrition is addressed within the Joint Imihigo on social protection.

Regarding the quality of Imihigos and their results/indicators, the goal is to have a balance between qualitative and quantitative indicators. On the concrete examples of expropriation and contract management, DG Planning informed that the GoR has taken steps to improve its performance and that it is putting in place an electronic platform for project management.

As regards gender mainstreaming, which was raised by UNWOMEN, MINECOFIN has opted to mainstream gender across all sectors in the EDPRS2 and the SWGs as opposed to setting up a separate outcome and SWG. It is open to receiving technical inputs on improving gender mainstreaming as part of the guidelines it issues for Joint Sector Reviews, the planning and budgeting call circular, etc.

6. Update on nutrition coordination and food security

A. Nutrition coordination

The PS of MINALOC provided an update on nutrition coordination. The concerned ministries with inputs from DPs have revised the Joint Action Plan for FY16-2020, which has five strategic objectives, namely: i) to reduce all forms of malnutrition, ii) to improve households' food and nutrition security, iii) to ensure social protection for food and nutrition insecure households, iv) to increase equitable access to safe water, sanitation and hygiene services in the communities and public places, and v) to improve knowledge, attitudes and practices on optimal nutrition across the lifecycle. Seven outcome indicators will be monitored (e.g. % of under 5 years children stunted, wasted and underweight, etc.).

The structure, TORs and funding requirements for the Nutrition Secretariat have been finalized. The selection and recruitment of the Secretariat staff is expected to be completed by end October 2016. The initial budget is USD 284K. The revised structure of MINALOC has been approved. Funds have been committed by the Netherlands and the UN. The GoR is in the process of selecting the beneficiaries for fortified food (category 1 households) and the process should be completed by mid-November 2016.

On behalf of DPs, the Resident Representative of UNICEF thanked the GoR for the quick progress made and establishing a strong foundation on nutrition coordination. The next step would be to formalize the funding agreements reached with UNICEF and other DPs.

B. Food Security

The PS of MINAGRI briefed the DPCG on the food security situation in the country. At national level, food production of the major crops is considered to be good. Some areas of the country, in particular, parts of the Eastern province experienced prolonged drought in season 2016 A, while in other areas there was a surplus production. The drought had affected more than 18,000 households and more than 2000

livestock. Season B was affected by delayed onset of rains, which resulted in below average harvests and scarcity of water in 4 districts (Kayonza, Nyagatare, Kirehe and Gatisbo). This increased the number of affected households to more than 59,000. The projections are for continued food security under stress and rising food prices (beans, maize, Irish potatoes and vegetables).

GoR has taken a number of measures to address the situation. Farmers have been mobilized to use marshlands and surroundings of water bodies to grow maize, beans and vegetables during season 2017A. The Rwanda Agriculture Board is also providing support through the Small-scale Irrigation Programme. Community storage and district food reserves will be established in addition to the National Strategic Reserve. Measures have been taken to support farmers in managing livestock (e.g. destocking, water provision, etc.).

In terms of food assistance, MINAGRI has provided it over the past months to the affected households and it will continue to do so throughout October and November 2016. The target districts are the ones mentioned earlier. Some 1,149.9 MT of maize and 730.6 MT of beans are being distributed. The households have also made requests for inputs (seeds, etc.). The funds required are RWF 2.113 billion for food assistance and inputs and RWF 1.800 billion for the construction of a second irrigation dam at Karambi in Kayonza district. The GoR also has a comprehensive project for the Akagera belt, which includes irrigation infrastructure development, food crop production, domestic water supply, etc.

The Representative of WFP congratulated the GoR for the comprehensive strategy to address the drought and food security situation in the affected districts. He also pointed out that WFP and other development partners are ready to support the GoR in ensuring that the response is scaled up and is addressing fully the needs of the affected households. The EU representative offered support to MINAGRI in undertaking an in-depth analysis of the causes of the food insecurity.

The Director of Cabinet in the PMO underlined that the GoR has not refused any support from partners. The PMO is coordinating efforts across the GoR on food security. There is a need to look beyond the provision of short-term support and help the GoR in mitigating the effects of climate change and finding durable solutions to droughts and other adverse natural disasters that will impact negatively the food security of the population. Mid- to long-term measures envisaged by the GoR include increasing the food reserve capacity, putting in place an adequate irrigation system, etc. There should be a climate change-related discussion to address these issues in depth.

Agreed action:

DPCG to debate climate change and how different sectors need to adapt and the measures to be put in place.

7. AOB

There were no AOB issues raised by the DPCG members.

Before the closing of the meeting, the out-going DPCG Co-Chair (Ms. Laure Beaufile/DFID) invited the new DPCG Co-Chair (Mr. Yasser El-Gammal/World Bank) to take the floor and make remarks who also thanked the GoR colleagues and fellow DPs for the great work and collaboration. Both the Chair and outgoing Co-Chair welcomed the in-coming Co-Chair and assured collaboration and support

The meeting concluded.

Annex: List of Participants.

NAME	POSITION	INSTITUTION	EMAIL
GATERA ISINGIZWE TRICIA	CIVIC PARTICIPATION PROJECT COORDINATOR	RCSP	gatera_tricia@yahoo.com
STEPHEN RODRIGUES	COUNTRY DIRECTOR	UNDP	stephen.Rodrigues@undp.org
MIKAEL BOSTROM	HEAD OF DEV.COOPERATION	EMBASSY OF SWEDEN	mikeal.bostrom@gov.se
HYEING LAE CHO	COUNTRY DIRECTOR	KOICA	hlcho@koica.go.kr
TON NEGENMAN	SUBSTITUTE HEAD OF DEV.COOPERATION	EMBASSY OF THE NETHERLANDS	ton.negenman@minbuz.a.nl
JOHN DEBAN	HEAD OF COOPERATION	EMBASSY OF BELGIUM	john.deban@diplobcl.be
TOMIO SAKAMOTO	CONSELLOR	EMBASSY OF JAPAN	tomio.sakamoto@mofa.go.jp
RICHARD BURNS	LEGAL OFFICER/ACTING DEPUTY DIRECTOR	USAID	rburns@usaid.gov
JOHAN CAIWENBEGH	MINISTER COUNSELLOR/HEAD OF COOPERATION	EU	johan.caiwenbegh@eu.cuzoga.eu
NEGATU MAKONNEN	RESIDENT REPRESENTATIVE	AFDB	n.makonnen@afdb.org
YASSER EL-GAMMAL	COUNTRY MANAGER	WORLD BANK	yelgamma@worldbank.org
TED MALY	REPRESENTATIVE	UNICEF	tmaly@unicef.org
LAURE BEAUFILS	HEAD	DFID RWANDA	L-BEAUFILS@Dfid.gov.uk
DR.CHARLES MUREKEZI	DG AG DEV'T	MINAGRI	cmurekezi@minagri.gov.rw
THACIEN YANKURIJE	SP.MU SPECIALIST	MINALOC	thacien.yankurije@minaloc.gov.rw
DANILA BONEVA	AID EFF.Ao ADVISOR	UNDP/MINECOFIN	danila.boneva@undp.org
ARIANE ZINGIRO	DIR.OF PLANNING AND MONITORING	MINECOFIN	ariane.zingiro@minecofin.gov.rw
CLAUDE NIKOBISANZWE	PS.MINAFET	MINAFET	cnikobisanzwe@minaffet.gov.rw
ISABELLE KALIHANGABO	PS/SG	MINIJUST	isabelle.kalihangabo@minijust.gov.rw
SINYIGAYA SILAS	E.S.	RCSP	SILAS.RCSP@GMAIL.COM
JONATHAN NZAYIKORERA	ACTING DG NATIONAL BUDGET	MINECOFIN	johnathan.nzayikorera@minecofin.gov.rw
GODFREY KABERA	DG NATIONAL PLANNING	MINECOFIN	GODFREY.KABERA@MINECOFIN.GOV.RW

MULINDWA SAMUEL	P.S.	MIFOTRA	MULINDWA@MIFOTRA.GOV.RW
UMUTONI NADINE	P.S.	MIGEPROF	NUMUTONI@MIGEPRO.GOV.RW
SERGE KAMUHINDA	COO	RDB	SERGE.KAMUHINDA@RDB.RW
HABIMANA JEAN DAMASCENE	SG	NPPA	DAMASCENE.HABIMANA@NPPA.GOV
ROSEMARY MBABAZI M.	P.S.	MYICT	RMBABAZI@MYICT.GO.V.RW
J. PIERRE NYEMAZI	P.S.	MOH	JEANPIERRE.NYEMAZI@MOH.GOV.RW
VINCENT MUNYESHAKA	P.S.	MINALOC	VINCENT.MUNYESHAKA@MINALOC.GOV.RW
KAYISINGWA JEAN CLAUDE	P.S.	MINAGRI	JCKAYISINGWA@MINAGRI.GOV.RW
KAMPETA P. SAYINZOGA	DIR. CAB	PRIMATURE	SKAMPETA@PRIMATURE.GOV.RW
NKUSI RONALD	D. EFU	MINECOFIN	RONAL.NKUSI@MINECOFIN.GOV.RW
GEORGE OTOO	HEAD RCO	UN	geroge.otoo@one.un.org
FATOU A. LO	REP A.I.	UN WOMEN	FATOU.LO@UNWOMEN.ORG
BERNIS BYAMUKAMA	ECONOMIST	AFDB	B.BYAMUKAMA@AFDB.ORG
NDAYISABA ALEXIS	PROGRAM COORDINATOR	JICA	ALEXIS.NDAYISABA.RW@JICA.GO.JP
NAKATO BAKUNZI JANET	DIR. POLICY MSE	MINEDUC	JBAKUNZI@MINEDUC.GOV.RW
H. TAKADA	CHIEF REP.	JICA	TAKADA.HIROYAKI@JICA.GO.JP
H. VAN BOE	PROG. MANAGER	GIZ	hermann.boemmel@giz.de