



# 2005

## Progress, Challenges and Lessons Learnt

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# Progress in Policy Dialogue

## ■ PRSP 1

- Annual Progress Report finalised in July
- Independent Evaluation of PRS I finalised
- 2005 showing moderate economic growth
- Some particular problems (e.g. rising oil prices) hindering more rapid growth

## ■ Economic Development and Poverty Reduction Strategy (EDPRS)

- Rwanda's second generation PRS
- Roadmap to EDPRS in place



# Progress in Public Financial Management

- Organic Budget Law being discussed in Parliament. This will streamline budgeting and expenditure processes.
- Public Accounts Law in parallel to OBL
- Recruitment and training of accountants and auditors to internationally recognised standards
- Roadmap for integration of recurrent and development budgets



# An Enhanced Structure for Aid Management

- Establishment of External Finance Unit (EFU) within MINECOFIN (Jan 05)
  - Main interface between GoR and donors on all matters relating to external assistance
  - Formulation of policy towards external assistance
  - Hosting DPCG secretariat
- Aid Coordination Unit supporting EFU
  - Strengthen coordination mechanisms
  - Assist with policy development
  - Build capacities in aid management



# Development of a GoR Aid Policy

- Paris Declaration on Aid Effectiveness signed in March 2005
- Workshop on Rwanda and the Paris Declaration held in July
- Evidence base developed
- Consultative workshops
- Drafting of Policy
  
- Context: HIPC Completion Point



# Developments in the Aid Coordination Framework I

- DPCG has gained momentum and is functioning well
  - 11 meetings in 2005
  - Increased representation and dialogue
  - Harmonised calendar of activities
  - Agreement on silent period
  - First Annual Retreat
- Budget Support Harmonisation Group
  - Move towards structured reviews



# Developments in the Aid Coordination Framework II

## ■ Clusters

- Justice, gender, and capacity building & public sector reform groups established
- Infrastructure and decentralisation clusters revitalised
- Move towards SWAps in education and health
- Increased GoR ownership in clusters



# Challenges for 2006

- Implementation of Aid Policy
- Strengthening of the cluster system and technical working groups
- Establishment of an independent monitoring group
- Improving quality of data (DAD launch)
- Ongoing work in public sector reform
- Ensuring debt sustainability in post-HIPC Rwanda





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