

REPUBLIC OF RWANDA



Ministry of Finance and Economic Planning

OFFICIAL DEVELOPMENT ASSISTANCE REPORT

FY2010/2011

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Foreword

We are pleased to present to you the Rwanda Official Development Assistance (ODA) Report for FY2010/2011, which outlines key features of aid Rwanda received in FY 2010/2011. While remarkable transformation of aid portfolios towards budget support was observed in the FY2009/2010, ODA portfolio in FY 2010/2011 saw increased volume and share of ODA provided through project support. The report further analyzes this trend and highlights efforts being made to further enhance effectiveness of development cooperation.

The Year 2011 was an important year for the aid effectiveness agenda globally as well as in Rwanda. The 4th High-Level Forum on Aid Effectiveness held on 29th November- 1st December 2011 in Busan, South Korea, marked a turning point in accelerating efforts to improve aid effectiveness and further emphasizing the effectiveness of aid within the context of development effectiveness. Rwanda played a crucial role in shaping up of the Busan outcome through its engagement in the OECD-DAC Working Party on Aid Effectiveness as well as in the negotiation and finalization of the Busan Outcome Document (BOD). Its engagement built on Rwanda's achievement and challenges observed through the Paris Declaration Survey 2011 as well as Rwanda's own Donor Performance Assessment Framework (DPAF).

The Government of Rwanda together with its stakeholders is currently undertaking a comprehensive review of the Economic Development and Poverty reduction Strategy (EDPRS), with the view to build on its achievements and progress in developing the next EDPRS II. With the year 2011 being a mid-term point for achieving the Vision 2020, the process has also started in reflecting upon the achievements made in the context of the Vision 2020.

Development cooperation continues to play a significant part in supporting the national efforts in economic development and poverty reduction in Rwanda. Development partnership has been strengthened over the years through the Development Partners Coordination Group (DPCG). The efforts to enhance effectiveness of aid through the dedication and commitments by both the Government and the Development Partners have resulted in enhanced effectiveness of development cooperation. This is evident through Rwanda being recognised globally as one of the countries managing aid effectively. With a more effective and mutually accountable relationship in place between the Government of Rwanda and its partners, Rwanda can look ahead to achieving the ultimate goals laid out in its EDPRS and Vision 2020 with the full support of its development partners.



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List of Abbreviations / Acronyms

9YBE	Nine Year Basic Education
AAA	Accra Agenda for Action
AfDB	African Development Bank
AIMS	Aid Information Management Systems
BOD	Busan Outcome Document
BNR	Bank National du Rwanda (National Bank of Rwanda)
BSHG	Budget Support Harmonisation Group
BTC	Belgian Technical Cooperation
CoA	Chart of Accounts
CDC	Centre for Disease Control
CDF	Common Development Fund
CPAF	Common Performance Assessment Framework
CSO	Civil Society Organisation
CSP	Country Support Programme
DAD	Development Assistance Database
DoL	Division of Labour
DP	Development Partner
DPAF	Donor Performance Assessment Framework
DPCG	Development Partners Coordination Group
DPR	Development Partner Retreat
EC	European Commission
EDPRS	Economic Development and Poverty Reduction Strategy
EXIM	Export Import
FDI	Foreign Direct Investment
FY	Fiscal Year
GBS	General Budget Support
GoR	Government of Rwanda
GDP	Gross Domestic Product
ICP	Indicative Cooperative Programme
IFAD	International Fund for Agricultural Development
IFMIS	Integrated Financial Management Information System
IMF	International Monetary Fund
JDAF	Joint District Action Forum
KSA	Kigali Statement of Action
MDGs	Millennium Development Goals
MIDIMAR	Ministry of Disaster Management and Refugee Affairs
MIFOTRA	Ministry of Public Service and Labour
MIGEPROF	Ministry of Gender and Family Promotion
MIJESPOC	Ministry of Youth, Culture and Sports
MINADEF	Ministry of Defence
MINAFFET	Ministry of Foreign Affairs and Cooperation
MINAGRI	Ministry of Agriculture and Animal Resources
MINALOC	Ministry of Local Government
MINECOFIN	Ministry of Finance and Economic Planning
MINEDUC	Ministry of Education
MINELA	Ministry of Environment and Lands
MINICOM	Ministry of Trade and Industry
MININFRA	Ministry of Infrastructure
MININTER	Ministry of Internal Security
MoH	Ministry of Health
MoU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
OECD-DAC	Organisation for Economic Cooperation and Development- Development Assistance Committee
OFID	OPEC Fund for International Development

OPEC	Organization of Petroleum Exporting Countries
OTR	Ordonnateur Tresorier du Rwanda (Central Treasury of Rwanda)
PBA	Programme Based Approach
PD	Paris Declaration
PEFA	Public Expenditure and Financial Accountability
PFM	Public Financial Management
PIU	Project Implementation Unit
PMMU	Project Management and Monitoring Unit
RMB	Renminbi
SBS	Sector Budget Support
SmartFMS	Smart Financial Management Systems
SOAG	Strategic Grant Objective Agreement
SPIU	Single Project Implementation Unit
SWAp	Sector Wide Approach
SWG	Sector Working Group
ToR	Terms of Reference
TSA	Treasury Single Account
UK	United Kingdom
UN	United Nations
UNCITRAL	United Nations Commission on International Trade Law
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
USD	United States Dollars
USG	United States Government
VUP	Vision Umurenge Programme
WFP	World Food Programme

Executive Summary

While the Government of Rwanda (GoR) is able to assert strong ownership and leadership in its development agenda, Official Development Assistance (ODA) has played a crucial role in the development progress evidenced today. The face of ODA has also shifted from the humanitarian-oriented type of assistance that was mainly provided in the aftermath of the 1994 genocide, to the development-oriented type of assistance provided today. This ODA report notes that aid to the GoR in FY2010/2011 stood at USD 974.9 million, a slight increase from the USD 962.7 million provided in the previous fiscal year. As the level of ODA represented 41.5% of the total revenues and grants in the national budget, the issue of aid effectiveness is thus crucial to ensure that development assistance is delivered and utilised in the most efficient way for the attainment of development results.

Following the introduction of the Rwanda Aid Policy in 2006 various reforms have been implemented in Rwanda, while some are still on-going and are reflected on in this report. These include the Single Project Implementation Unit (SPIU), the Treasury Single Account (TSA) and the Division of Labour (DoL) to name a few. Intended mainly for use as a reference tool on ODA in Rwanda, this report aims to inform policy and decision makers involved in the management and implementation of ODA. It reviews the volume, nature and distribution across sectors of the ODA provided in FY2010/2011, while reflecting on the principles of predictability, accountability and the use of country systems in the delivery of this ODA.

The Rwanda Aid Policy outlines the GoR's preferred aid modalities, starting with general budget support (GBS), sector budget support (SBS) followed by basket funds and programme/ project-based support. Although ODA increased slightly in FY2010/2011 compared to the previous year, the proportion of ODA delivered through budget support modalities decreased to 29% of all ODA, compared to the 38% provided through budget support in FY2009/2010. This drop was in part due to the delayed development of new SBS programmes by some budget support development partners.

The report notes that the majority of support provided in FY2010/2011 was through projects. While budget support is the modality considered to best enhance the aid effectiveness principles of ownership, alignment, harmonisation, results and accountability, the project modality has shown to have various implementation challenges. A closer look at the ODA received from the US and Belgium, two of the biggest contributors through the project modality, gives an illustration of the associated challenges, which include non-use of GoR systems, fragmentation, delayed project execution and reduced accountability of project support. Indeed only about half of the 346 projects that were under implementation in FY2010/2011 were implemented by GoR, while only 34% used national budget execution procedures, 47% used national audit procedures and 62% used procurement procedures. As the Government of Rwanda continues to build on its good PFM performance, the approach of development partners should be to align their project implementation modalities so that they support the capacities of the Rwandan public sector and institutions, for a sustainable development impact.

An overview of the Economic Development and Poverty Reduction Strategy (EDPRS) implementation shows that tremendous progress has been achieved in the sectors of Health, Education, Energy and Governance, to name but a few. The report however notes the distribution of ODA across sectors greatly varies with the highest receiving sector (Health) getting almost 800 times the amount of ODA one of the lowest recipient sectors (Youth, Sports and Culture) gets. As development stakeholders in Rwanda prepare to embark on the next poverty reduction strategy, the EDPRS 2, it is crucial that ODA aligns itself to the current development needs and priorities moving forward.

Similarly, although tremendous progress has been registered in the areas of mutual accountability, management for development results and the operationalisation of PBAs and SWAPs in sectors, the use of the budget support modality across sectors has not kept up with the sector progress and remains a small proportion of the total ODA to sectors. Overall less than half of the EDPRS sectors were recipients of traditional SBS, while the Education sector that normally receives considerable amounts of SBS ODA received less than half of the SBS ODA it received in the FY2009/2010. This was largely due to a delay in formulation of new education SBS programmes by development partners.

By examining the development partners' disbursement rates, i.e. comparing what they committed versus what they disbursed, the report is able to highlight that poor-to-average predictability was experienced in FY2010/2011. While predictability varied greatly across development partners and sectors, the report also noted differences in predictability across ODA modalities. The most predictable aid modality was budget support, which is in part due to the strengthened process of mutual accountability, communication and M&E of budget support through the BSHG forum. A key PD and AAA aid effectiveness principle, the level of predictability will have to be improved to allow ODA commitments to better inform the planning and budgeting processes in Rwanda.

The report shows an overview of some of the efforts being put in place to improve GoR country PFM systems of planning, budgeting, reporting, procurement and auditing. Similarly, the current report provides a first assessment of the implementation of the donor Division of Labour in Rwanda, following its introduction in 2010. By providing a description and analysis of sectors' financing and the procedures and modalities used by DPs across sectors, the report aims to better inform those involved in the management and implementation of ODA so as to see improved and more sustainable development results from ODA.

1 Introduction

1.1 An Introduction to ODA in Rwanda

Since 1994, Official Development Assistance (ODA) to Rwanda has played and continues to play an important role in supporting national efforts on development and poverty reduction. The nature of ODA has evolved considerably since then, shifting from one largely characterized as humanitarian mainly delivered by Non-Governmental Organizations (NGOs) to the one characterized as development focus with majority of ODA now delivered through the Government of Rwanda (GoR). Today, ODA in Rwanda complements domestic resources in supporting national priorities as articulated in Rwanda's Economic Development and Poverty Reduction Strategy (EDPRS).

1.2 The Main Themes of this Report

This year's ODA Report (FY 2010/2011) looks more in details as to characteristics of aid provided to Rwanda in terms of its EDPRS and sector allocation, ODA programme/project portfolio, and predictability as well as observe main trend of ODA in Rwanda since last Fiscal Year (FY). The analysis of the ODA Report aims to further inform decisions of the Government of Rwanda, its Development Partners (DPs) as well as Rwandan non-state actors in terms of aid allocation as well as modalities. Furthermore this report also analyzes current status of aid dependency as well as aid allocation in line with the agreed Division of Labour (DoL).

2

2 Update on Data Reporting and Quality

2.1 Data Included and Excluded in the Report

The ODA Report is based on the data on ODA captured in the Development Assistance Database (DAD), which is an aid management and information system, managed by the Ministry of Finance and Economic Planning (MINECOFIN). ODA data captured in the DAD is reported by Development Partners on a quarterly basis and includes grants and concessional loans (at least 25% grant element). Currently, many non-resident Development Partners (such as Arab Funds) as well as emerging partners (such as China, India, etc.) are not able to report their information on ODA through DAD. As such, this Report does not include ODA provided by these partners (that represents 15% of external resources financing the national budget).

2.2 Quality of Data Used in the Report

Quality of data used in this report largely depends on the accuracy and relevance of information reported by DPs in the DAD. In order to ensure quality of data provided in the DAD, the Government undertakes verification processes at relevant level, mostly through the DPAF process. However, any changes needed to be made to the data will need to be made by DPs themselves. While the Government makes further efforts to strengthen systematic verification process, quality of data in this report remains largely subject to the willingness and ability of DPs to report the accurate and relevant information.

3.1 The EDPRS: Background and Implementation Progress

Rwanda's development agenda is guided by the Vision 2020 and the Economic Development and Poverty Reduction Strategy (EDPRS), which are also in-line with the international Millennium Development Goals (MDGs). The EDPRS promotes three flagship programmes: (1) Sustainable Growth for Jobs and Exports; (2) Vision 2020 Umurenge (an integrated rural development programme that aims to eradicate extreme poverty and harness the productive capacities of the poor), and (3) Good Governance. The EDPRS is monitored annually through the National EDPRS Results and Policy Matrix and mutual accountability between GoR and DPs is reinforced through the Common Performance Assessment Framework (CPAF). The National EDPRS Results and Policy Matrix recorded good performance in FY 2010/2011; out of 64 indicators that were assessed, 58 (90.6%) were met, 3(4.6%) were partially met, and only 3(4.6%) were lagging behind. Performance for 2010/11 measured through the CPAF was also good. Of the 39 targets assessed; 34 (87%) were met, 1 (3%) was partially met and 4 (10%) were not met.

Implementation of pro-poor programmes like the One Cow Per Poor Family and the Vision 2020 Umurenge (VUP), as well as the expansion of social safety nets such as basic health insurance (averaging above 96% coverage of the population in FY2010/2011) give a positive outlook for poverty reduction from the 2006 levels of 56.9%. Some of the key achievements include; revival of the agricultural sector leading to Rwanda becoming food secure. Implementation of 9-Year Basic Education (9YBE) has been a major success increasing transition rates from primary to secondary education from 42% in 2006 to 94% in FY2010/2011. Health indicators are improving with maternal mortality reducing from 750 (10000 live births) in 2006 to 383 in 2009, while family planning and contraceptive usage take-up has contributed to the lowering of fertility from 6.1 in 2006 to 4.5 in 2011. The Energy Access Roll-Out Program which targets rural electrification has contributed to an increase in the number of electricity connections from 70,000 (2006) to 215,000 (2011). While the percentage of citizens who feel that they participate actively in local decision making and that local government is listening to and addressing their priority concerns increased from 65% in 2009/2010 to 74.23% in 2010/2011 nearly hitting the target of 75% as set by EDPRS.

3.2 Challenges and New Priorities Moving Forward

In preparation for the next poverty reduction strategy (EDPRS 2) a participatory self assessment of the EDPRS through Districts and Sector Working Groups (SWGs) is being undertaken in 2011. This will highlight among others the key achievements, challenges, lessons learned and the priorities for EDPRS 2. Some challenges remain pertinent as we move into the next phase of EDPRS. These include; the continued global financial and economic crises, managing the trade deficit, accelerating infrastructure development and further reducing the cost of doing business, job creation (non-farm jobs), and the low depth of the private sector especially in investment, urbanization and local economic development.

In order to manage the development process in light of the challenges, the broad preliminary priorities identified for EDPRS 2 moving forward include; macroeconomic stability, private sector and industrial development, deepening regional integration, agriculture modernization and sustained productivity enhancement, planned urbanization and improved rural settlements, infrastructure development (energy, transport and strategic investments), capacity building (public and private), youth employment and climate change mitigation. Development Partners are currently actively involved in the self assessment of the EDPRS and are expected to contribute to the elaboration of the EDPRS 2 in both SWGs and Districts. This will help ensure stronger alignment of ODA to national development objectives and thus continuation of the positive impacts of ODA on development outcomes.

4 The Rwanda Aid Policy: Background, Progress and the Way Forward

4.1 *The Rwanda Aid Policy: Background and Implementation Progress*

In 2006 the Government of Rwanda adopted its Aid Policy as a guiding document for enhancing the quality and effectiveness of aid. The Policy sets out the Government of Rwanda's vision for improved aid management, and those policies which will turn this vision into reality. The document underscores the critical importance of the Government's ownership and leadership in development activities and the external resources as the foundation of national aid effectiveness agenda.

In asserting the ownership and leadership and enhancing effectiveness of aid, the Policy contextualizes the global principles of aid effectiveness in Rwanda's context. In particular, it emphasizes the need for the assistance to Rwanda to be more predictable – being disbursed as scheduled and ensuring reliability of medium-term projections as well as transparency of information on aid flows, which will greatly facilitate aid on budget information. It also indicates the need to reduce transaction costs to make aid work for Rwanda. Furthermore, it underscores the critical need of aid to be aligned to Government priorities. The Aid Policy also highlights the GoR's vision to reduce its dependence on external assistance, while noting the need for scaling-up of aid in the short-medium-term is needed for enabling the levels of investment required to meet Rwanda's development objectives. The Government seeks to ensure debt sustainability in attracting increased investment. In addition, effective management of aid is equally noted as building a case for the scaling up of aid. In this context, the recently produced Aid Policy Manual of Procedures sets out a clear process of aid management, for mobilisation of aid in line with the Aid Policy as well as effective utilisation of aid. Rwanda's Aid Policy together with the Aid Policy Manual of Procedures has greatly contributed to and continues to be the framework for Rwanda's efforts in enhancing quality, effectiveness, and efficiency of aid provided to Rwanda.

4.2 *New Initiatives for Better Implementation of the Aid Policy*

Guided by the Aid Policy, the 9th Government of Rwanda and Development Partners Meeting (DPM) in November 2010, saw renewed commitments as articulated and adopted in the Kigali Statement of Action (KSA) by both the Government of Rwanda and its Development Partners to continue to accelerate the efforts to further streamline the way aid is provided to Rwanda and enhance the effective utilization of aid for maximum development impacts. These include:

4.2.1 *Single Project Implementation Units (SPIUs)*

Past experiences gained from the development projects has shown that the project modality often incurs challenges of implementation, including their delayed start-up, low staff retention and skills handover, non-harmonised planning and multiple reporting requirements across projects. This ultimately resulted in the reduced efficiency and efficacy of project development assistance. In order to keep with the best practices in project implementation identified by both the Paris Declaration (PD) and Accra Agenda for Action (AAA), while recognising the advantages of using existing project implementation structures, following a consultative process with development partners, the GoR through the cabinet meeting of February 11th 2011 agreed on the establishment of Single Project Implementation Units (SPIUs) across all GoR sector Ministries and project implementing agencies. The subsequent Government of Rwanda and Development Partners Retreat (DPR) in March 2011, agreed to accelerate the operationalisation of SPIUs. Thus all Project Implementation Units (PIUs), whether they are parallel or integrated, were required to phase out and join the SPIU by the end of FY2011/2012, while all new projects negotiated are automatically required to join the relevant SPIU.

The Rwandan Ministry of Public Service and Labour (MIFOTRA) is spear-heading the SPIU implementation process, including establishing a salary scale, reviewing the SPIU structure according to individual GoR agencies and providing overall guidance to Sector Ministries and other GoR project implementing entities. However, as the authorized signatory on behalf of GoR for ODA, the MINECOFIN is to be involved early on in the discussions between DPs and line Ministries to ensure project ODA remains in line with aid effectiveness principles. SPIU implementation is currently progressing, with several Ministries (MINAFFET, MIDAMAR, MINICOM, MIGEPROF, MoH and MIJESPOC) having completed the institutionalization of SPIUs. The Ministry of Health (MoH) SPIU, which is already operational, now manages the World Bank and Global Funds projects, and has also started dialogue with United States Government (USG) Centre for Disease Control (CDC) and other partners. Ministries like MININFRA, MINELA, MINADEP and MININTER have completed setting up the implementing agencies that handle specialized tasks, e.g. in the case of MININFRA, and their Transportation, Housing, Energy, Water and Sanitation Agencies. While other Ministries including MINECOFIN, MINEDUC and MINAGRI are finalizing consultations with MIFOTRA that will lead to agreeing on the final structure of their SPIUs.

According to MIFOTRA some Ministries that do not have sizeable projects that warrant SPIUs, since the SPIU staff are paid from the project resources, will not be establishing SPIUs unless where new projects are started. Generally, however, delayed consultations between MIFOTRA and GoR agencies have slowed down SPIU implementation, which needs to be improved in order to meet the FY2011/2012 deadline. Also, where SPIUs are in place, there is a need for an assessment in order to establish how the SPIU arrangement has impacted project implementation.

4.2.2 Progress on the Project Treasury Single Account (TSA)

With the view to improve cash management and effective utilization of external resources, the Government of Rwanda has put in place a process of the Project Treasury Single Account (TSA), which will enable real-time consolidation of external resources information to the main Government TSA. The Government of Rwanda convened technical meetings to further discuss the mechanisms of the Project TSA, and the MINECOFIN has discussed with all Development Partners as well as sector Ministries to identify projects to pilot the Project TSA. The MINECOFIN recently held a one day workshop for all project Coordinators and their accountants as a final phase of consultations. MINECOFIN has also shared with BNR the bank accounts to start within the pilot phase and aim to have this effective before the end of December 2011. MINECOFIN and BNR will sign a Memorandum of Understanding (MoU) regarding the exchange rate issues to kick start the launch of the selected project accounts into the TSA. It is expected that the pilot projects will start receiving disbursements through the Project TSA before the end of FY 2011/2012.

4.2.3 Improving Information Sharing on Forward-Spending Plans

The Government of Rwanda and its Development Partners have discussed the critical importance of having reliable projections of forward-spending plans in informing better the Government's strategic prioritization during planning and budgeting processes both at the national as well as sector levels. Reliable projection of external resources is crucial in enhancing the effectiveness of Medium-Term Expenditure Framework (MTEF) process as well as for informing macroeconomic framework. With the view to systematically capture forward-spending plans of Development Partners, the DAD is being strengthened to include an MTEF module. This work has been completed and the MTEF module is operational and ready to start capturing forward-spending plans information.

5 Volume, Nature and Distribution of Development Assistance

5.1 The Volume of ODA in FY2010/2011

The total level of ODA provided to Rwanda in FY2010/2011 was USD 974.9 million, an increase of USD 12.2 (representing 1.23%) million compared to the USD 962.7 million received in FY 2009/2010. This resource flow was equivalent to 16.7% of nominal GDP in FY2010/2011 and 17.6% in the previous FY. The slight nominal increase was attributed in part to significant increases in ODA from the Global Fund and the United States (US), who increased assistance by roughly USD 51 million and USD 32 million respectively, from the previous fiscal year. While nine of Rwanda's fifteen official development partners decreased their ODA in FY2010/2011 compared to FY2009/2010. Significant decreases in disbursements were noted from the African Development Bank (AfDB), Belgium, the European Commission (EC) and the United Kingdom (UK). These reductions are mostly due to timing of their development cooperation programming. For example, the significant reduction observed from AfDB is due to the fact that their previous Country Support Programme (CSP) ended in December 2010. The last year of their CSP normally sees the reduction in annual disbursement. With regard to the reduced disbursement from Belgium, this is due to a significant delay of planned disbursement of project support, attributed to low financial execution that resulted from the project formulation and staffing process. A similar reason is behind the UK's reduced disbursement, who did not disburse their usually substantial contributions to sector budget support for Health and Education in FY 2010/2011. The top-five Development Partners providing the lion's share of the FY2010/2011 ODA, included the US, the World Bank, the Global Fund, the UK, and the EC (see Table 5.1).

Table 5.1.1: ODA to Rwanda in FY 2010/2011

DEVELOPMENT PARTNER	2009/10 ODA (USD)	2010/11 ODA (USD)
United States of America		
World Bank	195,255,008	189,902,671
Global Fund		
United Kingdom	103,137,180	89,806,487
European Commission		
United Nations	94,078,562	72,594,922
Belgium		
African Development Bank Group	52,138,265	36,793,381
Netherlands		
Germany	32,959,881	33,194,548
Sweden		
Japan	14,885,879	11,929,504
Canada		
Luxemburg	2,468,980	3,896,260
Switzerland		
TOTAL	962,675,985	974,862,028

External finance has played a significant role in Rwanda's development progress over the last decade, and it will continue to do so in the medium term moving forward. In FY2010/2011 the portion of ODA that qualified, and was communicated for inclusion in the national budget was 41.5% of the total revenues and grants in the revised budget. While it currently constitutes a large part of overall national revenue, efforts are on-going to strengthen national capacity for mobilizing domestic resources with the view to depend less on aid in medium to long term.

5.2 The Nature of ODA in FY2010/2011

The Rwanda Aid Policy (2006) sets out the Government of Rwanda's vision for ODA and aid effectiveness and states that strong preference is given to assistance offered in the form of grants. This is followed by concessional loans and lastly commercial loans, but in line with the guidelines agreed under the IMF 2010 Policy Support Instrument. In FY2010/2011 only 5% of ODA was provided in the form of concessional loans. However, this includes mainly the concessional loans provided by the AfDB, the International Fund for Agricultural Development (IFAD), and the World Bank. Other partners that provide concessional loans to Rwanda include the Arab Funds and other emerging donors, whose information are not reported through the DAD. Many of loans Rwanda receives from Export-Import (EXIM) Banks/ or South-South cooperation, from countries like China and India are commercial. Since start of the implementation of the IMF PSI, Rwanda was allowed a maximum of USD 240 million in commercial borrowing, particularly for highly bankable investment projects.

Rwanda's South – South Cooperation: A Snap-Shot

Since independence, Rwanda has sought and engaged in bilateral cooperation with countries across the globe, including various countries in the southern hemisphere, which have been growing in numbers and areas of cooperation throughout the years.

Rwanda established diplomatic relations with China, its oldest non African South-South DP, 4 decades ago (November 12, 1971). According to Dr. Sven Grimm et al (2010, p.5), in *Coordinating China and DAC Development Partners: Challenges to the Aid Architecture in Rwanda*, Chinese aid to Rwanda since 1971 has totalled RMB 1 billion (USD 146 million at today's exchange rate). This has composed of almost half through grants, about one-third through zero-interest loans, and around one-fifth through preferential loans. The areas of China-Rwanda cooperation have mainly been in the transport, specifically Kigali Urban Roads, and infrastructure sectors, with fewer projects in agriculture, education and health.

Following China, South-South cooperation with most of the Arab Funds dates back 30 years ago, particularly the Kuwait Fund for Arab Economic Development, Saudi Fund for Development, OPEC Fund for International Development and Arab Bank for Economic Development in Africa. These four Arab Funds had roughly USD 107 million in ongoing projects in Rwanda by the end of FY2010/2011. Like China, the Arab Funds prioritise infrastructure development, including roads and energy. India is a more recent addition to the list of Rwanda's South-South DPs. The Construction of the Nyabarongo Hydro Electric Project of USD 80 million, is the only ongoing project being financed through the EXIM Bank of the Government of India.

The Aid Policy also clearly outlines the country's preferred aid modalities, starting with General Budget Support (GBS), Sector Budget Support (SBS), followed by Basket Funds and lastly Programme/ Project based support. The GoR prefers budget support to any other aid modality. This is in part due to budget support being the modality which to the highest degree promotes the PD aid effectiveness principles of (1) Ownership; (2) Alignment with Partner country policies and priorities; (3) Harmonization and coordination of donor procedures and practices; (4) Managing for results; and (5) Mutual Accountability. DPs that provide budget support to Rwanda, directly support the implementation of the Rwandan government's medium-term poverty reduction strategy the EDPRS. These partners are able to engage with the GoR on monitoring the implementation of the EDPRS, and other key areas of concern that strengthen results management, aid management and mutual accountability. As their support is included in the national budget it is also held to the same accountability systems as national resources, where every support disbursed and executed is monitored and accounted for. It is for these reasons, among others, that budget support is recognized, both by GoR and many of its development partners as the best modality for disbursing ODA.

Rwanda currently has seven budget support (GBS and SBS) DPs, who belong to the Budget Support Harmonisation Group (BSHG) and adhere to the latter's MoU. As part of this agreement framework, budget support DPs are required to once a year provide firm and indicative commitments for GBS and SBS in order to facilitate GoR planning and budgeting on the rolling basis of the MTEF. For FY2010/2011 a total of approximately USD 274 million was communicated as firm commitments towards GBS and SBS through the BSHG. Of this amount, nearly USD 278 million was disbursed using these two modalities. Specifically, in FY2010/2011 roughly USD 211 million and USD 67 million, or 22% and 7% of all ODA was provided through GBS and SBS respectively.

While this represents 29% of all ODA provided to Rwanda, it was noted to have declined compared to the previous fiscal year, as roughly USD 229 million was disbursed through GBS and USD 135 million through SBS, representing 38% of all ODA provided in FY2009/2010. The combined reduction in budget support of USD 86 million was mainly due to the AfDB that did not disburse the GBS as well as significantly lower SBS disbursements from most budget support development partners in FY2010/2011. Part of the reasons given was the ending of existing GBS and SBS programmes and unavailability of new programmes, due to these not being provided in a rolling-basis. Moving forward, GoR and its DPs should work to ensure that Sectors do not suffer from poor predictability of SBS programmes.

Table 5.2.1: 2010/2011 ODA by Aid Modality

GENERAL BUDGET SUPPORT (GRANT & LOAN)		
Funding Source	Disbursed (USD)	Support (%)
African Development Bank	0	
European Commission	36,904,762	
Germany	9,722,222	
United Kingdom	56,122,449	
World Bank	107,987,772	
Total	210,737,205	22
Sector Budget Support		
Funding Source	Disbursed (USD)	Support (%)
African Development Bank	4,617,360	
Belgium	10,521,128	
European Commission	23,690,477	
Germany	4,904,632	
Netherlands	13,334,192	
World Bank	9,937,263	
Total	67,005,052	7
PROGRAMMES, PROJECTS, BASKET FUNDS (FINANCIAL & IN-KIND)		
Funding Source	Disbursed (USD)	Support (%)
African Development Bank	32,176,021	
Belgium	49,855,484	
Canada	6,797,012	
European Commission	15,865,905	
Germany	18,567,694	
Global Fund	115,979,053	
Japan	11,929,504	
Luxemburg	3,896,260	
Netherlands	21,582,433	
Sweden	16,719,072	
Switzerland	2,442,354	
United Kingdom	33,684,038	
United Nations	72,594,922	
United States of America	223,052,382	
World Bank	71,977,636	
Total	697,119,770	71
TOTAL	974,862,027	100

Following un-earmarked budget support and sector budget support the GoR prefers that DPs' resources be pooled (basket funds) rather than earmarked for individual projects. Currently, the following basket funds are managed by the GoR: Support to National Institute of Statistics of Rwanda, Demographic and Health Survey, Population Census, the Health Sector Capacity Development Pooled Fund, Support to Public Financial Management (PFM) Reform, Common Development Fund (CDF), and Investment Climate Facility for Africa.

Meanwhile roughly USD 697 million, or 71% was provided through programmes, projects or basket funds (see Table 5.2.1). This includes support provided to GoR ministries/ budget implementing entities as well as non-GoR implemented development projects. It also includes both financial support as well as non-financial/ or in-kind support. Thus majority of ODA, was provided through programmes, projects or basket funds, herein also referred to as 'project support'. The biggest contributor using this modality was the US, which provided nearly one third of the total ODA through these modalities. The second largest DP providing ODA through project support was Global Fund, followed by the United Nations (UN), Belgium and the World Bank.

Belgium Official Development Assistance

According to the OECD-DAC, Belgium's development cooperation has in the last 3 years been gaining momentum thanks to new international commitments and self-reflection. New reforms are taking shape and a new law on development cooperation aims to streamline Belgium aid and make it more aligned with the PD on Aid Effectiveness. Belgium has also been a champion among other DPs, meeting the 2002 Monterrey pledge of 0.7% of ODI/GNI in 2010. Belgium development assistance is also very focused in terms of location and sectors. Committed to the Great Lakes Region, Belgium provides 21% of its gross ODA to Rwanda, Burundi and the DRC.

In Rwanda the new Indicative Cooperation Programme (ICP) 2011-2014, allows Belgium to engage in the Health, Energy and Decentralization Sectors. While Belgium provide on average 20% of their ODA through budget support, majority of their support goes to Projects (38 projects in FY2010/2011). Operating under a system of co-management they are gradually moving to use of GoR execution systems. While Belgium funded projects in Rwanda use the GoR procurement procedures with direct payment made to selected vendors, Belgium funded projects have faced several challenges that particularly include capacity gaps at the project and service delivery level, delayed project completion that cause continuous extensions and make project execution very low. The recently concluded Belgium 2011 Country Portfolio Performance Review (CPPR) noted 24 on-going projects with a financial execution rate of 48.7%.

However, moving forward, there is optimism for positive change. During the ICP 2011-2014 Mr. Dirk Achten, President of the Board of Directors in the Foreign Affairs, Foreign Trade and Development Cooperation Ministry, emphasised Belgium's commitment to aid reform in Rwanda, stating:

'In line with the PD and the AAA, Rwanda has negotiated a Division of Labour with the donor community, by which Belgium will abide. Based on the important progress made by Rwanda in the field of PFM, Rwanda will become the first partner country starting (to use) national execution as a project implementation modality.'

By in-kind support, this report refers to such items as technical assistance and project equipment, i.e. other expenditure that doesn't involve the direct transfer of funds to the project. In FY2010/2011 in-kind support amounted to roughly USD 39 million, representing 4.0% of the total ODA. The United Nations was the biggest provider of in-kind support as roughly USD 15 million, or 21% of their ODA, was in the form of in-kind support. This is partly due to the fact that among the UN agencies are many technical/ specialized agencies that provide mostly technical assistance. In addition, the World Food Programme of the UN provides in-kind support through food supply donated in-kind or procured outside of Rwanda. Germany is the second largest contributor of in-kind support, providing just over USD 11 million of their ODA through in-kind support. Policy objectives by the German government dictate that one third (1/3) of German ODA to Rwanda must be in the form of technical cooperation/ assistance, which results in their high contribution through in-kind support.

Execution rates of project support are not available through the DAD as this captures disbursement information instead of expenditure information. However, the experience over the years as well as reports produced by the Project Management and Monitoring Unit (PMMU) on project execution indicates that there remain challenges of project execution. The high proportion of ODA administered through projects, much of it that is implemented through parallel implementation units, is a deviation from what is accepted as good practice, both enshrined in the Rwanda Aid Policy and the PD. Table 5.2.2 (below) shows the number of programmes/ projects currently supported through ODA to Rwanda, and the total resources provided by each DP. It also shows the number of these that are implemented by a GoR agency. The UN has the highest number of projects, with 123 active projects in the FY 2010/2011, which is an aggregated figure of the entire UN Agencies active in Rwanda. 86 of all UN projects and 68% of all UN ODA is implemented by GoR. The second largest contributor through projects is Belgium who had 38 active projects during FY2010/2011. The largest contributor to project modality in terms of amounts disbursed, the US, is indicated to have the smallest number of projects. However, this is due to the way the US reports in the DAD, which is at Strategic Objective level, while in terms of interventions (projects) the number is much higher. Similarly, there exist differences in understanding of 'GoR Implemented,' resulting in the high percentage of GoR implemented projects by some DPs.

Table 5.2.2: FY 2010/2011 ODA to Projects implemented by Government Agencies

DEVELOPMENT PARTNER	# of Projects	ODA Disbursed to Projects (USD)	# of Projects GoR Implemented	ODA GoR Implemented (USD)	(%) ODA GoR Implemented
AfDB	16	32,176,021	16	32,176,021	100
Belgium	38	49,855,484	1	0	0
Canada	7	6,797,012	2	5,520,517	81
EC	24	15,865,905	20	11,909,151	75
Germany	17	18,567,694	6	6,578,927	35
Global Fund	7	115,979,053	7	115,979,053	100
Japan	24	11,929,504	24	11,929,504	100

Luxemburg	3	3,896,260	2	1,903,485	49
Netherlands	17	21,582,433	7	9,935,336	46
Sweden	14	16,719,072	8	12,846,566	77
Switzerland	7	2,442,354	3	1,393,300	57
United Kingdom	17	33,684,038	13	33,607,179	100
United Nations	123	72,594,922	86	49,441,789	68
USA	6	223,052,382	1	0	0
World Bank	26	71,977,636	23	68,514,682	95
TOTAL	346	697,119,770	219	361,735,510	52

One of challenges of ODA to projects is to do with fragmentation, where a development partner may be engaged in multiple projects and at the same time be making comparatively smaller contributions to these. Some examples of ODA to projects that may be considered highly fragmented are that of the UN, Japan and Belgium. Furthermore, where most of ODA to project is implemented by agencies other than GoR Agencies, it raises concern whether it is in-line with GoR development priorities and effectively supports GoR systems. Where most of it is GoR implemented it raises concern on the transaction costs incurred by GoR agencies that may have multiple DP requirements.

In this context, some Development Partners have started making progressive efforts to address the issue of fragmentation and transaction costs. For example, the UN System in Rwanda through the Delivering as One (DaO) as well as adoption of the UN DoL has continued to improve the efficiency of UN support to Rwanda in line with the agreed DoL principles. Other partners such as Belgium and Germany have also committed to DoL. In response to the challenges created by parallel PIUs, GoR in 2010 started the establishment of Single Project Implementation Units (SPIUs), permanent structures that will be based in each GoR ministry in order to implement all projects under the ministries. However, the GoR's preference will always be for ODA to be delivered through general budget support or through sector budget support, particularly for sectors where there is an existing coordination structure like a Sector Wide Approach (SWAp).

Foreign Direct Investment (FDI)

FDI performance in 2010, according to BNR figures, saw a sharp decline compared to 2009. Direct investments and portfolio investments making up FDI in 2010 stood at US\$ 63.7 million, compared to the USD 118.6 million recorded in 2009, representing a decrease of 46 percent. The sharp decline was however coming after a substantial increase of 40 percent in 2009 compared to 2008 that had been the result of tremendous improvements made in the business environment of Rwanda. The decline observed in 2010 was a result of the global recession that started in late 2008 in developed countries and spilled over to developing countries the years after. FDI is projected to bounce back in 2011 in line with the economic recovery and further improvements in the Rwandan business environment.

5.3 The Distribution of ODA in FY2010/2011

Chart 5.3.1 below shows the distribution of ODA received in FY2010/2011 according to the Rwandan Government's Economic Development and Poverty Reduction Strategy (EDPRS) sectors. The second bar from the left titled 'GBS' corresponds to support that is channelled through un-tied budget support, which totalled roughly USD 210.7 million. As was the case in the previous years, the Health Sector was the best funded sector by Development Partners in FY2010/2011. In FY2010/2011 around USD 342 million went towards health, with most of the funds coming from the US (roughly USD 182 million), the Global Fund (USD 116 million) that specifically earmarks their support to Health interventions towards HIV/AIDS, TB and Malaria, followed by Belgium (roughly 18 million). However, one notes that despite the Health sector being the best funded sector it was only the third most crowded sector in terms of DP interventions, with 9 active DPs contributing to the Sector. The most crowded sector was Agriculture that had 12 DPs providing ODA, contributing a total of USD 111.5 million and making it an average of USD 8.6 million per DP.

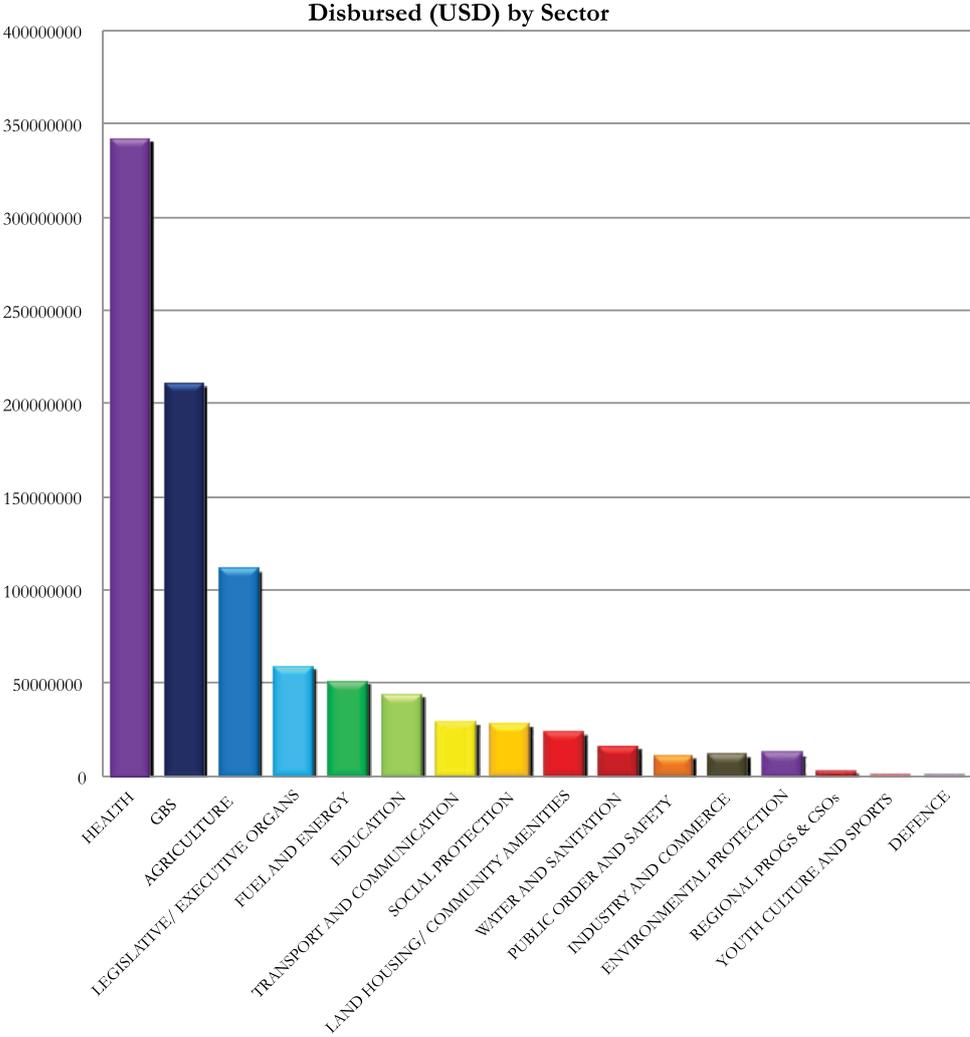
Those that may be considered to be so-called 'Orphan' sectors, with the least ODA were Youth, Culture and Sports, as well as the Defence sector, receiving USD 432,197 and USD 367,394 respectively. The UN and Japan were the sole contributors to these sectors, jointly supporting a UNDP programme towards youth empowerment and development, and the setting up of a regional centre of excellence for peace building. Regional Programmes and support through Civil Society Organisations (CSOs) are outside the EDPRS classifications, and received around USD 3 million. These were followed by Public Order and Safety (USD 11.2 million), Industry and Commerce (USD 12.2 million) and Environment Protection (USD 12.6 million). Meanwhile, the sectors Land Housing/ Community Amenities (USD 23.8 million), Social Protection (USD 28.5 million) and Transport and Communication (USD 29.4 million) received intermediate levels of funding. While, the Education (USD 44.2 million), Fuel and Energy (USD 45 million), and Legislative and Executive Organs (USD 59.2 million) were relatively well funded.

Civil Society Organisations: A Snap-shot of their Contribution in Rwanda

The numbers of ODA provided through Civil Society Organisations (CSOs) in this report do not adequately represent the total contribution of CSOs to Rwanda as only few DPs provide this information in the DAD. However, a MINECOFIN and UNDP study the ‘Rwanda Civil Society Mapping’ aimed to bridge the gaps in information vis-a-vis CSO activities in Rwanda, and thus better inform planning and prioritisation of GoR as well as DPs/ CSOs. The study found that total CSO expenditure in FY2009/2010 was roughly USD 428 million, and international CSOs expended roughly 76% of all CSO expenditure in Rwanda. In terms of allocation, majority (89%) of CSO funds were concentrated to the Health, Social Protection, Education and Agriculture Sectors. In terms of impact, the study showed that CSO expenditure in 6 EDPRS Sectors, represented over 20% of overall GoR expenditure. Currently, GoR and CSOs are able to engage at multiple foras, both at the Central and Decentralised levels. While traditionally considered non-government/ independent partners, it is clear that CSO’s contribution to development activities in Rwanda is substantial and more engagement may be necessary to see how the benefits of CSO can be maximised, and planning of activities be better informed, for the benefit of the Rwandan population.

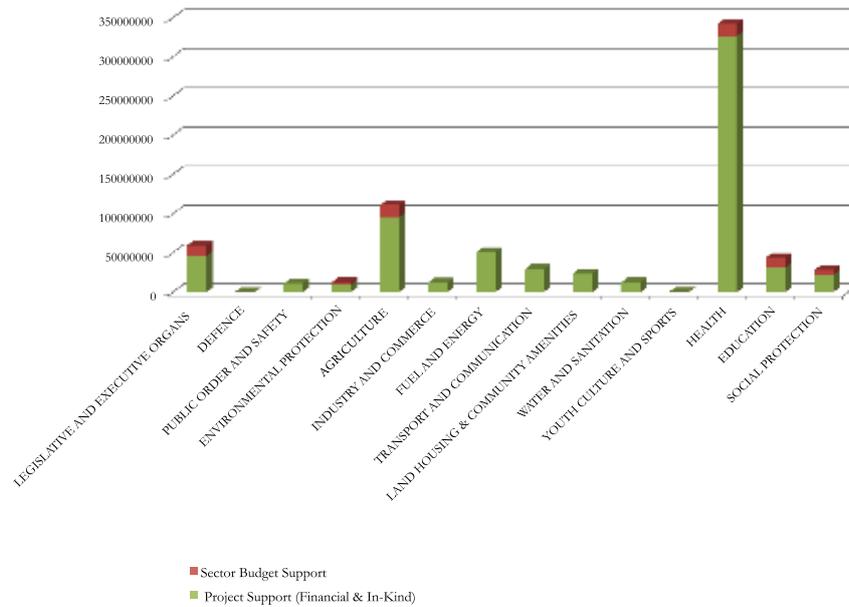
The biggest changes comparing with the ODA received in the previous fiscal year was in the Education sector, which received less than half of the roughly USD 127 million received in FY2009/2010. This is due to the sizable ODA which was previously provided through SBS was not disbursed in FY 2010/2011, due to several education programme of DPs had ended in FY2009/2010 and new programmes were still under preparation at that time. Meanwhile Social Protection received almost three times as much ODA in FY2010/2011, compared to the USD 11 million received in FY2009/2010, in part due to new programme support to VUP from Sweden.

Chart 5.3.1: ODA to Rwanda in FY 2010/2011 by EDPRS Sectors



The chart below outlines the sector ODA portfolio in terms of aid modality. It illustrates that while an increasing number of sectors now have operational SWAPs and are shifting towards implementing Programme-Based Approaches (PBAs), aid modalities across sectors has not necessarily responded to the progress made on implementation of SWAPs and PBAs. Again, it is worth noting that the education sector saw its share of ODA provided through SBS reduced in FY2010/2011.

Chart 5.3.2: Aid modality by Sector



In the below chart (Chart 5.3.3) we compare ODA that went towards those sectors traditionally considered Productive versus that which went towards Non-Productive sectors. While roughly 70% of all ODA went to Non-Productive sectors as Health and Social Protection, only roughly 30% of ODA went towards Productive sectors as Agriculture and Transport and Communication. The biggest contributors to traditional Productive sectors included the World Bank, the United States and the European Commission. The United Nations also gave considerable amounts towards the Agriculture Sector. However, it is worth noting that some of the DPs not captured in this report, like China and the Arab Funds, contribute most of their funding to Productive sectors, making actual funding to these sectors higher than what is reported here.

The next Chart (Chart 5.3.4) illustrates the FY2010/2011 ODA received according to the four MDG/ EDPRS themes, Growth, Rural Development, Human Development and Governance. Here we clearly see that Human Development consumed over half of ODA (56%), compared to the other themes. The second biggest recipient was Rural Development (22%), followed by Growth (12.5%), and lastly Governance (9.5%) as shown in Chart 5.34 on the previous page.

Chart 5.3.3: FY 2010/2011 ODA to Productive versus Non-Productive Sectors

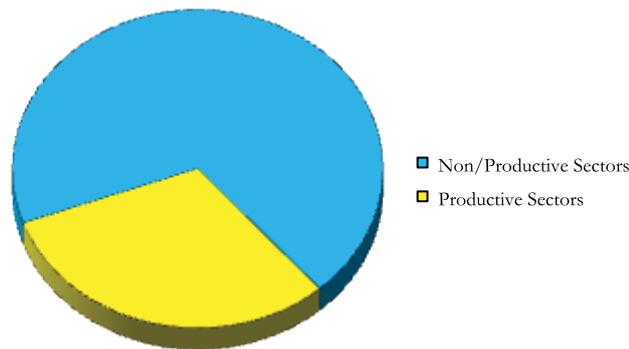
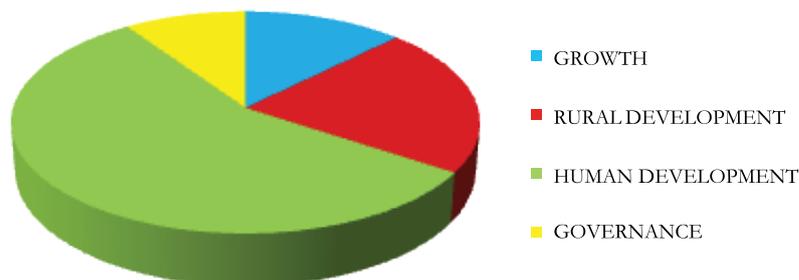


Chart 5.3.4: FY 2010/2011 ODA to MGD/ EDPRS Themes



6.1 The Predictability of All Support

Even though total ODA may have increased in FY2010/2011 from the previous year, what was actually disbursed fell short of what was committed by DPs to Rwanda, at only 81%. This average (disbursement rate) is based on comparison of what was committed by DPs and what was actually recorded as disbursed in the DAD. In the meanwhile, the predictability indicator used in the DPAF FY2010/2011 exercise reported 63% at aggregate level, as this indicator looked specifically at ODA committed by DPs as compared to what was actually disbursed and accounted in the GoR public accounts information. The disbursement rate varied greatly across DPs, with some registering considerably low disbursement rates, including Japan (27%), the UN (74%), and the Global Fund (71%), while others registered high disbursement rates as compared to what was committed, including Canada (197%) and Sweden (127%). The disbursement rate of the World Bank is at 65% according to the data in the DAD, while the information used for the DPAF exercise indicates the disbursement rate of 91%. The significant gaps of disbursements and commitments are partly due to challenges of implementation. However, the gaps are also due to the commitment information not being provided in line with the GoR FY, as several DPs continue to provide commitment information along the calendar year. This makes the analysis of predictability according to the GoR FY challenging. Providing timely and detailed information on commitments and actual disbursements according to the GoR FY enhances greater predictability and thus improved planning of development assistance and development activities.

6.2 ODA Predictability According to Aid Modality and Sectors

When examining disbursement rates across aid modalities (Table 6.2.1), one notices that predictability for GBS and SBS is relevantly good, as compared to predictability of Project Support. Best predictability was registered with the GBS modality (99%) followed by the SBS modality (104%), which was in part due to the strengthened process of mutual accountability, communication and M&E of budget support through the BSHG. Finally, with regard to projects, the low predictability of 74% was often attributed to challenges of implementation such as procurement requirements not being met in time.

Table 6.2.1: 2010/2011 ODA Predictability by Aid Modality

Modality	Committed (USD)	Disbursed (USD)	% Predictability
General Budget Support (Grant/ Loan)	212,069,129	210,737,205	99
Sector Budget Support	64,382,760	67,005,052	104
Project Support (Grant /Loan, Financial/ In-Kind)	943,166,662	697,119,770	74
TOTAL	1,219,618,551	974,862,027	80

By alternative criteria, the Table 6.2.2 outlines the predictability of GBS and SBS as recorded by the BSHG Secretariat. The commitment information in this table is based on the commitment information provided through the BSHG process in line with the GoR budget preparation process. In comparison with the Table 6.2.1, it is worth noting that commitment information as recorded in the DAD and the commitment information provided to the GoR budget preparation process significantly differs, particularly the commitment for Sector Budget Support. The commitment information provided to the GoR budget preparation process was the basis for the national budget for FY2010/2011 approved by the Parliament. According to these commitments and in comparison with the actual disbursements recorded in the DAD, the predictability of Sector Budget Support is low at 74%. This picture better corresponds to the actual situation of SBS disbursements, whereby several Sector Budget Support commitments were not realized during the FY2010/2011 due to the reasons provided in the previous section.

Table 6.2.2: 2010/2011 Predictability of GBS & SBS per Commitments Provided for the Budget Preparation

Modality	Committed (USD)	Disbursed (USD)	% Predictability
General Budget Support (Grant/ Loan)	237,097,509.6	210,737,205	89
Sector Budget Support	90,631,000	67,005,052	74

Further efforts are needed with regards to the communication of timely commitment information by Development Partners to allow adequate recording of all aid flows in the public accounts. Moreover, further consideration is also needed to ensure that all prerequisites for the effectiveness of grants/ loans are met in due time to consequently allow timely disbursements. Moving forward it is believed that the establishment of the SPIU will help GoR and Development Partners overcome the challenges experienced during Project implementation. Considering predictability of ODA by sectors, weak predictability was noted for the Environmental Protection Sector (31%) and Defense (24%). For the Defense sector, the very low score is in-part due to poor reporting/ over-reporting of commitment information into the DAD. For the Environment sector, large under disbursements were mainly done by the World Bank and the UN. Poor predictability was also noted also for Agriculture (60%), Fuel and Energy (62%), Education (64%), Transport and Communication (67%). The low disbursement rate for these sectors is largely due to the prerequisites (procurement considerations, availability of the requested documents, etc) for funds disbursements.

Chart 6.2.1: 2010/2011 ODA Predictability by Sectors

Sector	Health	GBS	Agriculture	Legislative/ Executive Organs	Fuel and Energy	Education	Social Protection	Transport and Communication	Land Housing/ Community Amenities	Water and Sanitation	Public Order and Safety	Industry and Commerce	Environmental Protection	Regional Progs & CSOs	Youth Culture and Sports	Defense
% Predictability	83	99	60	109	62	64	95	67	108	74	118	69	31	80	58	24

7 Use of Country Systems in Delivering ODA

7

The Government of Rwanda considers ODA delivered using the country systems as one of the key critical elements for efforts to enhance effectiveness of development cooperation in support of achievement of national priorities in development and poverty reduction. Use of country systems facilitates further the national capacity development through strengthening the country systems for executing budget, delivering public services, and planning and monitoring development policies, strategies and programmes. It also enhances domestic and mutual accountability to ensure resources are effectively utilized to achieve development results. This section reviews the current progress with regard to ODA delivered using the country systems, including ODA on budget and ODA using PFM and procurement systems.

7.1 Aid on Budget

Aid on Budget in the Rwandan context is defined as ODA (external grants and loans) included in the Finance Law, which is approved by the Parliaments in accordance with the Organic Law No. 37/2006 of 12/09/2006 on State Finances and Property (“the “Organic Budget Law”) and disbursed using GoR budget procedures. The budget preparation process of the GoR does not allow external funds that are not executed by the Government agencies to be included in the budget approved by the Parliament. This is due to the fact that it is the Budget Agencies/ the GoR administrations that are held accountable for executing the budget approved by the Parliament and Budget Agencies do not control such resources that they do not execute themselves. While there have been made considerable efforts to ensure all resources for the Government sector be included in the budget approved by the Parliament, 36% of ODA for the Government sector as reported in the DAD remains off-budget, partly due to unavailability of firm commitments of planned disbursement in line with the GoR budget preparation process, but also mostly due to the fact that a considerable share of ODA for the Government sector is still executed outside of the Government system.

Table 7.1.1: Aid on Budget

DEVELOPMENT PARTNER	ODA for GoR Sector Disbursed (USD)	ODA on Budget	ODA on Budget as %
African Development Bank	36,685,378.00	71,658,871.65	51
Belgium	55,541,513.00	30,081,890.99	54
Canada	6,797,012.00	0	0
European Commission	67,662,451.00	94,835,579.58	71
Germany	31,130,204.00	20,742,919.56	67
Global Fund	115,979,053.00	30,849,441.87	27
Japan	11,929,504.00	1,069,147.08	9
Luxemburg	3,410,085.00	2,606,563.90	76
Netherlands	34,321,626.00	32,300,844.99	94
Sweden	14,817,309.00	16,031,057.29	92
Switzerland	2,060,132.00	1,094,635.89	53
United Kingdom	88,546,488.00	74,825,368.92	85
United Nations	56,621,794.00	20,543,779.36	36
United states of America	223,052,382.00	6,008,551.01	3
World Bank	189,902,671.00	190,755,349.34	100
TOTAL	938,457,602.00	593,404,001.41	64

It is worth noting that several DPs have increased the use of delegated cooperation/ silent partnership arrangements in delivering their ODA. However, contributions from silent partners are not attributed to the silent partners in the budget approved by the Parliament. Within the context of aid on budget, it is worth highlighting that approximately half of the resources through project support are either directly executed by DPs or executed by agencies/ institutions other than the Government agencies, as indicated in the Table 5.2.2 (above). There is a need to increase the proportion of project aid which is executed/ implemented by Government agencies in order to ensure resources for the Government sector are included fully in the national budget approved by the Parliament.

7.2 Strengthening the GoR's PFM and Procurement Systems

The GoR's efforts to improve the Public Financial Management systems through the PFM Reform have resulted in a solid and progressive improvement of the PFM system in Rwanda, as indicated by the recent Public Expenditure and Financial Accountability (PEFA) report of 2010. The Public Financial Management Reform Strategy is a comprehensive GoR

approach, with the overall goal to ensure efficient, effective and accountable use of public resources as a basis for economic development and poverty eradication through improved service delivery. The PFM reform is being implemented under four pillars, including (1) economic management and budget, (2) financial management and reporting, (3) public procurement, and (4) budget execution oversight (internal and external audit). Areas where reforms have been implemented include:

- i. Budget systems, which comply with international best practices in the areas of credibility, transparency, comprehensiveness; and perform well with regards to predictability and control of budget execution;
- i. A strong legal and regulatory framework exists, with adoption of internal audit manuals and charter and the establishment of audit committees;
- i. The external audit function is well established and covers over 70% of Government spending;
- i. Notable progress with regard to the development and implementation of the Smart IFMIS that includes: a successful roll out of the core modules to 94 budget agencies and a target to roll out to the remaining 142 budget agencies by end of 2011, and;
- ii. Improved financial reporting: GoR has since 2006 provided timely audited financial statements in formats and substance that comply with international best practice due to the adoption of a sound legal framework – the Organic Budget Law (OBL).

In the last five years, the GoR has established/ adopted the following laws and regulations:

- i. A procurement law based on the United Nations Commission on International Trade Law (UNCITRAL);
- ii. An institutional framework for oversight of procurement by restructuring its National Tender Board;
- iii. The use of national standard bidding documents in line with international standards;
- iv. A standard manual for public procurement (User Guide) for the benefit of practitioners, and;
- v. A code of conduct for all staff in-charge of procurement.

Based on lessons learned and feedback obtained from implementation of the procurement law, GoR initiated a procurement law amendment. The draft amended law was approved by Cabinet in Dec 2010.

In order to build capacities for effective implementation of the procurement law, capacity building is currently undertaken by various institutions, such as the Rwanda Public Procurement Authority (RPPA), regional organisations such as COMESA, the private sector and DPs. In the medium-term, GoR plans to start a sustainable training strategy, which will be realised through a twinning arrangement between a local training institution and an international organisation specialised in procurement.

7.3 ODA Delivered using Rwanda's PFM and Procurement Systems

While the GoR continues to strengthen the PFM and procurement systems, DPs have agreed to increase the use of these systems to contribute to further strengthening of the systems and avoid parallel implementation systems that undermine the GoR's domestic accountability in terms of ensuring effective utilization of resources, value for money, and achievements of development results.

Table 7.3.1: ODA delivered using PFM and Procurement Systems

DEVELOPMENT PARTNERS	Use of Budget Execution Procedures (%)	Use of Financial Reporting Procedures (%)	Use of Audit Procedures (%)	Use of Procurement Procedures (%)
AfDB	15	82	82	82
BELGIUM	19	19	19	100
CANADA	0	51	51	51
EC	87	87	87	89
GERMANY	68	69	69	69
GLOBAL FUND	3	100	3	95
JAPAN	18	18	18	21
LUXEMBOURG	0	0	19	19
NETHERLANDS	65	67	67	88
SWEDEN	48	87	54	87
SWITZERLAND	60	60	59	68
UNITED KINGDOM	75	77	77	79
UNITED STATES	0	0	0	0
WORLD BANK	62	100	100	72
UNITED NATIONS	7	36	31	72
TOTAL	34	59	47	62

While there has been some progress in terms of increased use of country systems by several DPs, the use of country systems remains mostly limited to the GBS and SBS and support provided to basket funds managed by the Government agencies. Several large projects (e.g. energy roll-out programme, etc.) are also increasingly using the country systems, such as budget execution procedures, financial report and audit procedures, as well as procurement systems. However, there has not been significant increase of the use of country systems at the aggregate level in comparison to the solid and progressive progress noted on the strengthening of the PFM and procurement systems.

ODA provided by one of the DPs providing the largest support to Rwanda remains outside of the GoR country systems. None of the US ODA is implemented by GoR entities, thus it is also off budget. Amongst others, this raises issues of accountability of their ODA, as the relevant accountability systems are unable to monitor and account for ODA provided by the US. However, in FY2009/2010 the US communicated to the GoR and the BSHG their interest to provide SBS to the Agriculture sector within the following subsequent two fiscal years and requested to be a non-active member of the BSHG. Based on this they were given entry to the BSHG and have been partaking in the BSHG meetings, in anticipation of a US SBS programme for agriculture. By the time of production of this report, no SBS agreement had yet been developed with the GoR. In addition, following the bilateral dialogue between the GoR and the USG, Rwanda has been chosen as a pilot country for United States Agency for International Development (USAID) for increased use of country systems in delivering their assistance, including through the project modality. The PEFA 2010 team to Rwanda included an official from the USAID signalling the initiation of this process, which was followed by the fiduciary risk assessment undertaken by USAID in 2011.

United States Official Development Assistance

Recent surveys of the OECD score the United States poorly on the PD aid effectiveness indicators related to alignment with partner country priorities, the use of countries' financial and procurement systems, and harmonisation with other donors. These challenges are attributed to congressional requirements such as earmarking and tying aid to the delivery of US goods and services, as well as the delivery of US funding through CSOs. USAID provides US foreign assistance to Rwanda under a Strategic Grant Objective Agreement (SOAG) with the GoR and within the framework of the US-GoR bilateral agreement, which has been in effect since 1992. This is channelled through the CDC, the U.S. Peace Corps, and the US Department of Defense. In Rwanda, USAID implements their programs through agreements with more than 80 local and international organizations, including UN agencies, for profit companies, and NGOs. Currently embarking on reforms aimed at making development co-operation more effective, the USAID forward reform defines significant concrete steps, which include ensuring USAID's procurement system relies more on non-US providers and building the capacities of partner countries so that the US can increasingly use their systems. Speaking during the 4th High Level Forum for Aid Effectiveness in Busan, the US Secretary of State, Ms. Hillary Clinton, reflected on the US' own progress in implementation of the aid effectiveness principles and called on all partners to renew their commitments towards aid effectiveness reforms, citing Rwanda as a country that had registered significant accomplishments. Ms. Clinton added:

'Now it is time to get to work. And let me say, most importantly, like traditional donors, you must end the practice of creating your own strategies independent of a country-led plan. It is in your interest – to coordinate with government agencies and other NGOs. Otherwise, we see you, what President Kagame very eloquently described, which is parallel programs that do not build capacity and leave sustainable outcomes.'

8

8 Implementation of the Division of Labour

Since the agreement reached on DPs' Division of Labour (DoL) in 2010, new development cooperation frameworks and programming have endeavoured to implement the agreed DoL. The DoL principles called for more appropriate distribution of DP's support across sectors in line with the national priorities, more sizable support in any given sector, and support provided in a way that reduces transaction costs posed on the Government side. In this context, silent partnership/ delegated cooperation was encouraged as a way to reduce transaction costs, particularly in the situation where adhering to the maximum 3 sectors per DP risked resulting in a reduction of the DP's ODA volume.

The table below outlines the current distribution of ODA across DoL sector, the average number and the size of interventions per DP in any given sector. Given that the sector classification used in the DAD differs from the sector classification of the DoL, the ODA allocation across DoL sector may not reflect the actual DP engagement in the DoL sector. For example, DAD does not have a sector called decentralisation. This makes it difficult to accurately attribute ODA to sectors in the DoL. In addition, the table does not distinguish DP contribution channelled through the silent partnership. Furthermore, DAD does not distinguish the contribution through the basket funds. This makes difficult to accurately record the nature of DP engagement in any given sectors. Nevertheless, the table highlights the sector receiving sizable contribution as well as those sectors which may be challenged in dealing with multiple-small size projects.

The table highlights the following sectors as sectors relatively fragmented: (1) the justice, reconciliation, law and order; (2) manufacturing services and off-farm industries; (3) water and sanitation; and (4) social protection. These sectors received contributions with the average size of interventions relatively small. As discussed in the previous section (Section 5.3.), sectors such as youth, culture and sports and employment sectors received a limited contribution and the number of DPs engaged in these sectors is very small. The health sector with 9 active DPs, however, is noted as the sector receiving the largest average size of intervention per DP. However, it is worth pointing out that is due to the way Global Fund and the US report on their disbursements to the DAD, which is not at project/ intervention level. The agriculture sector has the largest number of active DPs (12). However, with a sizable contribution by the EC made in the form of SBS, the average size of project interventions is relatively larger. Given the challenge noted on the silent partnership and basket funds to be reflected in the table, the number of sector engagement by DP needs careful reflection in analyzing the status/ progress of DoL implementation.

Since the agreement reached on the DP Division of Labour, various DPs have engaged in dialogue with the GoR through consultations on their new development cooperation frameworks. For example, AfDB, Belgium, Sweden, Germany, and UK through their renewed development cooperation frameworks (country assistance strategies) have started implementing the Division of Labour. Netherlands as well as Canada have also made considerable efforts to implement the DoL. These efforts are expected to have positive impacts on the status of the DoL in future monitoring.

The effective implementation of the Division of Labour requires analysis of sector financing and the nature and modalities of DP engagement in any given sectors. The table which highlights the distribution of ODA across sector and the average number and size of interventions can further steer the dialogue to improve the quality of DP interventions across sectors as well as in any given sectors. Given the challenges noted above, further consideration may be useful as to how the DAD reporting can be improved to effectively map out DP sector engagement in the DoL sectors.

Table 8.1.1: Division of Labour Mapping

Development Partner	Justice, Reconciliation, Law & Order		Decentralization & CDF		Manufacturing Services & Off-Farm Industries		Forestry, Land & Environment		Agriculture		Water & Sanitation		Energy		Transport & ICT		Youth, Sports & Culture		Employment		Social Protection		Health & Population		Education		No. of Sectors per DP						
	No.	USD	No.	USD	No.	USD	No.	USD	No.	USD	No.	USD	No.	USD	No.	USD	No.	USD	No.	USD	No.	USD	No.	USD	No.	USD							
AFDB	0	0	0	0	1	0.6	0	0	3	10.3	0	0	3	11.1	3	1.9	0	0	0	0	0	0	0	0	0	0	2	5.4	5				
Of which is SBS/ Basket Funds	0	0	0	0	0	0.0	0	0	0	0	0	0	0	0.0	0	0.0	0	0	0	0	0	0	0	0	0	0	1	4.6					
BELGIUM	2	5.1	1	2.1	0	0	2	1.8	6	8.7	2	4.2	4	10.3	0	0	0	0	0	0	0	0	0	11	17.8	15	3.3	8					
SBS/ Basket Funds	1	3.9	0	0.0	0	0	0	0.0	0	-	0	0.0	0	0.0	0	0	0	0	0	0	0	0	0	1	6.6	0	0.0	0					
CANADA	0	0	2	2.2	0	0	0	0	2	4.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2					
SBS/ Basket Funds	0	0	0	0.0	0	0	0	0	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
EC	3	6.3	2	0.6	1	1.1	1	3	4	18.2	3	3.6	1	1.3	4	2.7	0	0	0	0	0	0	0	0	0	0	0	0	7				
SBS/ Basket Funds	1	3.6	0	0.0	0	0.0	1	3	2	16.0	0	0.0	0	0.0	0	-	0	0	0	0	0	0	0	0	0	0	0	0					
GERMANY	0	0	3	9.3	3	1.1	1	0.07	0	0	2	0.06	2	0.33	0	0	0	0	0	0	0	0	0	4	2.0	0	0	8					
SBS/ Basket Funds	0	0	0	0.0	0	0.0	0	0.0	0	0	0	0.00	0	0.00	0	0	0	0	0	0	0	0	0	1	4.9	0	0.0	0					
GLOBAL FUND	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10	11.6	0	1				
SBS/ Basket Funds	0	0	0	0.0	0	0.0	0	0.0	0	0	0	0	0	0.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
JAPAN	0	0	0	0	2	0.26	1	0.007	5	3.20	4	2.3	4	1.1	4	0.9	0	0	0	0	0	0	0	0	0	1	0.007	4	3.0	8			
SBS/ Basket Funds	0	0	0	0.0	0	0.00	0	0.000	0	-	0	0.0	0	0.0	0	0.0	0	0	0	0	0	0	0	0	0	0	0	0	0				
LUXEMBOURG	0	0	0	0	0	0	0	0	1	1.4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3	2.5	0	2				
SBS/ Basket Funds	0	0	0	0.0	0	0.0	0	0.0	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
NETHERLANDS	5	6.4	0	0	2	0.81	0	0	3	7.3	0	0	2	7.7	0	0	0	0	0	0	0	0	0	0	0	0	1	0.007	4	8.1	6		
SBS/ Basket Funds	1	5.3	0	0	0	0.00	0	0	0	-	0	0	0	0.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1			
SWEDEN	1	0.005	0	0	0	0	1	1.3	1	0.08	0	0	0	0	1	0.9	0	0	0	0	0	0	0	0	0	0	1	5.6	0	6			
SBS/ Basket Funds	0	0.000	0	0.0	0	0.0	0	0.0	0	-	0	0	0	0.0	0	0.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
SWITZERLAND	0	0	1	0.35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0.35	5	1.7	0	3		
SBS/ Basket Funds	0	0.00	0	0.00	0	0.00	0	0.00	0	0	0	0	0	0.00	0	0.00	0	0	0	0	0	0	0	0	0	0	0.00	0	0.00	0			
UK	8	3.7	0	0	0	0	1	19.0	1	1.7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	5.8	0	4			
SBS/ Basket Funds	0	0.0	0	0.0	0	0.0	0	0.0	0	-	0	0	0	0.0	0	0.0	0	0	0	0	0	0	0	0	0	0	0.0	0	0.0	0			
UNITED STATES	0	0	1	10.7	0	0	0	0	3	29.9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3	182.5	0	3			
SBS/ Basket Funds	0	0.0	0	0.0	0	0.0	0	0.0	0	-	0	0	0	0.0	0	0.0	0	0	0	0	0	0	0	0	0	0	0.0	0	0.0	0			
WORLD BANK	1	6.0	0	0	5	3.9	3	0.38	3	13.7	0	0	5	19.5	3	19.4	0	0	0	0	0	0	0	0	0	0	0	0.0	0	8			
SBS/ Basket Funds	0	0.0	0	0.0	0	0.0	0	0.0	0	-	0	0	0	0.0	0	0.0	0	0	0	0	0	0	0	0	0	0	0.0	0	0.0	0			
UNITED NATIONS	13	2.3	8	1.3	4	2.3	14	6.3	17	13.4	3	2.4	1	0.015	0	0	0	0	0	0	0	0	0	0	0	0	1	0.037	0	0	8		
SBS/ Basket Funds	0	0.0	0	0.0	0	0.0	0	0.0	0	-	0	0.0	0	0.000	0	0.00	0	0	0	0	0	0	0	0	0	0	0	0.00	0	0.00	0		
TOTALS	33	29.8	18	27	18	10	24	32	49	112	14	13	22	51	15	26	1	0	0	0	0	0	0	0	0	0	6	3	24	27	69	34.6	43
Avg. no. of Projects per DP	4		3		3		3		4		2		3		3		1		3		4		7		5								
Avg. Size of Initiative in the Sector in USD	0.567		1.475		0.559		1.250		2.040		0.897		2.334		1.720		0.037		0.517		0.902		4.996		1.058								
No. of Active DPs	7		7		7		7		12		5		8		5		1		2		6		9		7								

Figures in table are in (000) million USD

9 Strengthening Development Partnership

Rwanda's efforts to enhance the effectiveness of development cooperation it receives is enforced by the partnership dialogue, which is one of the key elements for implementing the aid effectiveness agenda. Dialogue between the GoR and its DPs has contributed to building shared visions and goals on aid and the development effectiveness agenda in Rwanda, and has steered joint efforts in this context. Partnership dialogue also plays a critical role in the mutual accountability framework in Rwanda, which is one of the critical aspects for enhancing development effectiveness.

Central to in-country dialogue around the aid effectiveness agenda are a number of key fora, which bring together GoR, DPs, CSOs, and private sector at various levels. These include: Government of Rwanda and Development Partners Meeting (DPM), the Government of Rwanda and Development Partners Retreat (DPR), the Development Partners Coordination Group (DPCG), the Budget Support Harmonization Group (BSHG), the Sector Working Groups (SWGs) and the Joint District Action Forum (JDAF).

During the 9th DPM, held in Nov 2010, the dialogue focused on the aid effectiveness challenges and the way forward for attainment of the MDGs as well as innovative private sector financing. The 9th DPM adopted the Kigali Statement of Action (KSA), which outlined a number of actions to be undertaken in further enhancing development effectiveness in Rwanda and ensuring aid contributed effectively to the achievement of development results. Following the DPM, 7th DPR was held in March 2011, which further reviewed the progress made on aid effectiveness and was informed by the preliminary results of the OECD-DAC PD Survey 2010. The DPR also adopted more actionable points and a specific timeline to further implement the actions agreed at the 9th DPM.

With the Economic Development and Poverty Reduction Strategy (EDPRS) coming to an end in June 2013, the process has started in reviewing the EDPRS achievements and challenges and developing the next generation poverty reduction strategy (the EDPRS 2). The DPCG as a national steering committee for the EDPRS review and development of the EDPRS 2.

Development cooperation in Rwanda has seen remarkable transformation and achievements in recent years, due to both GoR and its DPs' commitment toward improvement of country systems and aid effectiveness reform, for attainment of development results. FY2010/2011 saw the continuation of positive development cooperation as the total ODA envelope increased despite the recent global economic crisis that had plague the world. On the country-level, the 9th DPM saw the renewal of commitments by GoR and its DPs, for improved aid effectiveness and strengthened development cooperation. This FY2010/2011 ODA Report highlighted, however, that despite the positive gains, further efforts are needed in order to achieve attainment of these commitments and results.

The FY2010/2011 saw a reduction of GBS and SBS, versus an increase in Project Support modality. This report showed how the project modality raises other concerns to do with fragmentation, reduced predictability, high transaction costs and misalignment to Rwanda's development objectives that are avoided with the GBS and SBS modality. In addition, the report showed that despite implementation of aid effectiveness reforms, strengthened country ownership and improvement of country systems by the GoR, DPs are still lagging behind in alignment to the Rwandan aid policy and use of country systems in Rwanda.

Rwanda had a crucial role at the 4th High Level Forum for Aid Effectiveness held in Busan, and represented other African countries during the negotiation of the Busan Outcome Document, a key guiding principle document in the future development effectiveness agenda. The forum saw renewed global commitments by partner countries and development cooperation stakeholders, for improved country systems and their use as a 'default', predictability, transparency, increased country ownership, reduced fragmentation and stronger alignment of development assistance. Non-traditional DPs, as well as CSOs, who are increasingly becoming crucial partners in the Rwandan development context, were also called upon to support the aid effectiveness agenda for attainment of development results.

As preparations of the EDPRS 2 are underway, GoR and DPs are currently taking stock of progress and setting new priorities for the development objectives of the next 5 years. The process of managing diversity has been a success in Rwanda, a country with moderate number of DPs, but who engage in various areas, with varied modalities. Upon the eve of the EDPRS 2, sustained implementation of agreed reforms, as the DoL, as well as the buy-in into new reforms, as the SPIU, are necessary in order to see successful implementation of commitments made in Rwanda.

Annex: Agreements signed in 2010 and 2011 between GoR and DPs

DP; Multi-year Framework (and amount)	Financing Agreements	Time frame	Date of Signature
African Development Bank	Regional Information and Communication Technologies Centre for Excellence	2011-2016	08/04/2011
	Advance for preparation of the Livestock Infrastructure Support Programme	2011	12/05/2011
	Regional Information and Communication Technologies Centre for Excellence	2011-2016	08/04/2011
Belgium; Cooperation Indicative Program 2011-2014 (€160M)	Specific agreement on Joint Health sector (€5M)	2011-2012	08/12/2011
	Improving access to reliable and cost effective electricity services for households and priority public institutions (€17M)	2012-2014	December 2011
	Project for increasing electricity supply through development of geothermal energy (€27M)	2012-2013	December 2011
European Commission	Trade, Regional Integration and Business Development Support	2011-2015	22/02/2011
	Social Protection Sector Budget Support	2011-2015	22/02/2011
Germany; Summary Record of the Negotiations on Development Cooperation between the Government of the Republic of Rwanda and the Government of the Federal Republic of Germany 2011-2013 (€60M)	Macroeconomic Programme Support within the EDPRS (€7M)	FY2011/12	08/08/2011
	Accompanying Measure to the Macroeconomic Programme Support within the EDPRS- PFM (€3M)	FY2011/12-FY2013/14	08/08/2011
	Agreement for Regional Transmission Line Rwanda-DRC (€19M)	FY2011/2012- onwards	17/11/2011
	Agreement for Regional Transmission Line Rwanda-DRC, Netherlands contribution (€17.25M)	FY2011/2012- onwards	17/11/2011
Global Fund	Single Stream of Funding Agreement (\$ 80,334,415)	2011-2014	October 2011
Sweden; Agreement Between The Government Of Sweden And The Government Of Rwanda On Development Cooperation 2010-2013 (approx SEK180M/year)	Agreement for Support to Vision Umurenge Programme (VUP) (SEK95M)	FY2010/11- FY2012/13	09/12/2010
	Amendment for additional support to VUP (SEK37M)	FY2011/12	14/12/2011
	Agreement for Support to Natural Resources and Environment Programme (NREP)- Land Component (SEK 65M)	FY2010/11- FY2013/14	09/12/2010
	Amendment for additional support to NREP (SEK26.45M)	FY2011/12	14/12/2011
	Amendment for additional support to NUR (approx. SEK 50M)	FY2011/12- FY2012/13	27/06/2011
United Kingdom; Memorandum of Understanding 2006- 2016 (approx. £460M)	Memorandum of Understanding for Education Sector Budget Support (£40.83M)	FY2011/12- FY2014/15	25/08/2011
	Support to Strategic Approach to Capacity Building 2012-2016	2012-2016	December 2011
	Institutional Strengthening and Capacity Building in Energy Sector (€5M)	2012-2014	21/12/2011
	Memorandum of Understanding for Rwanda East Africa Scholarships Programme (£3M)	2011-2016	20/09/2011
	Memorandum of Understanding for Agriculture Sector Budget Support (£18M)	FY2011/12- FY2014/15	23/11/2011

United Nations Common Operational Document 2008-2012	IFAD Agreement: Project for Rural Income through Exports (\$37M)	N/A	29/09/2011
	IFAD Agreement: Additional financing for the Support Project for the Strategic Plan for the Transformation of Agriculture (\$2.5M)	N/A	29/09/2011
United States Of America	Strategic Objective Grant Agreement: Democracy and Governance referred to as Strategic Objective 5 (\$9.3M)	FY2011/ 12	September 2011
	Strategic Objective Grant Agreement: Health and HIV/AIDS referred to as Strategic Objective 6 (\$93.5M)	FY2011/ 12	September 2011
	Strategic Objective Grant Agreement: Rural Economic Growth Opportunities referred to as Strategic Objective 7 (\$1.3M)	FY2011/ 12	September 2011
World Bank	7 th Poverty Reduction Strategy Financing	2011-2012	11/03/2011
	Skills Development Project	2011-2016	29/04/2011
	Rwanda Petroleum Exploration Capacity Building Project	2011-2016	07/03/2011
	Second Community Living Standard Grant	2010-2011	14/07/2011
	Third Community Living Standard Financing	2011-2012	26/04/2011

