PROJECT PERFORMANCE ASSESSMENT REPORT

RWANDA

# Fourth Poverty Reduction Strategy Grant, Fifth Poverty Reduction Support Grant, Sixth Poverty Reduction Support Grant, and Seventh Poverty Reduction Support Financing

**Report No. 129569**

SEPTEMBER 25, 2018

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**Report No.: 129569**

**PROJECT PERFORMANCE ASSESSMENT REPORT**

**RWANDA**

**Fourth Poverty Reduction Strategy Grant**
**(IDA H3550, TF 90402)**

**Fifth Poverty Reduction Support Grant**
**(IDA H4520)**

**Sixth Poverty Reduction Support Grant**
**(IDA H5540)**

**Seventh Poverty Reduction Support Financing**
**(IDA H6440, IDA 48680)**

September 25, 2018

***Human Development and Economic Management***

*Independent Evaluation Group*

## Currency Equivalents (annual averages)

*Currency Unit = Rwanda franc (RF)*

| | | | | | |
|---|---|---|---|---|---|
| 2008 | $1.00 | RF 543 | 2013 | $1.00 | RF 634 |
| 2009 | $1.00 | RF 568 | 2014 | $1.00 | RF 680 |
| 2010 | $1.00 | RF 581 | 2015 | $1.00 | RF 690 |
| 2011 | $1.00 | RF 599 | 2016 | $1.00 | RF 747 |
| 2012 | $1.00 | RF 603 | 2017 | $1.00 | RF 840 |

## Abbreviations

| | |
|---|---|
| APTC | Agro Processing Trust Corporation |
| ASA | Advisory Services and Analytics |
| BSHG | Budget Support Harmonization Group |
| CAS | Country Assistance Strategy |
| CLSG | Community Living Standard Grant |
| CPAF | Common Performance Assessment Framework |
| DPF | development policy financing |
| EDPRS | Economic Development and Poverty Reduction Strategy |
| GDP | gross domestic product |
| IEG | Independent Evaluation Group |
| IFMIS | integrated financial management information system |
| IMF | International Monetary Fund |
| MINECOFIN | Ministry of Finance and Economic Planning |
| M&E | monitoring and evaluation |
| ODA | official development assistance |
| PDO | program development objective |
| PEFA | Public Expenditure and Financial Accountability |
| PPAR | Project Performance Assessment Report |
| PRSF | Poverty Reduction Support Financing |
| PRSG | Poverty Reduction Support Grant |
| TVET | technical and vocational education and training |

*All dollar amounts are U.S. dollars unless otherwise indicated.*

## Fiscal Year

Government: July 1–June 30 (since July 2009)

| | |
|---|---|
| Director-General, Independent Evaluation | Ms. Caroline Heider |
| Director, Human Development and Economic Management | Mr. Auguste Tano Kouame |
| Acting Manager, Country Programs and Economic Management | Mr. Ismail Arslan |
| Task Manager | Ms. Florence Charlier |

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This report was prepared by Florence Charlier, Ali Khadr, and Yumeka Hirano, who assessed the program in February 2018. The report was peer reviewed by Željko Bogetić and panel reviewed by Robert Lacey. Carla F. Coles provided administrative support.

## Principal Ratings

| Indicator | ICR | ICR Review | PPAR |
|---|---|---|---|
| Outcome | Satisfactory | Moderately satisfactory | Moderately satisfactory |
| Risk to development outcome | Negligible to low | Moderate | Moderate |
| Bank performance | Satisfactory | Moderately satisfactory | Moderately satisfactory |
| Borrower performance | Satisfactory | Moderately satisfactory | Moderately satisfactory |

*Note:* The Implementation Completion and Results Report (ICR) is a self-evaluation by the responsible Global Practice. The ICR Review is an intermediate Independent Evaluation Group product that seeks to independently validate the findings of the ICR. PPAR = Project Performance Assessment Report.

## Key Staff Responsible

### Fourth Poverty Reduction Strategy Grant (P104990)

| Management | Appraisal | Completion |
|---|---|---|
| Project Team Leader | Kenechukwu Maria Ezemenari | Birgit Hansl |
| Acting Sector Manager | Sudhir Shetty | Humberto Lopez |
| Country Director | Colin M. F. Bruce | Johannes C. M. Zutt |

### Fifth Poverty Reduction Support Grant (P106083)

| Management | Appraisal | Completion |
|---|---|---|
| Project Team Leader | Kenechukwu Maria Ezemenari | Birgit Hansl |
| Sector Manager | Jan Walliser | Humberto Lopez |
| Country Director | Johannes C. M. Zutt | Johannes C. M. Zutt |

### Sixth Poverty Reduction Support Grant (P113241)

| Management | Appraisal | Completion |
|---|---|---|
| Project Team Leader | Kenechukwu Maria Ezemenari | Birgit Hansl |
| Sector Manager | Jan Walliser | Humberto Lopez |
| Country Director | Johannes C. M. Zutt | Johannes C. M. Zutt |

### Seventh Poverty Reduction Support Financing (P117495)

| Management | Appraisal | Completion |
|---|---|---|
| Project Team Leader | Birgit Hansl, Johannes Widmann | Birgit Hansl |
| Sector Manager | Kathie Krumm | Humberto Lopez |
| Country Director | Johannes C. M. Zutt | Johannes C. M. Zutt |

IEG Mission: Improving World Bank Group development results through excellence in independent evaluation.

About This Report

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To prepare a Project Performance Assessment Report (PPAR), IEG staff examine project files and other documents, visit the borrowing country to discuss the operation with the government, and other in-country stakeholders, interview World Bank staff and other donor agency staff both at headquarters and in local offices as appropriate, and apply other evaluative methods as needed.

Each PPAR is subject to technical peer review, internal IEG panel review, and management approval. Once cleared internally, the PPAR is commented on by the responsible World Bank Country Management Unit. The PPAR is also sent to the borrower for review. IEG incorporates both World Bank and borrower comments as appropriate, and the borrowers' comments are attached to the document that is sent to the World Bank's Board of Executive Directors. After an assessment report has been sent to the Board, it is disclosed to the public.

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*Outcome:* The extent to which the operation's major relevant objectives were achieved, or are expected to be achieved, efficiently. The rating has three dimensions: relevance, efficacy, and efficiency. *Relevance* includes relevance of objectives and relevance of design. Relevance of objectives is the extent to which the project's objectives are consistent with the country's current development priorities and with current World Bank country and sectoral assistance strategies and corporate goals (expressed in Poverty Reduction Strategy Papers, Country Assistance Strategies, sector strategy papers, and operational policies). Relevance of design is the extent to which the project's design is consistent with the stated objectives. *Efficacy* is the extent to which the project's objectives were achieved, or are expected to be achieved, taking into account their relative importance. *Efficiency* is the extent to which the project achieved, or is expected to achieve, a return higher than the opportunity cost of capital and benefits at least cost compared with alternatives. The efficiency dimension is not applied to development policy operations, which provide general budget support. *Possible ratings for outcome:* highly satisfactory, satisfactory, moderately satisfactory, moderately unsatisfactory, unsatisfactory, highly unsatisfactory.

*Risk to Development Outcome:* The risk, at the time of evaluation, that development outcomes (or expected outcomes) will not be maintained (or realized). *Possible ratings for risk to development outcome:* high, significant, moderate, negligible to low, and not evaluable.

*Bank Performance:* The extent to which services provided by the World Bank ensured quality at entry of the operation and supported effective implementation through appropriate supervision (including ensuring adequate transition arrangements for regular operation of supported activities after loan or credit closing, toward the achievement of development outcomes). The rating has two dimensions: quality at entry and quality of supervision. *Possible ratings for Bank performance:* highly satisfactory, satisfactory, moderately satisfactory, moderately unsatisfactory, unsatisfactory, and highly unsatisfactory.

*Borrower Performance:* The extent to which the borrower (including the government and implementing agency or agencies) ensured quality of preparation and implementation, and complied with covenants and agreements, toward the achievement of development outcomes. The rating has two dimensions: government performance and implementing agency(ies) performance. *Possible Ratings for borrower performance:* highly satisfactory, satisfactory, moderately satisfactory, moderately unsatisfactory, unsatisfactory, and highly unsatisfactory.

# Preface

This Project Performance Assessment Report (PPAR) assesses a programmatic series of four Poverty Reduction Support Financing (PRSF) development policy operations delivered to Rwanda during 2008–11 of about $370.2 million. The series, referred to as PRSF 4–7, began with the fourth Poverty Reduction Strategy Grant, approved by the World Bank Board of Executive Directors in March 2008, and ended with the seventh PRSF operation, which was approved in February 2011 and closed on schedule at the end of June 2012. The PRSF 4–7 series supported the first and third pillars of the government's 2008–12 Economic Development and Poverty Reduction Strategy (EDPRS). The World Bank supported the second pillar through other instruments.

The purpose of the PPAR is to examine the extent to which the series achieved its relevant program development objectives and how well the associated outcomes have been sustained since the series' closure. In addition to its accountability and lesson-learning functions, the PPAR provided inputs to the Independent Evaluation Group's (IEG) fiscal years (FY)09–17 Country Program Evaluation for Rwanda.

The report presents findings based on a review of relevant World Bank Group documentation, including the FY08–12 Country Assistance Strategy, program documents, the (single) Implementation Completion and Results Report for the series and IEG's review of that report, and World Bank Group databases. The PPAR also draws on numerous government of Rwanda and other Rwandan documents and data sources, including the 2008–12 EDPRS, Rwanda's medium-term development plan during the series' implementation, and publications of the National Institute of Statistics of Rwanda. Stakeholder interviews during an IEG mission to Rwanda in January–February 2018 and interviews with World Bank staff provided an additional and essential complement of information and insights regarding the PRSF 4–7 series' performance.

IEG is grateful for the cooperation and support provided by current and former representatives of the government of Rwanda, both in the Ministry of Finance and Economic Planning and in numerous other ministries and agencies and district offices; private sector and civil society organizations; and development partner agencies. IEG also extends its appreciation to World Bank staff who are currently or were formerly working on Rwanda, especially in the World Bank's country office in Rwanda. The names of interviewees are in appendix C.

Following standard IEG procedures, a copy of the draft report was sent to the relevant government officials and agencies for their review and feedback. No comments were received.

# Summary

This Project Performance Assessment Report evaluates a programmatic series of four development policy financing (DPF) operations approved for Rwanda over 2008–11. The series consisted of four single-tranche operations: the fourth, fifth, and sixth Poverty Reduction Support Grants (PRSGs), approved in March 2008, 2009, and 2010, respectively, and a seventh Poverty Reduction Support Financing operation (PRSF-7, a combination of grant and credit financing) approved in February 2011. Allowing for the addition of PRSF-7, which was not programmed at the series' start, the series (called PRSF 4–7 throughout this report) was implemented on schedule from March 2008 through June 2012 (PRSF-7's closing date). The program was financed by International Development Association grants (PRSG 4–6) and a mix of grants and credits (PRSF 7) of $370.2 million and was fully disbursed.

The PRSF 4–7 series supported the first and third pillars of Rwanda's 2008–12 EDPRS. During implementation, macroeconomic management and performance supported by the International Monetary Fund remained strong despite the 2008–09 global crisis and the food and fuel price increases that preceded it. In contrast to previous experience, the reduction in poverty was significant: the poverty headcount declined from 57 percent in 2006 to about 45 percent of the population in 2011 and declined further to about 39 percent by FY14. (Since 2009, Rwanda follows the East African Community fiscal year, which is identical to the World Bank's, July 1 – June 30. This PPAR therefore employs the notation used in the World Bank to designate Rwanda's fiscal year.) The series was a significant part of a broader pool of external budget support around which harmonization was exercised through a joint government-donor Budget Support Harmonization Group (BSHG) and a Common Performance Assessment Framework (CPAF). These were dissolved in 2012 when donors (including the World Bank) discontinued general budget support.

The PRSF 4–7 series' program development objectives (PDOs) varied through successive operations and between the program documents and policy matrixes and results frameworks. Six distinct objectives drawn from the CPAF are used for this assessment: (i) enhance the skills of the population through a revamping of the strategic and institutional framework for postbasic education, notably technical and vocational education and training; (ii) enhance economic infrastructure, focusing on energy, water and sanitation, and road transport; (iii) raise agricultural productivity through strengthened soil and water conservation and irrigation, and private sector–led fertilizer distribution; (iv) deepen and broaden the financial sector by strengthening the legal and regulatory framework; (v) enhance government capacity, accountability, and transparency in public financial management, public procurement, fiscal

decentralization, and civil service reform; and (vi) improve access to high-impact quality health services through greater availability and affordability of services at the local level. The sixth objective appeared only in PRSG-4 and was discontinued afterward.

Relevance of the series' PDOs is rated high, given their close alignment with EDPRS objectives and those of the World Bank Group's Country Assistance Strategy for fiscal years 2008–12. Relevance of design is rated modest. Although the theory of change linking reform measures and the PDOs was broadly plausible, many reforms lacked depth, causal links were often weak, and outcome indicators and the time frame for monitoring had deficiencies. Design was complex and lacked a unifying thread. The series was modified significantly as it was rolled out, with some dilution of reform content (many triggers did not subsequently materialize as prior actions). Harmonization efforts constrained the World Bank to align design with the CPAF. Instrument choice—the Poverty Reduction Support variant of programmatic DPF offering predictable budget financing for a good performer—was appropriate to Rwanda's context.

Efficacy ratings are mixed:

- Efficacy in securing progress toward skill enhancement is rated substantial. Outcomes were favorable, and the reforms supported likely contributed to them, although there were other contributory factors.

- Efficacy of the health-related objectives is rated substantial. Reforms supported under PRSG-4 were important and made a direct contribution to favorable outcomes, although in some cases they were not sustained.

- Infrastructure-related achievements were modest. In energy, causal links between supported reforms and intended outcomes were weak, and some policy actions were reversed temporarily. Water and sanitation reforms improved the management of the sector, but their contribution to the outcomes targeted was weak. In road transport, progress was below expectations and appeared to have plateaued since the series closed.

- Efficacy in agriculture is rated substantial. Fertilizer distribution was successfully revamped with a reduced public sector role (though there was a partial reversal later), and the use of soil erosion control techniques was promoted.

- Efficacy in the financial sector is also rated substantial. Credit to the private sector as a percentage of gross domestic product as well as other trends have evolved favorably.

- Efficacy in advancing the PDO of enhancing government capacity, accountability, and transparency is rated modest. Reforms supported were largely tangential to strengthening fiscal decentralization per se versus strengthening the decentralization process more broadly.

The series' overall outcome is assessed as moderately satisfactory, based on the high relevance of objectives, modest relevance of design, and mixed efficacy. Risk to development outcome is rated moderate. Rwanda has been, and remains, a strong reformer and performer, although policy mistakes and setbacks in progress have also been apparent in certain areas, such as agriculture.

Quality at entry is rated moderately satisfactory, given sound analytical underpinnings and generally adequate design, despite some deficiencies. Quality of supervision is likewise rated moderately satisfactory: regular CPAF monitoring kept the World Bank abreast of progress with reforms and associated outcomes, although supervision documentation could have been more meticulous. Overall, Bank performance is thus rated moderately satisfactory.

Borrower and implementing agency performance is rated moderately satisfactory. The Ministry of Finance and Economic Planning coordinated reform implementation by line ministries and agencies, which were largely successful, but saw a few cases of delay or reversal. It also chaired the BSHG, which monitored progress under the CPAF.

Monitoring and evaluation quality is rated modest. Design deficiencies stemmed largely from the mandate of alignment with the CPAF. Implementation through CPAF monitoring by the BSHG did not collect information on all outcome indicators.

Key lessons from the experience with the PRSF 4–7 series include the following:

- Programmatic DPF can be an effective form of support for a well-defined, country-owned reform program. In Rwanda, the PRSF 4–7 series backed a well-articulated and sound development strategy with strong implementation arrangements, the 2008–12 EDPRS. Arguably, however, value-added of the series stemmed more from the predictable financing it provided for the overall program and its encouragement to reforms through regular and institutionalized monitoring of progress than from advancing the achievement of specific objectives and outcomes.

- It is difficult to be definitive about the efficacy of a DPF series unless the results framework is tight-knit, the reforms supported have the requisite depth, and there is a strong and direct causal link between these reforms and the outcomes sought. Under the PRSF 4–7 series, progress was made in several cases toward the objectives and desired outcomes. However, the role of the policy actions that the series supported in bringing about that progress versus other contributory factors was not always clear.

- A commitment to providing regular, predictable financing in the form of (multisector) general budget support operations implies that the World Bank needs to be prepared to accommodate dilution or deferral of reform content relative to what is foreseen at the outset. This underscores the importance of entering into such a commitment only in instances in which the World Bank has confidence in the government's long-term intent to see reforms through in good faith, despite delays and temporary reversals rooted in technical or political economy factors. In Rwanda, there were several delays and setbacks; for example, the implementation of a revised tariff structure for electricity was continually deferred and diluted. However, all triggers specified in the operations under the PRSF 4–7 series (or their equivalent in terms of the substance of the policy actions) were eventually achieved, though in some cases with several years' delay, suggesting that the World Bank's confidence was well placed.

- The World Bank can face a hard choice between adhering to a CPAF in a multisector budget support series and fulfilling the good-practice prescriptions in its operational policy for DPF. In Rwanda, confining prior actions and outcome indicators in the PRSF 4–7 series to those found in the CPAF offered clear advantages, such as institutionalized monitoring and evaluation and lower transactions costs, particularly for country authorities. However, CPAF design shortfalls and selectivity in its coverage spilled over into the series, leading to inconsistencies with good practices prescribed under the World Bank's operational policy for DPF. It was often difficult in the PRSF 4–7 series to trace the causal links between prior actions (many of which lacked depth) and outcomes sought. Moreover, certain objectives the series sought originally, such as fiscal decentralization, were subsequently pursued through insufficiently focused measures and outcome indicators that were constrained to align with those in the CPAF.

- Successful deployment of an integrated financial management information system can be facilitated by high-level commitment and performance monitoring, sustained external support, and system ownership. In Rwanda, top-level attention to *imihigo* (performance contract) monitoring included a focus on successive phases of IFMIS rollout, which also received steady technical and financial support from the World Bank (through parallel DPF and investment project financing, and later Program-for-Results financing) and from other partners (notably through a Public Financial Management Basket Fund supported by the European Union and the U.K. Department for International Development). In addition, Rwandan authorities believed that the IFMIS's in-house development gave the system's users a greater stake in its successful deployment.


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# 1. Background and Context

1.1 The Poverty Reduction Support Financing (PRSF) 4–7 series was prepared and implemented in support of a five-year government development strategy, the 2008–12 Economic Development and Poverty Reduction Strategy (EDPRS). To cement Rwanda's impressive rebound from the devastating 1994 genocide, its leadership—in a *Vision 2020* document first prepared in 2000 and inspired by the success of Singapore's development experience—had set the ambitious goal of attaining middle-income status within two decades, underpinned by a transformation of the economy from being largely subsistence agriculture–based to being knowledge-based and acting as a regional service hub. The EDPRS, in effect a second-generation Poverty Reduction Strategy Paper, represented the second five-year umbrella development strategy to operationalize *Vision 2020*. EDPRS goals and programs were, in turn, detailed for implementation in a set of sector strategies, district development plans, annual central and district budgets, and annual performance contracts (known as *imihigo*) extending, in many cases, beyond the organizational level to the individual. Despite inevitable limitations in the mutual consistency of these various instruments and in coordinating their implementation, efforts were made to reduce these limitations over time.

1.2 The series sought to support the first and third of the EDPRS's three pillars. EDPRS sought to accelerate growth and human development, emphasizing decentralization and increased private sector activity. Its priorities were articulated through three flagship programs or "pillars." The first, sustainable growth for jobs and exports, sought to support interventions to develop skills; improve economic infrastructure; promote science, technology, and innovation; and strengthen the financial sector. The second, the flagship *Vision 2020* Umurenge social protection program, sought to provide direct transfers, labor-intensive public works, and credit packages to create opportunities for the poorest Rwandans and ensure that growth was shared. The third aimed at strengthening political and economic governance, and building institutions and the capacity of the state, including continued decentralization. The PRSF 4–7 series supported the first and third EDPRS pillars, and the World Bank supported the second through other instruments, including a Community Living Standard Grant (CLSG) programmatic development policy financing (DPF) series.

1.3 The overall World Bank Group strategy and program was itself aligned with the EDPRS. The World Bank Group strove to anchor its entire fiscal years (FY)09–12 Country Assistance Strategy (CAS) on the EDPRS. The World Bank had, in fact, followed its FY03–05 CAS with a two-year Interim Strategy Note to ensure that the cycles of the new World Bank Group strategy and the EDPRS would synchronize. Under the FY09–12 CAS, the World Bank Group program sought to contribute to the EDPRS goal of raising growth and creating jobs and to consolidate specific elements of Rwanda's social progress by tackling selected aspects of vulnerability, with a cross-cutting goal of developing public sector capacity. The reform agenda supported by the PRSF 4–7 series was complemented by a parallel investment portfolio supporting improvements in agricultural production, infrastructure (notably in transport and energy), and public resource management, as well as by an Advisory Services and Analytics (ASA) program that helped prepare and implement reforms.

1.4 Rwanda's first-generation Poverty Reduction Strategy Paper had previously received World Bank DPF under the Poverty Reduction Support Grant (PRSG) 1–3 series. The first Poverty Reduction Strategy Paper, prepared in 2002, operationalized a transitional period of (continued) reconstruction and rehabilitation with the aim of consolidating recovery from the genocide. The PRSG 1–3 series, delivered over FY05–07, sought to establish regular and predictable budget support for Rwanda's development program. The series had supported the following: (i) improvements in the quality, coverage, and equity of basic service delivery to support human development, with a focus on outcome-oriented spending; (ii) an enhanced overall public expenditure management and economic governance process, with emphasis on results and expanding voice and participation of citizens; and (iii) policy measures to improve the investment climate and development of the private sector, with a focus on exports.

1.5 Rwanda's emerging track record of strong economic performance had initially yielded only modest poverty reduction dividends. Except for 2003, very high gross domestic product (GDP) growth had characterized 2000–06, driven by services and manufacturing, though with significant year-on-year volatility in agriculture. In parallel, access to many economic and social services improved, fueled by growing government spending (particularly capital) and significant donor assistance flows. Rapid improvements were seen in many social indicators, such as infant mortality. However, the associated decline in income poverty was disappointing: between 2001 and 2006, the incidence of poverty nationwide declined from 58.9 percent of the population to 56.9 percent—a mere two percentage points—and incidence of extreme poverty declined from 41.6 percent to 37.8 percent.[1]

1.6 During and after the PRSF 4–7 period, robust economic management and growth continued, and poverty had a more pronounced decline. Rwanda's macroeconomic policy framework remained solid. Support from the International Monetary Fund (IMF) under the institution's Poverty Reduction and Growth Facility (a second arrangement was approved in 2006) later continued with the approval in 2010 of a nonfinancial arrangement under the policy support instrument (which was continually renewed through early 2018). The 2008–09 global financial crisis had a dampening effect, reflected in a sharp slowdown of growth in services and particularly industry, although crop intensification and favorable weather in agriculture compensated to some extent to keep overall 2009 GDP growth at a comparatively robust 6.3 percent (table 1.1). Food price shocks that preceded the global crisis also affected Rwanda adversely. However, high growth rates resumed in 2010–12. By 2011, poverty incidence had declined to 44.9 percent, and an FY14 household survey showed a subsequent further decline in poverty to 39.1 percent.[2]

1.7 Broader macroeconomic performance was (and remains) largely positive, driven by strong economic management, including effective responses to shocks. Quick and appropriate fiscal and monetary responses to the global financial crisis in 2009 and to an official development assistance (ODA) cutback in FY13 (discussed later in this section) illustrate Rwanda's capacity for effective management of macroeconomic shocks, and GDP growth remained healthy through and beyond the PRSF 4–7 period (table 1.1). After a bout of high inflation in 2008–09 that reflected pass-through of imported food and fuel price increases, inflation remained moderate, generally in the 2–7 percent range. In the fiscal accounts, revenue mobilization efforts have offset a decline in external grants. However, given continuing expenditure pressure, the fiscal deficit has generally trended upward. In the external accounts, exports of goods and services increased from 11.7 percent of GDP in FY10 to 14.7 percent in FY15, fueled by strategic public investments and export promotion initiatives. However, given continuing growth in imports, Rwanda's external current account remained in significant and mostly growing deficit. Foreign direct investment has fluctuated but remained comparatively low, peaking at about 4 percent of GDP. Although public debt has increased in recent years given the ODA decline and a progressive hardening of its terms, Rwanda remains rated at low risk of debt distress.

1.8 The budget support framework that developed around the PRSF 4–7 series was a model application of Paris Declaration principles. In fact, Rwanda emerged as a prime example of partnership budget support—predictable, united financing aligned with a country-led development strategy, delivered and administered using harmonized practices. Based on the government's expressed preferences, budget support was a particularly important source of financing for Rwanda's development during this period: in FY10, for example, direct budget support amounted to 36 percent of total government expenditures (World Bank 2011, para. 2). Under strong government leadership, an elaborate architecture developed for managing budget support and the government-donor dialogue related to it as part of a broader mechanism for managing external support more generally.

**Table 1.1. Rwanda Key Economic Indicators**

| Economic Indicators | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|---|---|---|---|---|---|
| GDP growth *(percent)* | 11.2 | 6.3 | 7.3 | 7.8 | 8.8 | 4.7 | 7.6 | 8.9 | 5.9 | 6.2 |
| Inflation *(percent)* | 15.4 | 10.3 | 2.3 | 5.7 | 6.3 | 4.2 | 1.8 | 2.5 | 5.7 | 7.1 |
| General government revenue *(percent of GDP)* | 24.8 | 23.8 | 24.6 | 25.3 | 23.2 | 25.5 | 24.2 | 24.7 | 23.7 | 22.1 |
| of which: grants | — | — | 13.3 | 10.8 | 9.3 | 8.6 | 7.4 | 6.4 | 5.1 | 4.9 |
| General government total expenditure *(percent of GDP)* | 23.9 | 23.5 | 25.3 | 26.2 | 25.7 | 26.8 | 28.3 | 27.5 | 26.0 | 24.0 |
| Fiscal balance *(percent of GDP)* | 0.9 | 0.3 | −0.7 | −0.9 | −2.5 | −1.3 | −4.0 | −2.8 | −2.3 | −1.9 |
| General government gross debt *(percent of GDP)* | 19.5 | 19.5 | 20.0 | 19.9 | 20.0 | 26.7 | 29.1 | 33.4 | 37.6 | 40.2 |
| Exports of goods and services *(percent of GDP)* | 12.6 | 11.7 | 12.0 | 13.8 | 12.8 | 14.1 | 14.7 | 14.3 | 15.0 | n.a. |
| Imports of goods and services *(percent of GDP)* | 29.8 | 29.7 | 30.0 | 30.6 | 31.9 | 31.9 | 32.9 | 35.1 | 33.2 | n.a. |
| Current account balance *(percent of GDP)* | −5.0 | −7.0 | −7.2 | −7.4 | −11.2 | −8.7 | −11.8 | −13.4 | −14.4 | −10.2 |
| Foreign direct investment, net inflows *(percent of GDP)* | 2.1 | 2.2 | 4.3 | 1.8 | 3.5 | 3.4 | 3.9 | 2.7 | 3.0 | n.a. |
| Net ODA received *(percent of GNI)* | 19.4 | 17.5 | 18.0 | 19.6 | 12.2 | 14.5 | 13.2 | 13.5 | 14.1 | n.a. |
| GDP, current prices *($, billions)* | 4.9 | 5.4 | 5.8 | 6.5 | 7.3 | 7.6 | 8.0 | 8.3 | 8.4 | 8.9 |
| GDP per capita *($)* | 511.9 | 554.6 | 577.4 | 636.4 | 696.7 | 709.7 | 728.1 | 732.4 | 729.1 | 754.1 |
| Population *(millions)* | 9.5 | 9.7 | 10.0 | 10.2 | 10.5 | 10.7 | 11.0 | 11.3 | 11.5 | 11.8 |

*Source:* Rwandan authorities; International Monetary Fund World Economic Outlook Database (October 2017); World Development Indicators Database.

*Note*: — = not available; GDP = gross domestic product; GNI = gross national income; ODA = official development assistance; n.a. = not available.

1.9 A Common Performance Assessment Framework (CPAF) facilitated harmonization. A Joint Budget Support Memorandum of Understanding was signed in September 2008. Under the auspices of a government-donor Budget Support Harmonization Group (BSHG), a CPAF—essentially a subset of the EDPRS monitoring framework—was developed. Drawing on a broader process of monitoring EDPRS implementation, the CPAF underwent a twice-yearly (backward- and forward-looking, respectively) Joint Budget Support Review process, and regular updates were carried out. Beginning in the 2009 budget year,[3] development partners, including the World Bank, were asked to align their policy (prior) actions and outcome indicators in their financing operations to a choice of those in the CPAF. Despite some reservations based on perceived CPAF deficiencies (including the process-oriented character of many of the actions and measurement issues for indicators), donors complied, mainly in the interests of limiting transactions costs with a unified common monitoring process. The CPAF was developed during PRSG-5 implementation, and the policy matrixes for subsequent operations in the series complied with it.[4]

1.10 However, general budget support in the PRSF mold did not outlive the PRSF 4–7 series by much. In November 2011, just a few months after approving PRSF-7 and concluding the series, the World Bank approved PRSF-8, the first in a planned new three-operation programmatic series (PRSF 8–10, planned over FY12–14). Its timing was intended to secure disbursements under the new series earlier in Rwanda's fiscal year. However, an incident in 2012 led to the disruption of the budget support delivery model and its subsequent demise. A United Nations report alleging support by the Rwandan military for rebel activity in eastern Democratic Republic of Congo prompted concerns among several partners that general budget support funds would be perceived as vulnerable to diversion to unintended (including military) uses. Many donors suspended their budget support (and other forms of assistance to a lesser extent), resulting in an overall cut in ODA of about 7.5 percentage points of gross national income.

1.11 Although the World Bank eventually restored DPF to Rwanda, the institutional arrangements related to general budget support fell into disuse. After the 2012 incident, the World Bank was unable to assure the support of key shareholders for the approval of further operations (the planned PRSFs 9 and 10) under the new series. However, it was subsequently able to build consensus and mobilize support for the approval of budget support operations with a more sector-specific focus. Consequently, all further World Bank DPF took the form of sector budget support operations, beginning with a stand-alone DPF operation supporting the decentralization process approved in May 2013. With the demise of general budget support in Rwanda, the associated institutional arrangements—including the BSHG and the CPAF—disintegrated and, based on discussions during the Project Performance Assessment Report (PPAR) mission, many development partners perceived the quality of the overall strategic-level policy dialogue to have declined markedly after that. The government has also viewed budget support as being particularly vulnerable to changes in Rwanda's image among donors and has sought to limit its share in total ODA.

# 2. Relevance of the Objectives and Design

## Objectives

2.1 There was some ambiguity in the precise wording of the PRSF 4–7 series' program development objectives (PDOs). The series' PDOs, as worded in the central part of successive program documents, evolved over time, though variations in wording are more limited from PRSG-5 onward. In addition, PDO wording differed (significantly, in some cases) between the program documents for the operations and the policy matrixes and results frameworks that were annexed to them. The policy matrix and results framework's version of the wording equated objectives with key outcomes targeted in the CPAF. Despite the differences, it was clear that five distinct objectives in the same number of policy areas—skills, infrastructure, agriculture, financial sector, and public sector governance—were involved. A sixth policy area, health, was featured in PRSG-4, but it did not reappear in the subsequent operations. After PRSG-4, World Bank support for health was shifted to the three-operation CLSG programmatic DPF series before being phased out entirely after the government issued the division of labor among development partners in 2010.

2.2 This PPAR adopts the PDO wording in the ex post policy matrix and results framework for the series, but it flags whether wording differences matter for ratings. Thus, the PPAR follows the Independent Evaluation Group's June 2016 Implementation Completion and Results Report Review for the PRSF 4–7 series, thereby ensuring direct comparability between the two assessments. Table 2.1 presents the wording used in the ex post policy matrix and results framework—that is, as it appears in the most recent operation in the series (column 1). For comparison, it also presents the PDO wording extracted from the main body of the PRSG-5 program document, augmented in some cases from the program documents for subsequent operations (column 2). (The program document for PRSG-4 had defined the PDO as supporting the implementation of the EDPRS, an objective that was too broad to permit meaningful evaluation, although areas covered in the policy matrix and results framework for the operation closely resembled those in column 1, with the addition of health.) Table 2.1 also highlights cases of potentially significant differences in wording between the two sources. The rest of this report identifies and discusses one case in which the efficacy rating is sensitive to the choice of PDO wording.

**Table 2.1. Juxtaposition of Policy Matrix or Results Framework and Program Document Wording of Objectives**

| Policy Matrix or Results Framework Wording | Program Document Wording |
|---|---|
| Enhance the skills of the population (CPAF outcome 2.7) | Strengthen the framework for post–basic education, with the aim of building a skilled workforce and promoting science and technology |
| Build economic infrastructure (outcome1.3) | Increase access to infrastructure services |
| • Energy: Improve cost effectiveness and operational efficiency of the energy sector | • Increase electricity access and supply (PRSF-7) |
| • Water: Develop a framework for integrated and sustainable management of water resources and ensure increased sustainable and affordable access to water supply and sanitation services | • Improved access to safe drinking water and improved sanitation status (PRSF-7) |
| • Transport: Reduce transport costs and achieve sustainable financing of road maintenance | • Increase rural road access by improving the condition of the classified district road network (PRSG-6) |
| Raise agricultural productivity (outcome 1.4) | Sustainably raise agricultural production |
| Deepen and broaden the financial sector (outcome 1.1) | Deepen and widen the financial sector |
| Enhanced government capacity, accountability, and transparency (outcome 3.0) | Strengthening the management of public resources at the central and local levels |
| • Strengthen public expenditure and financial management | • Strengthen the public financial management system (PRSF-7) |
| • Improve transparency of the public procurement system | • Strengthen capacity and transparency of procurement system (PRSF-7) |
| • Strengthen fiscal decentralization | • Strengthen and deepen implementation of decentralization reform (PRSF-7) |
| • Adopt civil service reform to build skills and incentives for retention | • Adopt civil service reform to build skills and incentives for retention (PRSF-7) |

*Note*: CPAF = Common Performance Assessment Framework; PRSF = Poverty Reduction Support Financing; PRSG = Poverty Reduction Support Grant.

2.3 The series' PDOs were mapped explicitly to two of the three EDPRS pillars. Enhancing the skills of the population, building economic infrastructure, raising agricultural productivity, and deepening and broadening the financial sector would contribute to EDPRS pillar 1 (sustainable growth for jobs and exports). Enhancing government capacity, accountability, and transparency would contribute to EDPRS pillar 3 (governance). Table 2.2 provides a more detailed presentation of the series' PDOs, together with key corresponding policy/prior actions that the series supported and the outcome indicators that were used to track progress toward the PDOs.[5] Despite the limitations of the ex post logical framework that table 2.2 embodies, it provides a useful vehicle for structuring the analysis in this PPAR.[6]

**Table 2.2. Summary of Objectives, Policy Actions, and Outcome Indicators**

| Objective | Selected Policy or Prior Actions | Outcome Indicator(s) |
|---|---|---|
| EDPRS Pillar 1: Sustainable growth for jobs and exports | | |
| Enhancing the skills of the population | | |
| • Revamp the strategic and institutional framework for post–basic education, covering upper secondary and higher general education as well as technical and vocational education and training (TVET); establish a TVET system responsive to the needs of the private sector. | (i) Completing an assessment of schools, teachers, and students in newly established *tronc commun* (common core basic education syllabus extending through lower secondary school) that identified districts with the largest gaps; (ii) rolling out an education management information system to districts and preparing the rollout to schools; (iii) revising the education sector strategic plan to include greater focus on post–basic education and links to the labor market as well as science, technology and innovation; (iv) publishing a TVET policy; and (v) conducting an employers' survey to establish a baseline on employment of TVET graduates and adequacy of training | (i) Transition from basic education *tronc commun* to upper secondary education; and (ii) the proportion of employers satisfied with TVET graduates' performance |
| Improving access to high-impact quality health services (only in PRSG-4) | | |
| • Increase the availability of services at the *umerenge* (community) and health center levels; increase the affordability of health services | (i) Publication of a community health package providing for integrated management of child illness (malaria, pneumonia, diarrhea, and fever) and prevention (hygiene, clean water, nutrition, and mosquito nets) as well as family planning and condoms; (ii) transfer of about $0.90 per capita per year in performance-based financing to 100 percent of health centers engaged in the performance-based financing program (tied to assisted deliveries, vaccination, family planning, and antenatal and outpatient care); and (iii) submission of a law on health insurance (including the financing framework and regulation) to Parliament | (i) Percent of children under five using insecticide-treated bed nets; (ii) percent of assisted deliveries; and (iii) percent of the population covered by *mutuelle* (health insurance). |

| Objective | Selected Policy or Prior Actions | Outcome Indicator(s) |
|---|---|---|
| Building economic infrastructure | | |
| • Energy: improve the cost effectiveness and operational efficiency of the sector by strengthening the overall planning and expenditure framework, reducing service costs, and introducing tariffs that reflected the cost structure of the national utility. | (i) The separation of the water and electricity utilities to improve transparency and governance, notably in establishing an efficient and transparent tariff structure; (ii) the adoption of a law on electricity and gas to establish a transparent regulatory framework and an environment conducive to private sector participation; and (iii) the establishment within the new Rwanda Energy Corporation of a project management directorate in charge of implementing the national electricity rollout program | (i) The number of households and enterprises with access to electricity; and (ii) the megawatts of electricity generated |
| • Water and sanitation: develop a framework for integrated and sustainable management of water resources, and ensure sustainable and affordable access to safe water supply and sanitation | (i) Mainstreaming water and sanitation to ensure sufficient funds are allocated to strengthen implementation and monitoring capacity at the central and regional levels; (ii) establishing a water and sanitation management information system; (iii) the adoption of a water supply and sanitation policy and national strategy for water supply and sanitation services (building on decentralization of responsibilities for rural services and private sector participation); (iv) the adoption of key performance indicators to enable assessment of the technical and financial performance of the new utility (Rwanda Water and Sanitation Corporation); and (v) the design of a tariff framework for urban water services | Percent of households with access to clean drinking water (continued) |
| • (Road) transport: reduce transport costs and achieve sustainable financing of road maintenance through policy and institutional reforms aimed at improving resource mobilization and ensuring efficient and effective use of resources in road maintenance and transport sector investments | (i) Completing the EDPRS logical framework for the transport sector to inform the development of sector strategy, master plan, and medium term expenditure framework (ii) adopting a district and rural road maintenance and decentralization strategy as part of the road maintenance strategy; and (iii) progressively increasing the fuel levy from RF 23.43 to RF 62 ($0.11 equivalent) per liter by September 2009 | Percent of the classified district road network in good condition |

| Objective | Selected Policy or Prior Actions | Outcome Indicator(s) |
|---|---|---|
| Raising agricultural productivity | | |
| • Strengthen soil and water conservation and irrigation, and develop a private sector–led fertilizer distribution system | (i) Measures to enhance watershed management at selected sites, which were also milestones under the World Bank's Land Husbandry, Water Harvesting, and Hillside Irrigation Project; and (ii) development of plans and related capacity building to encourage the distribution of fertilizers by the private sector | (i) The proportion of arable land protected against land erosion; and (ii) the quantity of mineral fertilizer used |
| Deepening and broadening the financial sector | | |
| • Strengthen the legal and regulatory framework for the sector | (i) Submission of a microfinance law to Parliament; (ii) signing of a Memorandum of Understanding between National Bank of Rwanda (the central bank) and Ministry of Agriculture and Animal Resources to support rural sector investments under the second rural investment facility (RIF 2); (iii) adoption of a law governing payment systems in the financial services sector; (iv) gasketing of new regulations on payment service providers; and (v) cabinet adoption of a comprehensive small and medium enterprises support framework | Credit to the private sector as a percentage of gross domestic product |
| EDPRS Pillar 3: Governance | | |
| Enhancing government capacity, accountability, and transparency | | |
| • Public expenditure and financial management: strengthen budget monitoring and reporting, notably through the development and rollout of an IFMIS | (i) Applying software in each of the districts designed to assist in the management and monitoring of district budgets; (ii) completing the development of a public accounting system to form part of the IFMIS; (iii) installing a payroll module of the integrated personnel payment information system (IPPS) in central government ministries; and (iv) completing the piloting of the IFMIS in the central government and integrating it with the IPPS | (i) An IFMIS integrating budget and payroll to be made operational; and (ii) a PEFA index on the quality and timeliness of annual financial statements |

| Objective | Selected Policy or Prior Actions | Outcome Indicator(s) |
| --- | --- | --- |
| • Public procurement: improve the transparency of the public procurement system, notably by helping to develop the institutional and legal framework to support capacity in procurement | (i) Adoption and publication of regulations, standards, and bidding documents; (ii) submission to the Ministry of Finance and Economic Planning of a procurement plan consistent with their budget by at least 80 percent of all procuring agencies, and publication by the Rwanda Public Procurement Agency of at least 60 percent of such plans; and (iii) cabinet approval of a bill amending the procurement law to increase efficiency and transparency of public procurement | The proportion of the value of procurement tendered competitively or justified |
| • Decentralization: strengthen fiscal decentralization through enhancements in local government capacity | (i) Publication on a government website of a January–June 2007 district budget execution report, along with an evaluation of *imihigo* (performance contract); (ii) conducting an assessment of local-level service delivery with citizen report cards and community scorecards; and (iii) cabinet adoption and operationalization of a five-year capacity-building strategy for local government | Percent of districts achieving a minimum of 80 percent of their service delivery and development targets |
| • Civil service reform: support the adoption of reforms and incentives to build skills and retention, notably by developing institutional capacity to support improved staff incentives and retention | (i) Completion of functional reviews in six ministries; (ii) cabinet approval of the organic framework reflecting agreement between the Ministry of Public Service and Labour and all central government ministries on structures and staffing levels for optimal performance within fiscal targets; and (iii) cabinet approval of the general statutes for the public service | Percent of performing budget agencies (Until PRSF-7, the outcome indicator was the percentage of budget agencies that achieve at least 80 percent of the target outputs in their annual work plan.) |
| • (Only in PRSG-4): set up a monitoring framework for the EDPRS together with capacity for monitoring | (Only in PRSG-4): stakeholder endorsement of the CPAF for monitoring the EDPRS | (Only in PRSG-4): institutional framework for EDPRS or CPAF monitoring and evaluation in place and operational |

*Sources*: Based on World Bank 2008b, 2009, 2010, and 2011.

*Note*: CPAF = Common Performance Assessment Framework; EDPRS = Economic Development and Poverty Reduction Strategy; IFMIS = integrated financial management information system; IPPS = integrated personnel payment information system; PEFA = Public Expenditure and Financial Accountability; PRSF = Poverty Reduction Support Financing; PRSG = Poverty Reduction Support Grant; TVET = technical and vocational education and training.

## Relevance of the Objectives

2.4 Relevance of objectives is rated **high.** This rating remains robust whether the policy matrix or the program document main text wording of the PDOs is retained, although the relevance is generally stronger in the latter. The reason is that the program document main text wording typically better reflects Rwandan policy makers' ultimate interests (or, arguably, at least what they should have been). Concerning agriculture, for instance, policy maker interest was not just in "raising agricultural productivity" (policy matrix wording) but also in doing so "sustainably" (program document main text wording). Regarding infrastructure, policy maker interest was not merely in "building economic infrastructure" (policy matrix wording) but rather in "increasing access to infrastructure services" (program document main text wording).

2.5 The PRSF 4–7 series' PDOs directly reflected those of the government's medium-term strategy. As indicated previously, the PRSF 4–7 series was crafted expressly to support parts of the EDPRS, and there was no ambiguity regarding government leadership in preparing that strategy. Even PRSG-4, which preceded the final version of the EDPRS and the CPAF, was presented explicitly as supporting EDPRS implementation. There is also little doubt that ownership of the EDPRS was broad-based: Its preparation involved extensive consultation with, and participation of, a wide range of stakeholders, including representatives of central and local governments, civil society, the private sector, and development partners.

2.6 The PDOs of the PRSF 4–7 series were also aligned fully with the strategic goals of the World Bank Group's country strategy. The FY09–12 CAS, prepared in parallel with PRSG-4 and discussed at the Board in September 2008, was itself built around the EDPRS. The CAS explicitly provided for the PRSF series as an umbrella for World Bank Group support and the central platform for strategic-level policy dialogue with the government.

2.7 The relevance of the series' PDOs has withstood the test of time, with some nuances. The PDOs remain highly relevant to the World Bank Group country strategy and to government priorities. In some cases, fine tuning may be warranted to reflect current challenges more directly. In energy, for example, more direct reference in the PDO to addressing fiscal sustainability concerns and to expanding off-grid access in rural areas would help maximize its relevance in today's circumstances.

## Relevance of the Design

2.8 Relevance of design is rated **modest.**

2.9 Causal links between reforms supported and achievement of the series' PDOs were of variable quality. The results chain (or theory of change) linking policy actions—and specifically prior actions—to progress toward underlying program objectives was broadly plausible. However, in some cases, the line of sight from policy actions to the outcome indicators used to gauge progress toward the underlying objectives was distant and indirect, resulting in a very loose results chain. Regarding skills development, for example, the prior action of revising the education sector strategic plan to increase its focus on post–basic education (including its costs) would have needed to be complemented by several policy actions before it could be expected to increase the transition rate to upper secondary education. Similarly, development and costing of a technical and vocational education and training (TVET) strategic plan could not have been expected to increase employer satisfaction with TVET graduates without intervening steps to implement the strategic plan. In these and several other cases, policy actions, therefore, lacked depth—by themselves, they could not be expected to bring about meaningful change in the policy and institutional environment.[7]

2.10 The results framework had some quality deficiencies in the outcome indicators. Outcome indicators satisfied the SMART criteria in many cases, but there were shortcomings.[8] In agriculture, for instance, the prior actions were aligned broadly with the policy matrix's targeted outcome of "improved planning and predictability of funding for the agriculture sector, to allow for more effective spending on improved inputs distribution, irrigation, water and soil management." However, the outcome indicators captured the outcome only partly. For example, the outcome indicators did not track progress in water conservation and irrigation, despite the key role of these factors as drivers of agricultural production.

2.11 The time frame for outcome targets was also deficient. There was a mismatch between the timing of the series' implementation and the time frame during which outcomes were targeted. Although PRSF–7 was approved in February 2011 and ostensibly implemented between then and its mid-2012 closing date, the operation's program document did not encompass any outcome targets beyond FY10. However, the program document for PRSG-6 (page 44) incorporated outcome targets that extended through FY12 (that is, mid-2012). These targets are referenced in this PPAR.

2.12 Although numerous and diverse, the objectives and policy areas that the series' design encompassed matched the broader World Bank program's reach and did not obviously stretch institutional capacity. The design's broad coverage gave it a Christmas tree appearance, but except for water and sanitation, the series did not cover EDPRS and CPAF priorities—such as land administration, biodiversity, and justice—that did not feature elsewhere in the World Bank's program. Despite the complex design created by the breadth of its coverage, it is unlikely to have placed additional burden on government capacity because planning and implementation of reforms under the series was a subset of efforts to implement EDPRS. However, other than the reference to EDPRS, the series did not have a cohesive overall framework or define indicators to track outcomes at a higher level (for example, to gauge whether progress was being made toward "sustainable growth for jobs and exports").

2.13 The series was modified—significantly, in some cases—as successive operations were delivered. Some degree of modification is to be expected, in line with the built-in flexibility that characterizes programmatic series. Originally conceived as a three-operation series covering 2008–10, the series was modified to add an operation (PRSF-7) at the time of PRSG-6 preparation. The additional operation was intended to help bridge the transition to a new (East African Community) fiscal year.[9] Aside from the addition of an operation, substantive content changed significantly as successive operations were approved, especially between PRSG-4 and PRSG-5 (which was to be expected, given that the CPAF had not yet been prepared when PRSG-4 was approved). Regarding policy content, as the Implementation Completion and Results Report Review for the series noted, of the 29 triggers originally identified for the PRSF 5–7 operations, only 13 were retained as actual prior actions (virtually all triggers—even if not translating into prior actions under the PRSF 4–7 series—were fulfilled eventually, though with significant delay in some cases). The Implementation Completion and Results Report provides a detailed review of triggers and (the extent of) their carryover into prior actions (World Bank 2012, annex 4). It also provides an in-depth review of the extent to which the results framework, and the outcome indicators, underwent revision as the series was rolled out (World Bank 2012, annex 1).

2.14 In several cases, alteration (mostly dilution or deferral) of substantive reform content could be seen. The energy sector illustrates this phenomenon. The PRSG-4 policy matrix and results framework specified a trigger (for the approval of PRSG-5) calling for the signature of a performance contract for the power utility that included targets on amounts paid for generation and the cost recovery ratio, as well as revenue and quality of electricity supply. Outcome indicators to be monitored included the cost per kilowatt-hour of generation and the implementation of an improved tariff structure. By PRSF-7, partly because of institutional upheaval in the electricity sector in the interim, the reference to implementation of an improved tariff structure had disappeared, to be replaced by the completion and validation of a study that proposed a new structure (PRSF-7 prior action). Similarly, tracking the outcome indicator on the cost per kilowatt-hour of generation had ceased, taking the focus away from the high and increasing unit costs of electricity, which has since emerged as a major caveat in Rwanda's successful expansion of generation capacity and access to electricity (para. 4.13). A similar pattern of deferral was visible in the transport sector, in which a trigger calling for the signature of multiyear output and performance road maintenance contracts did not subsequently translate into a prior action (para. 4.18).

2.15 Despite the shortcomings, it is unclear whether the World Bank could have done much better in navigating the constraints and trade-offs involved in design. Improving the quality of the PRSF 4–7 series' results framework—notably by strengthening the criticality of the policy actions supported, tightening the logical links between these and the results sought, and seeking to enhance the quality of outcome indicators—would have entailed departing from the CPAF. Although this might have enhanced relevance of design in some respects, it also would have undermined the generalized budget support harmonization effort. It is possible that the World Bank (and other partners) could have provided more intensive technical assistance aimed at improving the quality of the CPAF, but there was also a risk that more aggressive efforts to influence CPAF form and content would be counterproductive and would detract from country ownership. In any case, it is unlikely that simply not adhering to the CPAF in designing World Bank DPF operations would have been a desirable way forward. Additionally, the World Bank team was very transparent regarding perceived deficiencies in the CPAF and the quality of the policy actions supported (World Bank 2011, paras. 54 and 56–57).

2.16 Instrument choice provided several advantages. Given the context (strong, client-owned development strategy and associated public investment plans in need of significant external support), a programmatic general budget support series served several useful functions that could not have been fulfilled, or as well fulfilled, by other instruments. First, it gave the World Bank an integrative vehicle for dialogue on key components of Rwanda's development strategy, through which it could support policy reforms with an important bearing on the effectiveness of its investment and ASA operations in a range of areas—from agriculture and the financial sector to public expenditure management. Second, its programmatic feature provided flexibility to adjust to changes in emphasis and formulation as general intentions were converted into concrete actions based on accumulated experience, dialogue, and ASA by the World Bank and other partners. Third, it offered a low transactions cost method of transferring large amounts of financing predictably while promoting harmonization of practices among development partners.[10]

# 3. Implementation

3.1 Implementation went according to plan and, allowing for the extension of the series by a fourth operation, which was not planned initially, it took place on schedule. All four operations disbursed fully, with small discrepancies between approved and disbursed amounts attributable to movements in the dollar and special drawing rights exchange rate. The prior actions for each operation were all implemented before the operation's presentation to the World Bank's Executive Board. No safeguards or fiduciary compliance issues were encountered.

3.2 Implementation arrangements generally functioned smoothly. The Ministry of Finance and Economic Planning (MINECOFIN) coordinated reform implementation by the various line ministries and agencies. It also administered the proceeds from the series and was responsible for monitoring, which in practice was done using the CPAF in the BSHG.

3.3 The PRSF 4–7 series was implemented in parallel with investment financing and technical assistance from the World Bank and others. In several sectors covered by the series—including energy, transport, agriculture, the financial sector, and public resource management—investment or technical assistance operations were active in parallel with the series, enabling hands-on World Bank support for reform implementation. Several other development partners also provided investment and technical assistance support in areas covered by the series.

3.4 The funding provided facilitated a satisfactory macroeconomic framework during the series' implementation. As discussed, there was steady IMF support for macroeconomic management during 2008–12. Policy responses to shocks were appropriate, and macroeconomic performance was generally strong. Although this cannot be attributed directly to the PRSF 4–7 series, the substantial budget financing it provided very likely facilitated sound macroeconomic management and performance. The impact of the 2012 ODA cutback provides a useful indication of the counterfactual. Economic growth clearly dipped the next year because of the ODA and associated cutback in government spending, although the World Bank's eventual restoration of (decentralization-focused) DPF helped mitigate the adverse effects and reverse the tide of reduced support among the donor community.

3.5 However, political economy factors affected program implementation both during and beyond the series' lifespan. For example, the temporary reversal of institutional reforms to split the power and water and sanitation utilities (see section 4) reflected diverging views and interests at senior levels of government. The abrupt introduction in 2016 of the Agro Processing Trust Corporation (APTC), a military-affiliated organization, as the exclusive buyer for imported chemical fertilizer reflected concerns about alleged corruption and subsidy fraud in the distribution network. At the same time, APTC involvement created employment opportunities for underemployed veterans, an ongoing government concern.

# 4. Achievement of the Objectives

4.1 The assessment of the PRSF 4–7 series' efficacy (achievement of objectives) is hampered by outcome data deficiencies. The dissolution of institutional general budget support arrangements after 2012 meant that the use of the CPAF, including its regular and structured monitoring, was discontinued. This has led to widespread problems in tracking the evolution of certain outcome indicators used under the PRSF 4–7 series in more recent years to assess continued achievement of objectives. Where information has been lacking, alternative indicators and sources of information have been used if possible to underpin efficacy assessments.

4.2 It is hard to establish the precise additionality of the PRSF 4–7 series with confidence. As with DPF more generally, it is often difficult to separate the influence of the PRSF series from that of other forms of support (from the World Bank Group as well as other partners) on progress toward the PDOs and associated outcomes in the various policy areas covered by the series. In other words, the series' contribution to progress toward the objectives and associated outcomes cannot be established with confidence. To illustrate, one outcome targeted under the subobjective of strengthening public expenditure and financial management was to make an IFMIS operational integrating budget and payroll. That process received support not only under the PRSF series (through the associated policy actions) but also—and arguably more tangibly—through the World Bank's Public Sector Capacity Building Project and through a Public Financial Management Basket Fund supported by the European Union and the U.K. Department for International Development. In addition, continued World Bank support for IFMIS rollout and upgrading has been provided through a stand-alone, decentralization-focused development policy operation and a public sector governance Program-for-Results operation since the PRSF 4–7 series (and the orphaned successor, PRSF-8) closed.

4.3 However, the series likely facilitated progress toward EDPRS objectives in a broad sense. In general, the series supported measures that were relevant to, and likely facilitated, the attainment of the objectives. However, other instruments of World Bank support likely had clearer, more direct and immediate influence on the extent to which many of the series' objectives were met. This said, it is important not to lose sight of the series' overall contribution in financing the EDPRS, and thus enabling progress toward many of its objectives.

## EDPRS Pillar 1: Sustainable Growth for Jobs and Exports

### Enhancing the Skills of the Population

4.4 Measures supported by the PRSF 4–7 series helped strengthen the policy and institutional framework for post–basic education. The policy actions taken under the series contributed to laying the foundation for a revamped strategic and institutional framework for post–basic education, including a significant expansion of the TVET system. They have since been built on quite significantly. In particular, establishment of the Workforce Development Authority in 2009 followed the publication of the TVET policy (PRSG-5 prior action), and this authority has overseen a major expansion of TVET. Enrollment in TVET (at all levels—technical secondary schools, vocational training centers, and technical tertiary) increased very rapidly, from 67,919 students in 2011 to 94,373 students in 2015 (though 2016 saw a slight reduction). More than 70 percent of students are enrolled in technical secondary schools. In parallel, the number of institutions providing TVET has increased significantly.

4.5 The transition rate to upper secondary education trended favorably initially but has since deteriorated. One outcome indicator, the transition rate from basic education *tronc commun* (the nine-year basic education common syllabus) to upper secondary education, increased during the series' implementation period. The transition rate improved from 78.6 percent in 2008 to 90.2 percent in 2010 and to 95.9 percent in 2011 (though it dipped again to 90.2 percent in 2012). These improvements comfortably surpass the FY10 target of 82 percent and the FY12 target of 85 percent. However, the transition rate has since deteriorated, attaining a value of only 82.8 percent in 2015.[11] Despite meeting the education sector strategic plan target of 80 percent for 2015/16, this suggests that the initial improvements observed during the PRSF 4–7 series' implementation have not been sustained.

4.6 TVET-related outcomes are hard to judge, but there are some favorable indications. Information on the indicator proposed in the PRSF 4–7 series (the percentage of employers satisfied with TVET graduates) was not made available until well after the completion of the series, even though PRSG-6 ostensibly supported the policy action (by the end of 2009) of conducting an employer survey for collecting baseline information on employment of TVET graduates and the adequacy of training.[12] The percentage was eventually reported at 75 percent in FY16, which far exceeds the series' (surprisingly unambitious) target of 9 percent by FY10. However, no other data point exists to provide a basis for assessing evolution over time, particularly during the life of the PRSF series. A tracer study of TVET graduates later completed under the World Bank's Skills Development Project showed that 65 percent of vocational training center students and those benefiting from industry-based training were employed or self-employed six months after training completion.[13] Of those already employed, 93 percent showed posttraining performance improvements, and employer satisfaction was reportedly high. This seems to suggest that the increased supply of TVET graduates is responding to skills shortages that employers face, though it does not answer the question of whether skills shortages are growing more acute or if they are being alleviated over time.[14]

4.7 Efficacy of the PRSF series in securing progress toward the skills-related objectives is rated **substantial.** There are favorable indications, though outcomes were mixed. Although the PRSF-supported policy actions and the developments that followed them contributed to producing the outcomes, there were other contributory factors.

## Health

4.8 Health policy actions were significant. The measures supported under PRSG-4 represented important steps toward improving access to high-impact quality services—by increasing the availability of services at the *merengue* (community) and health center levels, and by increasing their affordability. For example, the new law governing community-based health insurance detailed the organization, functions, and management of the *mutuelles* (community insurance programs) and set out the membership rules and package of services covered.[15] It therefore clarified the legal and regulatory framework for the rapid increase in health insurance coverage that had taken place in the years preceding PRSG-4 approval, starting with pilot programs in 1999 that began scaling up nationally in 2005.[16] The transfer of performance-based financing to participating health centers was also an important step, and transfers on a per capita basis increased over time, from $1.45 in 2008 to $1.64 in 2011. Rigorous impact evaluation found performance-based financing to be associated with improvements in health sector outcomes, despite some limitations.[17]

4.9 Results were generally favorable, and Rwanda is widely viewed as a health care success story. The percentage of children under age five using insecticide-treated bed nets increased from 56.5 percent in 2008 to 69.6 percent in 2012. By 2013, it had increased further to 74.1 percent, before declining to 67.7 percent in 2015.[18] Regarding assisted deliveries, the percentage of births in an accredited facility increased from 45 percent in 2008 to 68.9 percent in 2011, surpassing the target of 50 percent that was set under the CLSG DPF series, the World Bank's vehicle for supporting the health sector after PRSG-4. By FY15, skilled health personnel attended 91 percent of total births (ASH 2016). The percentage of the population covered by *mutuelles*, which had risen rapidly just before PRSG-4 (from only 7 percent in 2004 to 75 percent in 2007), increased further in the ensuing years, though it has fluctuated since then. In 2010 and 2011, coverage rates were reported at more than 90 percent of the population, but they dropped to 73 percent in FY14 after changes in the administration of the health insurance system (including tariff adjustments) and increased again to 79 percent as of early 2016 (ASH 2016).

4.10 Efficacy of the PRSF series—specifically, PRSG-4—in advancing its health-related objectives is rated **substantial.** Although the World Bank shifted its support for health to the CLSG DPF series after PRSG-4, outcomes were generally favorable despite the subsequent decline of some indicators in recent years, and the policy actions supported under PRSG-4 were important reforms that made a direct contribution to these results.

## Building Economic Infrastructure

### Energy

4.11 Energy-related measures under the PRSF series were an important part of the effort to improve cost effectiveness and operational efficiency, but some fell short or were reversed later. For example, the separation under PRSG-4 of the water and electricity utilities that was meant to improve transparency and governance, notably in establishing an efficient and transparent tariff structure, was reversed in 2010 before being implemented again from 2014 onward (table 4.1). PRSG-4 originally sought (as an outcome to be achieved by 2009) to establish an electricity tariff structure that, among other things, eliminated cross-subsidies from water, reflected the electricity cost structure, and differentiated among different customer types. However, by the time PRSF-7 was approved in February 2011, the outcome indicator had been abandoned and replaced by a prior action—the completion of a tariff study (setting out a revised tariff structure) and its validation by Rwanda Utilities Regulatory Authority and the Ministry of Infrastructure—that fell short of actual implementation of a revised tariff structure.[19] Moreover, it was rapidly becoming clear that setting tariffs at break-even levels would make electricity unaffordable for many consumers and a source of competitive disadvantage for firms.

**Table 4.1. Key Institutional Reforms in the Energy Sector since 2001**

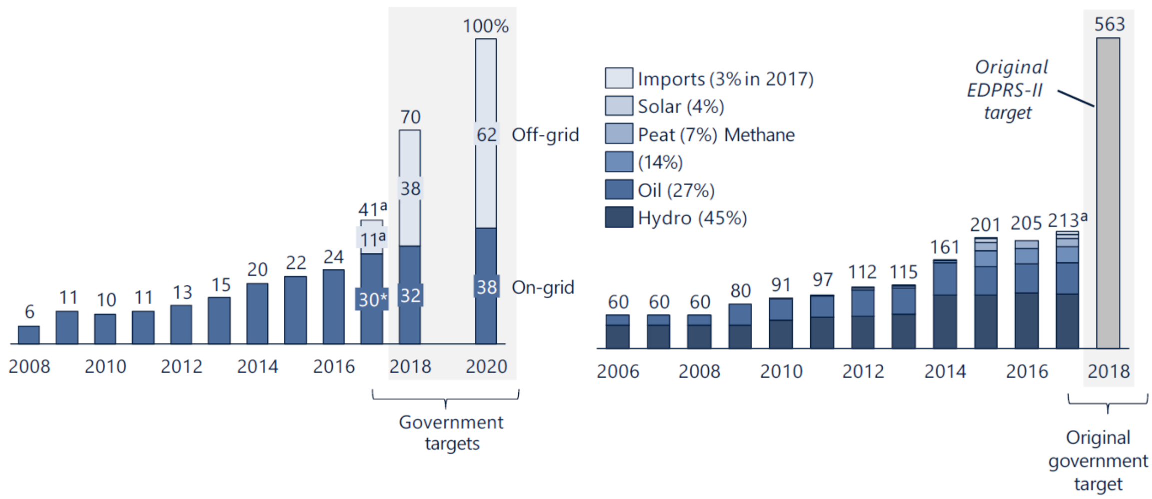
| Year of Adoption | Key Policy Elements | Issue(s) |
|---|---|---|
| 2001 | The Rwanda Utilities Regulatory Authority was created to regulate public services, including power, water, sanitation, and telecommunications. | Regulation |
| 2008 | Electrojazz was split into Rwanda Energy Corporation and Rwanda Water and Sanitation Corporation. | Separation of water and electricity |
| 2010 | Rwanda Energy Corporation and Rwanda Water and Sanitation Corporation (the national parastatals charged with water and electricity distribution) merged and were named Energy, Water, and Sanitation Authority. | Water and electricity together again: Energy, Water, and Sanitation Authority |
| 2011 | A new Electricity Law governed the activities of electric power production, transmission, distribution, and trading, both within and outside the national territory of Rwanda.<br>• Ministry in charge of electricity has the rights to provide Concession Agreements to firms<br>• Rwanda Utilities Regulatory Authority approves and grants licenses for the production, transmission, distribution, and sale of electricity; sets the conditions for licensing; and addresses the rights and obligations of the license holders. | Basic law |
| Since 2014 | Energy, Water, and Sanitation Authority is split again. A holding company, Rwanda Energy Group, is created, under which the following operate to allow for clear financial accountability between the revenue-generating electricity business and nonrevenue energy asset development:<br>• Energy Utility Corporation Limited: Utility operations<br>• Energy Development Corporation Limited: Resource development | New restructuring led to separation of water and electricity with the creation of Rwanda Energy Group |

*Source:* Rwanda case study in World Bank 2015c.

4.12 Progress was made on the outcomes targeted during the PRSF 4–7 series' implementation, despite the lack of decisiveness on institutional reforms. Access to electricity increased significantly between 2008 and 2012, though from an extremely low base (figure 4.1).[20] It has continued to increase since then, though off-grid access has seen improvement only recently. In parallel, installed generation capacity has risen steadily, almost doubling over the PRSF 4–7 series' implementation period and continuing to increase since then. In both cases, the FY10 and FY12 targets for the outcome indicators were exceeded.[21]

**Figure 4.1. Progress in Electricity Access and Installed Generation Capacity (2008–17)**

a. Electricity access rate in % (2008–17) and targets 2018/20 — b. Installed generation capacity in MW (2006–17) and target for 2018




*Source:* Ministry of Infrastructure (MININFRA), Rwanda Energy Group (REG).
*Note*: EDPRS = Economic Development and Poverty Reduction Strategy; MW = megawatts.
a. As of August 2017.

4.13 However, the progress has been qualified. Although the Rwanda Energy Group's appointment of an experienced expatriate chief executive officer bodes well, the rapid sector expansion during and since the PRSF 4–7 has come at the expense of major risks to fiscal sustainability. Unit costs of electricity were about $0.32 per kilowatt-hour in FY17 (significantly higher than in neighboring countries), in part because investment planning was pursued without adhering to least-cost principles. Rwanda has prioritized domestic solutions over electricity imports from neighboring countries that have cheaper supply, such as Ethiopia, Kenya, or Uganda (World Bank 2016b, 3, para. 7). Many new, independent power producers have been added through bilaterally negotiated deals rather than competitive bidding. In FY16, Rwanda Energy Group spent about $60 million on power purchases from independent power producers, which is almost 38 percent of its cost structure. As a result (high customer tariffs notwithstanding),[22] Rwanda Energy Group has suffered losses, requiring fiscal transfers to sustain energy sector operations. As noted in a recent study, even though the cost of electricity service is among the top 10 in Sub-Saharan Africa, the revenue gap is also among the top 10 (Kojima and Trimble 2016). By some estimates, under a business-as-usual scenario, the size of budget transfers to the electricity sector—currently at 1.4 percent of GDP—risks increasing significantly to more than 4 percent by FY20–21 because several fossil fuel power plants will come on line,[23] according to preliminary results of the draft Least Cost Power Development Plan commissioned by the government (World Bank 2016b, 4–5).

4.14 The efficacy of the PRSF series in securing progress toward the energy sector objectives is rated **modest.** The policy actions supported by the series probably represented a desirable direction for the sector to move, although as indicated previously, some were reversed later temporarily. However, it is extremely difficult to establish a plausible direct causal link between these policy actions and the progress in the outcomes targeted, at least in the short term. This suggests that their additionality was limited.[24] Parallel World Bank investment project financing operations that were active at the time contributed much more tangibly to the progress made.[25]

### Water and Sanitation

4.15 Measures under the PRSF series were building blocks toward improved management and access. The policy matrix and results framework for water and sanitation (including triggers, prior actions, and outcome indicators tracked) evolved quite significantly as the PRSF 4–7 series rolled out. Generally, however, the ex post policy actions supported by the series represented desirable steps in the development of a framework for integrated and sustainable management of water resources and in ensuring greater sustainable and affordable access to water supply and sanitation services. However, the causal links between most prior actions and the outcome indicator that was ultimately retained under PRSF-7 (access to clean drinking water) were distant and indirect. For example, it was hard to trace a direct link between the establishment of a water information system or the adoption of key performance indicators to measure the Rwanda Water and Sanitation Corporation's technical and financial performance and improvements in access. In addition, as discussed previously, the institutional reforms that split water from electricity were reversed later, though only temporarily.

4.16 Regarding outcomes, access to clean drinking water improved over the life of the PRSF 4–7 series and has continued to improve since then. Compared with a CPAF baseline of 64 percent of households with access to clean drinking water in 2006, the percentage had increased to 76.2 percent in FY10, meeting the target of 75 percent.[26] However, access apparently declined to 71 percent in FY12, below the target of 83 percent for that year.[27] More recent data from the National Institute of Statistics of Rwanda suggest continued improvements, though the comparability of these data with those used earlier under the CPAF and the PRSF 4–7 series is uncertain. Compared with an estimated 74.7 percent of households using an improved drinking water source in FY11 (based on the Third Integrated Household Living Conditions Survey), the percentage had increased to 85 percent in FY14 (based on the Fourth Integrated Household Living Conditions Survey).[28]

4.17 The efficacy of the series in achieving its water and sanitation–related objectives is rated **modest.** Measures supported by the PRSF series plausibly contributed to improved management of the sector, although some institutional reforms were later reversed temporarily. However, the additionality of the measures in securing the outcomes targeted was not very significant.

### Transport

4.18 Measures under the PRSF 4–7 series helped mobilize resources and promote their efficient and effective use to improve road maintenance. The fuel levy was increased progressively by $0.11 equivalent per liter between June and August 2009 as a PRSG-6 prior action, helping to increase resources to the Road Maintenance Fund. Earlier, as a PRSG-5 prior action, the government had adopted a district and rural road maintenance and decentralization strategy as part of its road maintenance strategy. However, an indicative trigger for PRSG-6 (as specified in PRSG-5) had called for the signature of two multiannual output and performance contracts for road maintenance. When PRSG-6 was prepared, this trigger was dropped without explanation. It did not subsequently reappear in PRSF-7.

4.19 The outcome indicator showed some improvement over the series' implementation period, but continuing challenges are apparent. The share of the classified district road network in good condition improved from its 2006 baseline of 15 percent to 23 percent in FY10, below the 28 percent target. Although it subsequently improved further to 37.1 percent in FY12, this did not meet the target of 43 percent for that year.[29] More recent developments are not entirely clear. As of FY16, it was estimated that about 64 percent of District Roads Class II and about 55 percent of District Roads Class I were in poor condition (World Bank 2017a). Although it is hard to compare these figures directly with those for the original outcome indicator without more information, it suggests that things have not improved much since shortly after the closing of the PRSF 4–7 series.

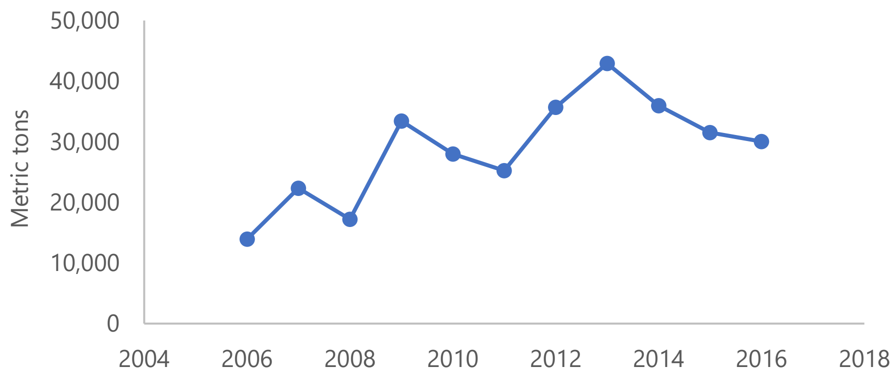
4.20 The efficacy of the PRSF series in securing progress toward its transport sector objectives is rated **modest.** Measures supported by the series marked important steps in creating the conditions for road maintenance to improve. However, progress was below expectations and appeared to have plateaued more recently.

## Raising Agricultural Productivity

4.21 Measures supported by the PRSF 4–7 series marked key steps toward improving fertilizer distribution, irrigation, and water and soil management. Regarding mineral fertilizer distribution, the policy actions were intended to help transform the pre-2008 system of exclusive government importation and distribution, which resulted in very poor farmer repayment rates. Government concerns regarding food security after the 2008 food price crisis enabled the World Bank to ratchet up its policy dialogue,[30] resulting in measures (supported in part by the PRSF 4–7 series) to change the fertilizer distribution system. The government continued to administer the import process (initially using funding from the Food Price Crisis Response Trust Fund), implementing a subsidy intended to compensate for land transport costs from the transit port that targeted high-value crops such as rice, maize, and wheat. However, distribution was privatized through bulk auctions of fertilizer to the private sector, which managed retail distribution to farmers through agro-dealers. Steps were also taken to build the capacity of agro-dealers to procure and distribute fertilizer. Regarding irrigation and water and soil management, policy actions supported by the PRSF 4–7 series paved the way for, and later reflected investments under, the World Bank's 2008 (second) Rural Sector Support Project and its 2009 Land Husbandry, Water Harvesting, and Hillside Irrigation Project.

4.22 Fertilizer use outcomes trended favorably over the PRSF 4–7 implementation period, but the distribution system and fertilizer uptake have since evolved in the wrong direction. Compared with the CPAF baseline of 14,000 metric tons, mineral fertilizer use increased to 27,906 in FY10 (slightly under the target of 30,800) and further to 46,000 tons in FY12.[31] Though slightly under target, the increase is substantial. Fertilizer imports during the PRSF 4–7 implementation period also trended upward, though following a very jagged pattern (figure 4.2). In 2013, the government took further steps to liberalize the fertilizer market, privatizing importation. The number of importers increased to seven from three companies initially, with 916 agro-dealers retailing inputs, including fertilizer, to farmers. Although unit subsidies on fertilizers were reduced, the range of eligible crops was increased. However, farmer uptake was below expectations. Analysis suggested that low demand was driven primarily by lack of finances and unwillingness of farmers to buy fertilizers in anticipation that government would deliver free inputs. According to interviews during the PPAR mission, developments since 2016 have been unfavorable. In response to reported collusion and subsidy fraud, the government abruptly introduced the APTC—a military-affiliated organization—as the exclusive buyer from importers and based on a fixed margin, to transport fertilizer to sectors. APTC oversees distribution to agro-dealers and verifies delivery to farmers.[32] Signs are that the APTC-managed distribution system has disrupted input markets. For example, agro-dealer activity has reportedly dwindled in the face of lower margins (by half), and farmers have reported cases of distribution delays and reduced choice of fertilizers.

**Figure 4.2. Fertilizer Import Trend (2006–16)**




*Source:* Data collected during the field mission from AGRIFOP.
*Note:* The figures for 2015 and 2016 are quantities distributed through agro-dealers and may differ with the real import.

4.23 The trend in sustainable management against soil erosion is uncertain but appears favorable. The PRSF-7 program document reported that the share of arable land sustainably managed against soil erosion had increased from 40 percent in 2006 to almost 81 percent in FY10, largely exceeding the 50 percent target.[33] The share increased further to 92 percent in FY12, well above the target of 70 percent for that year.[34] This outcome indicator was not tracked after 2012. However, the improvement in the share of agricultural land under at least one modern technology (tracked by the World Bank's follow-up Transformation of Agriculture Program-for-Results operation) has increased continuously, mostly because of improvement in the use of erosion control measures. The Program-for-Results operation reported an increase in the number of hectares protected by terraces against erosion over the 2013–17 period, though there are some discrepancies across different sources of data.[35]

4.24 The PRSF 4–7 series' efficacy in achieving its agricultural sector objectives is rated **substantial.** Reforms supported by the series contributed significantly to revamping the fertilizer distribution system, reducing the public sector's role, and to promoting the use of soil erosion control techniques. Increases in productivity of major crops during the series' implementation period were very substantial. However, though fertilizer uptake trended favorably over an initial period, the improvement was not sustained. The World Bank remains actively engaged in policy dialogue with the government on the fertilizer distribution system to seek to improve its effectiveness, in particular through the agriculture Program-for-Results and its follow-up operation under preparation. In addition, World Bank support under the Rural Sector Support Project series and the Land Husbandry, Water Harvesting, and Hillside Irrigation Project was arguably as significant in driving the proliferation of soil erosion control techniques as were the measures supported by the PRSF 4–7 series, which largely reflected what was being done under the projects.

## Deepening and Broadening the Financial Sector

4.25 The policy actions under the PRSF 4–7 were significant and tangible steps in the development of Rwanda's financial sector. Measures supported under the series and their direct corollaries were important milestones in deepening and broadening the financial sector (that is, ensuring greater access to financial services for a broader range of economic actors). For example, approval of the 2008 microfinance law (its submission to Parliament was a prior action for PRSG-4) paved the way for continuing growth of the microfinance sector,[36] with its total assets increasing from RF 59 billion at the end of 2008 to RF 101 billion at the end of 2012, and further to RF 159 billion (2.9 percent of GDP) at the end of 2014.[37] The measures to strengthen the legal and regulatory framework governing payment systems also helped facilitate increasing monetization of the economy, reflected in a steady increase in the ratio of broad money to GDP—from 16.7 percent in 2008 to 18.3 percent in 2012, and further to 20.8 percent in 2016.

4.26 Outcomes under the PRSF 4–7 series were favorable. There is little doubt that significant progress was made in deepening and broadening the financial sector, both during the PRSF 4–7 implementation period and since then. Credit to the private sector as a ratio of GDP increased from a baseline of 10 percent in 2006 to 14.5 percent in 2012, exceeding the 13.9 percent target.[38] It increased further to 21.2 percent in 2016, indicating continued progress. Access to financial services has also been broadened. A 2016 FinScope survey found that 89 percent of Rwandan adults had or used financial products, compared with 48 percent in 2008. Significantly, growth in financial inclusion among the rural population exceeded overall growth, implying a reduction in the rural-urban divide. A major driver of the increased rural access to financial services has been the establishment and growth of rural savings and credit cooperatives (known as *umerenge* SACCOs).[39]

4.27 The PRSF series' efficacy in achieving its financial sector objectives is rated **substantial.** Reforms supported by the series helped create the institutional environment for financial sector deepening and broadening, and the associated results were positive. However, the PRSF 4–7 series was only one of the instruments that the World Bank Group deployed in support of financial sector reforms in Rwanda. The World Bank's delivery of steady technical assistance through the Financial Sector Reform and Strengthening initiative was of considerable importance in setting reform priorities and securing their implementation.[40] Coupled with key ASA products, including a 2005 Financial Sector Assessment Program and a 2011 program update (both prepared jointly with the IMF), this technical assistance helped shape and implement the two successive government Financial Sector Development Programs I (2007–12) and II (2013–18).

## EDPRS Pillar 3: Governance

### Enhancing Government Capacity, Accountability, and Transparency

4.28 Important process-related steps taken under the series helped ensure progress toward the subobjective of strengthening public expenditure and financial management. In particular, after the measures taken under the PRSF 4–7 series to pilot the IFMIS (known as SmartFMIS, a customized system developed in-house) integrating budget and payroll in key central government ministries, the IFMIS was deployed to all central government ministries and agencies, and to all 30 district-level administrations and Kigali City. More recently, it has been deployed to several sector-level administrations, and efforts are ongoing to deploy it to all sectors and to local service delivery units (such as hospitals, health centers, and schools), such that these can report their budget execution through the system.[41] SmartFMIS has also undergone progressive improvement, including capability for diverse information reporting formats, and development and deployment of an e-procurement module that was made operational from FY17 and rolled out to all budget entities as of FY17–18. The Independent Evaluation Group mission found that government officials interviewed perceived that progress in public expenditure and financial management has been significant in the past decade. The discussions also suggested that key factors behind the successful deployment of SmartFMIS included top-level commitment and performance monitoring, perseverance in the face of setbacks, and sustained technical and financial support from donors, including the World Bank. MINECOFIN's Permanent Secretary during most of the PRSF 4–7 series' implementation period also argued that the strong ownership deriving from in-house development was an important factor behind the system's successful rollout.

4.29 Associated outcomes are generally favorable, despite delays and unanticipated problems relative to original plans. Regarding the actual trajectory of outcome indicators monitored under PRSF 4–7, against the envisioned (full) operation of an IFMIS integrating budget and payroll by FY10, the outcome sought had been fully attained only by 2014, indicating considerable delay. Moreover, the improvement sought in the Public Expenditure and Financial Accountability (PEFA) score for the quality and timeliness of annual financial statements from C+ in 2007 to B− by FY10 was not attained. The 2010 PEFA update yielded a worse score of D+, which was attributed to problems with using a newly installed IFMIS. However, a subsequent PEFA assessment dated May 2017 (based on FY14 accounts) reports a C+ score (an improvement on 2010 but marking a return to the 2007 score) for "annual financial reports."[42] Other aspects of financial management show clearer improvement. For instance, the percentage of budget entities receiving an unqualified audit opinion—an outcome indicator used in connection with the World Bank Group's entire program—has risen steadily, from only 9 percent at the end of 2011 to 32 percent in 2014 and to almost 60 percent in 2017.[43]

4.30 The efficacy of the PRSF 4–7 series in strengthening public expenditure and financial management is rated **modest.** Although measures supported by the series were an essential part of the chain of reforms needed to strengthen systems capabilities and capacity for their use, there were significant delays in delivering outputs and realizing outcome improvements. Other factors, notably World Bank investment project financing support, also contributed to the progress.

4.31 Key steps were also taken under the series to strengthen the legal and institutional framework for procurement in Rwanda, though there were some delays in following through on some of the measures supported. For instance, an amendment to the 2007 procurement law—which, among other things, strengthened the legal framework for an independent administrative procurement complaints system—was approved by the cabinet in 2010 as a PRSF-7 prior action, but it did not come into force until 2013.[44] Despite delays, some progress appears to have been made on this subobjective over a longer time frame. Under the current system, each budget agency (including district administrations) undertakes its own procurement with technical support and compliance oversight and audits by the Rwanda Public Procurement Agency. Bidders have recourse to an appeals mechanism involving the National Independent Review Panel.[45]

4.32 The evolution of procurement outcomes appears broadly satisfactory. The PRSF 4–7 series' procurement outcome indicator—the share (by value) of public procurement tendered competitively—shows a favorable trend. The precise evolution of this share by the end of the series is somewhat unclear, but when compared with the 2006 baseline of 73 percent, it has improved in recent years.[46]. A 2015 assessment of the procurement system by the Crown Agents affirmed: "by value more than 95 percent of procurement is advertised and open to any bidder" (Crown Agents 2015, 6).[47] As a result, the procurement system was judged to have fully achieved the goals of transparency and competition, though significant room for improvement remained regarding the economy (value for money) and efficiency of the system. The May 2017 PEFA report (based on FY14 budget execution) attributes an A score to three dimensions of procurement (monitoring, methods, and complaints management) and a C score to the remaining dimension (public access to procurement information). Although the B+ overall score in the latest PEFA report does not appear to have improved relative to the overall procurement A score in 2010, the two scores are not strictly comparable.[48] In addition, the recent introduction of electronic procurement can be expected to improve the efficiency and transparency of the procurement system significantly.

4.33 The efficacy of the PRSF 4–7 series in achieving the objective of greater transparency in public procurement is rated **modest.** Measures supported by the series translated into a stronger legal and regulatory framework but with substantial delays. Although there are some indications that procurement outcomes have improved over time, they are not fully conclusive.

4.34 Regarding decentralization, the measures supported by the PRSF 4–7 series laid important foundations for accountability and capacity improvements but played little direct role in strengthening fiscal decentralization. For example, citizen report cards and community scorecards were used to assess service delivery at the local level as a PRSG-6 prior action, and cabinet adoption and operationalization of a five-year capacity building strategy for local government was a prior action for PRSF-7. The use of citizen report cards and community scorecards has become institutionalized since then and keeps track of citizen perceptions of the quality of service delivery.[49] However, these measures had only a weak and very indirect link with fiscal decentralization (increased volumes of public resources managed at the local government level).

4.35 Although there is no information on the outcome indicator used in the series, there are clear indications of progress in fiscal decentralization. No information could be found on the percentage of districts achieving a minimum of 80 percent of their service delivery and development targets (which is a poor indicator of progress in fiscal decentralization, in any case). However, progress in fiscal decentralization is evident. Districts' budgets grew very significantly during the series' implementation and have continued to grow since then (table B.1), funded by increases in both their own revenues (local taxes and fees) and central government. Together with the progress in fiscal decentralization, indications are that local government accountability and capacity has been strengthened.

4.36 The efficacy of the PRSF series in strengthening fiscal decentralization is rated **modest.** Policy actions under the series were largely tangential to the objective of strengthening fiscal decentralization, though they were directly relevant to the broader objective of strengthening decentralization through enhanced local government capacity and improving local government accountability to citizens. The reasons for this apparent disconnect are complex, but they essentially have to do with the CPAF's lack of a specific theme on fiscal decentralization (originally the focus in PRSG-4).[50] This is one case, therefore, in which the rating would have differed if the program document version of the PDOs had been used rather than the policy matrix and results framework version (that is, it would have warranted an upgrade to a substantial rating).

4.37 Regarding civil service reform, measures under the PRSF series paved the way for further reforms aimed at enhancing skills and retention of government employees.

The initial completion of functional reviews in six ministries (prior action for PRSG-4) was subsequently broadened to several other key central government ministries and agencies, providing the basis for an agreement in 2009 on organizational structures to fulfill mandates better within fiscal constraints (PRSG-6 prior action). The PRSF-7 prior action of cabinet approval of General Statutes for the Public Sector was an intermediate step that included some performance-related pay rules. It was later broadened (in 2012) with the development and cabinet approval of a public sector pay and retention policy and implementation strategy. Although its application has taken several years to gain momentum, recent efforts have focused on equalizing pay across government institutions, notably on increasing the relative pay for teachers.

4.38 Measuring associated outcomes is problematic, but there are some favorable signs. The outcome indicator identified under PRSF-7—the percentage of performing budget agencies (formerly the percentage of budget agencies that achieve at least 80 percent of the target outputs in their annual work plan)—has not been measured. Similarly, a basis for measuring changes in public sector staff turnover over time is not readily available.[51] However, there are some broader indications of progress in the government's fulfillment of its functions. For example, Rwanda's percentile ranking on the World Bank's Worldwide Governance Indicators measure of government effectiveness (a composite of several indexes of government capacity and effectiveness compiled by various organizations) improved from 45.4 in 2006 to 56.3 in 2014. Separately, the outcome targeted in PRSG-4 (which featured, inexplicably, under civil service reform) of putting in place the institutional framework for monitoring and evaluation (M&E) of the CPAF and making it operational was achieved. The CPAF was endorsed by the BSHG and entered into formal use in early 2010, with twice-yearly monitoring conducted afterward. Policy actions and outcome indicators for the subsequent operations in the series (PRSG-6 and PRSF-7) were taken from the CPAF, in line with government requests.

4.39 The PRSF series' efficacy in fostering civil service reform for improved skills and incentives for retention is rated **modest.** The measures supported by the series were largely process-related and had little direct impact on skills and retention. Although these measures were later built on, there has been no systematic measurement and tracking of their impact.

## Conclusion

4.40 The picture that emerges on efficacy is mixed, though the results of the EDPRS were generally favorable. Efficacy was substantial in enhancing skills, improving access to high-impact quality health services, improving agricultural productivity, and deepening and broadening the financial sector. It was modest in building economic infrastructure and enhancing government capacity, accountability, and transparency. However, in a broader sense, implementation of the package of reforms and public investments that made up the EDPRS—of which the PRSF 4–7 series was intended to support two pillars—has yielded generally favorable results. GDP growth has been sustained at relatively high levels (if below Rwanda's ambitious aspirations), and exports have gradually but visibly increased as a ratio of GDP (see table 1.1). Despite some setbacks, progress has been evident in public expenditure management, procurement, decentralized fiscal management and service delivery, and civil service performance.

# 5. Ratings

5.1 The overall outcome of the PRSF 4–7 series is rated **moderately satisfactory.** The rating stems from the high relevance of objectives, modest relevance of design, and mixed efficacy of the series in achieving its objectives.

5.2 Risk to development outcome is rated **moderate.** Rwanda has generally continued to be a strong reformer since the PRSF 4–7 series' closing and perform well relative to comparator countries. Its IMF-guided macroeconomic management, including its response to macroeconomic shocks, has remained generally sound. However, several policy areas supported by the series have seen uneven reform implementation (including reversals) or a slowdown in progress toward the series' PDOs or both. In agriculture, the fertilizer distribution system appears to have regressed, and initial increases in productivity for major crops have not been sustained. In energy, deviation from least-cost principles and noncompetitive independent power producer selection in expanding electricity generation have resulted in high tariffs to consumers, despite subsidies that risk undermining fiscal sustainability, though the government has begun addressing the problems with the support of World Bank DPF. In general, risks aside, the outlook for continued poverty reduction and equitable growth in Rwanda remains favorable.

5.3 Bank performance is assessed as **moderately satisfactory.** Quality at entry is rated **moderately satisfactory.** The analytical underpinnings for the PRSF 4–7 series were adequate, with the choice of policy areas and prior actions drawing on the substantial body of ASA that the World Bank produced. Analytical foundations included the World Bank's 2007 Country Economic Memorandum, technical assistance on public expenditure, and the 2005 Financial Sector Assessment Program, as well as analytical work commissioned by the broader donor community or the government, such as the 2007 and 2010 PEFA assessments. The agriculture sector provides a useful example of how the findings of analytical work guided the policy reforms supported by the PRSF series. The Country Economic Memorandum found that key constraints to agricultural growth included low irrigation levels (creating vulnerability to the vagaries of rainfall); poor land and soil management practices (leading to soil erosion and degradation of fertility); Rwanda's landlocked position coupled with the poor condition of its infrastructure (leading to impediments to export of agricultural products and very high associated costs); high population growth (leading to pressure on land use); and very low levels of input use (for example, seeds and fertilizer). The analysis and findings were clearly reflected in the objectives and measures that the PRSF 4–7 series supported, not merely in agriculture but also regarding road maintenance, for example. The series' design was appropriately responsive to the efforts to harmonize donor practices around budget support (particularly M&E) under government leadership. However, as explained in detail in the relevance of design section, the series' results framework had significant weaknesses. These included weak causal links between policy actions supported by the series and outcomes sought, and low depth in several of the policy actions (by themselves, they did not bring about significant changes in the institutional and policy environment).

5.4 Quality of supervision is likewise rated **moderately satisfactory**. The World Bank could have been more meticulous in its preparation of Implementation Status Reports (ISRs)—two ISRs (for PRSG-6 and PRSF-7) were prepared during the series' lifespan, and both were excessively terse in their account of progress in reform implementation. However, the World Bank regularly took part in the BSHG, which under MINECOFIN leadership undertook structured monitoring of progress under the CPAF. Although some of the outcome indicators were not tracked, the World Bank was able to remain largely on top of progress with PRSF-supported reforms and toward the series' PDOs, including many of the associated outcome indicators.

5.5 Borrower and implementing agency performance is rated **moderately satisfactory.** No meaningful distinction can be made between the government as borrower and the government as implementing agency. MINECOFIN coordinated reform implementation under the series and was also responsible for administering the proceeds of the PRSF 4–7 series. The breadth of the policy agenda that the series encompassed meant that a wide range of line ministries and agencies were responsible for implementing specific reforms. Reform implementation was generally satisfactory, though there were some delays and reversals. The BSHG, chaired by MINECOFIN and co-chaired by African Development Bank, was responsible for monitoring progress in implementing reforms and the associated results (under the CPAF). The monitoring process was largely adequate, though information on some outcome indicators (such as the percentage of performing budget agencies) was not collected.

5.6 M&E quality is rated **modest.** The M&E framework for the PRSF 4–7 series was essentially its policy matrix and results framework, which from PRSG-5 onward was drawn from the CPAF. As discussed previously, design of this framework suffered from certain deficiencies, including weaknesses in the results chain, lack of depth in several of the prior actions, and insufficiencies in the outcome indicators used to track progress toward the series' development objectives. Although M&E implementation was adequate, given the institutionalized twice-yearly CPAF monitoring reviews that the BSHG undertook, information for some of the outcome indicators was not collected. M&E use was adequate, with the monitoring process informing yearly adjustments in the CPAF and the underlying EDPRS M&E framework. As noted, the institutional framework for M&E did not survive the demise of the budgetary support arrangements.

# 6. Lessons

6.1 The following lessons emerge from the design and implementation experience of the PRSF 4–7 series:

- **Programmatic DPF can be an effective form of support for a well-defined, country-owned reform program.** In Rwanda, the PRSF 4–7 series backed a well-articulated and sound development strategy with strong implementation arrangements, the 2008–12 EDPRS. Arguably, however, value-added of the series stemmed more from the predictable financing that it provided for the overall program and its encouragement to reforms through regular, institutionalized monitoring of progress, than from advancing the achievement of specific objectives and outcomes.

- **It is difficult to be definitive about the efficacy of a DPF series unless the results framework is tight-knit, the reforms supported have the requisite depth, and there is a strong and direct causal link between these reforms and the outcomes sought.** Under the PRSF 4–7 series, progress was made in several cases toward the objectives and desired outcomes. However, the role of the policy actions that the series supported in bringing about that progress versus other contributory factors was not always clear.

- **A commitment to providing regular, predictable financing in the form of (multisector) general budget support operations implies that the World Bank needs to be prepared to accommodate dilution or deferral of reform content relative to what is foreseen at the outset.** This underscores the importance of entering into such a commitment only in instances in which the World Bank has confidence in the government's long-term intent to see reforms through in good faith despite delays and temporary reversals rooted in technical or political economy factors. In Rwanda, there were several delays and setbacks; for example, the implementation of a revised tariff structure for electricity was continually deferred and diluted. However, all triggers specified in the operations under the PRSF 4–7 series (or their equivalent in terms of the substance of the policy actions) were eventually achieved, though in some cases with several years' delay, suggesting that the World Bank's confidence was well placed.

- **The World Bank can face a hard choice between adhering to a CPAF in a multisector budget support series and fulfilling the good-practice prescriptions in its operational policy for DPF.** In Rwanda, confining prior actions and outcome indicators in the PRSF 4–7 series to those found in the CPAF offered clear advantages, such as institutionalized M&E and lower transactions costs, particularly for country authorities. However, CPAF design shortfalls and selectivity in its coverage spilled over into the series, leading to inconsistencies with good practices prescribed under the World Bank's operational policy for DPF. It was often difficult in the PRSF 4–7 series to trace the causal links between prior actions (many of which lacked depth) and outcomes sought. Moreover, certain objectives the series sought originally, such as fiscal decentralization, were pursued later through insufficiently focused measures and outcome indicators that were constrained to align with those in the CPAF.
- **Successful deployment of an IFMIS can be facilitated by high-level commitment and performance monitoring, sustained external support, and system ownership.** In Rwanda, top-level attention to imihigo (performance contract) monitoring included a focus on successive phases of IFMIS rollout, which also received steady technical and financial support from the World Bank (through parallel DPF and investment project financing, and later Performance for Results financing) and from other partners (notably through a Public Financial Management Basket Fund supported by the European Union and the U.K. Department for International Development). In addition, Rwandan authorities believed that the IFMIS's in-house development gave the system's users a greater stake in its successful deployment.

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[1] The World Bank later prepared an analysis of why the reduction in poverty during this period was limited. See World Bank 2013a.

[2] The precise estimates of poverty, and especially their comparability over time, have been a source of contention in the past. However, the figures cited here have been widely referenced in World Bank operational documents and are taken to be "good enough."

[3] Rwanda's fiscal year was changed in July 2009 from calendar year to July to June to align with East African Community norms.

[4] There is, in fact, some ambiguity as to whether Poverty Reduction Support Grant (PRSG) 5 or PRSG-6 was the first operation to be aligned entirely with the Common Performance Assessment Framework. PRSG-5 was sometimes labeled a "transition operation" from the standpoint of being aligned with the Common Performance Assessment Framework (see, for instance, annex 2 of the program document for Poverty Reduction Support Financing [PRSF] 7 (World Bank 2011), but elsewhere (for example, paragraph 53 of the program document for PRSF-7), it was asserted, "The PRSG-5 operation was the first operation that aligned the [PRSF 4–7] series with the [Common Performance Assessment Framework]."

[5] This Project Performance Assessment Report uses the term "policy actions" to refer to the entirety of measures recorded in the policy matrix and results framework as implemented before the approval of a given operation. By contrast, the term "prior actions" refers to the subset of measures (usually depicted in bold type in the policy matrix and results framework) that was formally identified as necessary for the approval of the operation.

[6] The limitations of an ex post logical framework where objectives evolved over the four-year lifespan of the series can be illustrated with reference to prior action (i) under the program development objective of "enhancing the skills of the population." At first, it is unclear how an assessment of the basic education system contributes to the intermediate objective of revamping the strategic and institutional framework for post–basic education, although it arguably speaks to the ultimate objective of enhancing the skills of the population. The answer is that the initial focus in PRSG-4 had been on reducing the pupil-teacher ratio in the nine-year basic education program, but it shifted (exclusively) to post–basic education from PRSG-5 onward.

[7] The concept of (structural) depth was originally developed and used in IMF (2007).

[8] The SMART criteria require indicators to be **s**pecific to the objectives toward which progress was to be measured; **m**easurable; **a**chievable; **r**elevant in the sense of appropriate to measure progress toward the objectives; and **t**ime-bound.

[9] The East African Community fiscal year runs from July to June, in contrast to Rwanda's prior fiscal year, which followed the calendar year.

[10] Predictable provision of financing for well-performing countries was a key premise of the Poverty Reduction Support variant of programmatic development policy financing.

[11] The 2011 and 2015 figures are from the Rwanda Ministry of Education's *2015 Education Statistical Yearbook*, which reports the transition rate to upper secondary—that is, from senior 3 to senior 4 (GoR 2016, 40). (http://mineduc.gov.rw/fileadmin/user_upload/Amatangazo/2015%20Education%20Staiatical%20YearbookF.pdf).

[12] Some related (more disaggregated) indicators were tracked during the implementation period of the FY11 Skills Development Project, but this was after the PRSF series' closure.

[13] As indicated previously, the Skills Development Project was implemented after the PRSF series' closure.

[14] In addition, the National Institute of Statistics of Rwanda's 2015 Integrated Business Enterprise Survey indicates that almost 80 percent of respondents viewed the "availability of skilled or technical labor" as "no problem" (and another 13 percent viewed it as a "minor problem").

[15] The law governing community-based health insurance is Law No. 62/2007 of December 30, 2007. Submission of the law to Parliament was a PRSG-4 prior action.

[16] For useful background on the evolution of community-based health insurance in Rwanda, see, for example, Kalisa et al. (2015).

[17] Details of the performance-based financing system implementation and its results are discussed in Basinga et al. (2010). The paper reports on data produced from a prospective quasi-experimental evaluation design that was nested in the pay-for-performance program rollout and compared facilities in a treatment group with those in a control group that continued to receive input-based financing for a two-year period for prenatal care and child preventive care. The study found that significant increases in the provision of some services, such as in-facility deliveries by pregnant women, were associated with pay-for-performance. The results suggest that financial incentives are significant and have a larger impact for services in which providers have more control, such as prenatal care quality. The study also suggested that for services that depend more on patient behavior, such as the decision to seek prenatal care, the program could consider providing financial incentives directly to the patient rather than the provider.

[18] See the figures for the percentage of children under age five using insecticide-treated bed nets under World Development Indicators (https://data.worldbank.org/data/source/world-development-indicators).

[19] In fact, implementation of a revised tariff structure was later envisioned (in PRSF-8, approved in November 2011) as one of the triggers for PRSF-9—which, given the demise of general budget support in 2012, never materialized.

[20] The bulk of the increase in access over the PRSF 4–7 series' life span appears to have taken place in 2009. This likely reflected a significant increase in generation capacity in that year.

[21] The number of households and enterprises with access to electricity increased from 91,332 in 2006 to 159,516 in FY10 (compared with a target of 139,000) and to 308,326 in 2011–12 (compared with a target of 270,000). Generation capacity increased from 60 megawatts in 2006 to 84 megawatts in FY10 (compared with a target of 80 megawatts) and to 157 megawatts in FY12 (compared with a target of 130 megawatts).

[22] A subsistence level of electricity (30 kilowatt-hours per month) would be unaffordable for more than three-quarters of the unelectrified population.

[23] In recent years, fiscal transfers to the energy sector have declined from 2.5 percent of gross domestic product in FY14–15 to 1.4 percent in FY16–17.

[24] In addition, some of the measures lacked depth—for example, completion of a tariff study and validation by Rwanda Utilities Regulatory Authority and the Ministry of Infrastructure. Others, such as the removal of the import duty and value-added tax on liquefied petroleum gas to promote its use and reduce dependence on charcoal, had no direct relation to the electricity outcomes targeted, although they arguably contributed to improving cost effectiveness (and environment-friendliness) in the broader energy sector.

[25] These investment project financing operations were the FY05 Urgent Electricity Rehabilitation Project and the FY10 Electricity Access Scale-up and Sectorwide Approach Development Project.

[26] Implementation Completion and Results Report, page 66.

[27] Implementation Completion and Results Report Review, section 4.

[28] See NISR (2016). Note that the standard for measuring urban access is 200 meters or less from the source and rural access is 500 meters or less.

[29] The target for 2011/12 was later revised downward to 37 percent under PRSF-8.

[30] The World Bank was co-chair of the Rural Sector Working Group at the time.

[31] The 2011/12 figure is from the Implementation Completion and Results Report Review (efficacy section, objective 3), and was slightly under, but close to, the target for that year (PRSG-6 program document, page 44).

[32] Lack of prior consultation with development partners and other stakeholders (for example, though the Agriculture and Rural Development Sectoral Working Group) meant that alternative solutions to fraud concerns, such as the use of electronic wallets, could not be debated.

[33] See also Implementation Completion and Results Report, page 40.

[34] See Implementation Completion and Results Report Review, section 4 (objective 3).

[35] In particular, there are discrepancies in the land area subject to radical terracing between the National Institute of Statistics of Rwanda’s seasonal agricultural surveys and figures reported in Implementation Status and Results Reports for the Transformation of Agriculture Sector Program-for-Results operation.

[36] Law no. 40/2008 of August 26, 2008, established the organization of microfinance activities.

[37] The 2008 figure is from Kantengwa (2010). The later figures are from AMIR (2015).

[38] The 13.9 percent of gross domestic product target for 2012 is from the PRSG-6 program document (table 9, page 41).

[39] Savings and credit cooperatives now account for an important segment of the microfinance institution sector (AMIR 2015).

[40] According to the website of the Financial Sector Reform and Strengthening Initiative (FIRST): “The FIRST initiative is a multidonor grant facility that provides short- to medium-term technical assistance to promote sounder, more efficient, and inclusive financial systems. Since its inception in 2002, FIRST has funded over 600 projects in about 120 countries, with commitments over $135 million.” For more information, visit the website at https://www.firstinitiative.org/.

[41] Several district- and sector-level officials gave the mission demonstrations of the SmartFMIS’ capabilities.

[42] Despite changes in Public Expenditure and Financial Accountability (PEFA) methodology between the 2007 and 2010 PEFAs and the 2017 PEFA, the constituents of this score are unchanged, so the scores are comparable.

[43] The latest figure is taken from the Implementation Status and Results Report for the Public Sector Governance Program-for-Results operation.

[44] The Implementation Completion and Results Report (page 47) provides details concerning the substance of the amendments. For instance, they were designed to bring the provisions of the law in line with (i) the revised mandate of the Rwanda Public Procurement Agency, resulting from the full devolution of the procurement function to the procuring entities; and (ii) the Common Market for Eastern and Southern Africa (free trade area) procurement framework (which Rwanda joined in 2004).

[45] Separate independent review panels also operate at the district level.

[46] The Implementation Completion and Results Report Review for the PRSF 4–7 series reported that the share had increased very modestly to 75 percent by 2012, missing the target of 87 percent by the series' end. However, the 2010 Public Expenditure and Financial Accountability appears to contradict this because it affirms that "86.6 percent of all contracts above the threshold [for small purchases] were awarded by open competition." This is also more consistent with the 2015 Crown Agents findings (Crown Agents 2015).

[47] See Crown Agents findings (Crown Agents 2015). Similarly, the Rwanda Public Procurement Agency's Annual Activity Report for 2015–16 (dated January 2017) affirms, based on its procurement audits, that more than 88 percent of public procurement by value took the form of open bidding. However, it is notable that the Rwanda Public Procurement Agency's reach does not encompass all aspects of a broader concept of public procurement. For instance, as discussed in the section on electricity, many power purchase agreements that the Rwanda Energy Group entered into with independent power producers were negotiated bilaterally rather than tendered competitively.

[48] Three aspects were scored under procurement in the 2010 Public Expenditure and Financial Accountability (PEFA)—the previous methodology: evidence on the use of open competition for contract award, extent of justification for use of less competitive procurement methods, and existence and operation of a procurement complaints mechanism. All received an A score, despite the subsequent strengthening of the independent complaints mechanism (assessed according to six distinct criteria under the new methodology followed in the 2017 PEFA).

[49] For example, citizen report cards for 2014–16 show citizens' overall net satisfaction with local government services as increasing from 60 percent in 2014 to 75.9 percent in 2016. Trends for many individual service categories (health, for example) are similar. For more detail, see World Bank 2018b.

[50] For further details, see the discussion in the Implementation Completion and Results Report for the PRSF 4–7 series (World Bank 2012, 49–50).

[51] A 2010 census of public sector workers (including workers at the local government—province, district, and sector-level, and in-service delivery units such as educational institutions, hospitals, and health centers) showed that approximately 46 percent of workers had been in their current position less than three years and 62 percent had been in their current position less than five years. However, no subsequent census of public sector workers has been made available that would allow comparisons over time.

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# Appendix A. Basic Data Sheet

## Fourth Poverty Reduction Strategy Grant (IDA H3550, TF 90402) P104990

### Table A.1. Key Project Data

| Financing | Appraisal Estimate *($, millions)* | Actual or Current Estimate *($, millions)* | Actual as Percent of Appraisal Estimate |
|---|---|---|---|
| Total project costs | 70.00 | 70.00 | 100 |
| Loan amount | 70.00 | 70.00 | 100 |

### Table A.2. Cumulative Estimated and Actual Disbursements

| Disbursements | FY08 |
|---|---|
| Appraisal estimate *($, millions)* | 70.00 |
| Actual *($, millions)* | 70.00 |
| Actual as percent of appraisal | 100 |
| Date of final disbursement | December 31, 2008 |

### Table A.3. Project Dates

| Event | Original | Actual |
|---|---|---|
| Concept review | 10/29/2007 | 10/29/2007 |
| Negotiations | 12/07/2007 | 12/07/2007 |
| Board approval | 03/27/2008 | 03/27/2008 |
| Signing | 03/07/2008 | 03/07/2008 |
| Effectiveness | 03/27/2008 | 03/27/2008 |
| Closing date | 12/31/2008 | 12/31/2008 |

### Table A.4. Task Team Members

| Name | Title[a] | Unit |
|---|---|---|
| **Lending** | | |
| Kene Ezemenari | Senior Economist and Task Team Leader | AFTP3 |
| Agnes Soucat | Lead Economist | ATHD |
| Chukwuma F. Obidegwu | Lead Economist | AFTP3 |
| Hannah Nielsen | Economist | AFTP3 |
| Tembo Maburuki | Economist | AFTP3 |
| Liz Drake | Rural Specialist | AFTAR |
| Anushika Karunaratne | Consultant | AFTAR |
| Loraine Ronchi | Economist | AFTAR |

| | | |
|---|---|---|
| Michael Morris | Lead Agriculture Economist | AFTAR |
| Christophe Prevost | Senior Water and Sanitation Specialist | AFTU2 |
| Amal Talbi | Water Supply Specialist | AFTU2 |
| Asmara-Lua Achcar | Water Supply Specialist | AFTWR |
| Susan Opper, Annelie Gunborg Strath | Senior Education Specialist | AFTH3 |
| Alex Kamurase | Operations Officer | AFTH3 |
| Malcolm Cosgrove-Davies | Senior Energy | AFTEG |
| Erik Femstrom | Energy Specialist | AFTEG |
| Kingson Apara | Senior Transport Specialist | AFTTR |
| Otieno Ayany | Financial Management Specialist | PFM |
| Pierre Morin | Senior Procurement Specialist | AFTPC |
| Chantal Kajangwe | Procurement Analyst | AFTPC |
| Yvan Franusic | Consultant | AFTPC |
| Deborah Davis | Consultant | AFTP3 |
| Shinok Park | Consultant | AFTP3 |
| Lewis Kabayiza Murara | Public Sector Management Specialist | AFTPR |
| Stephan von Klaudy | Lead Infrastructure Specialist | FEU |
| Arleen Seed | Senior Information Officer | ISGEG |
| Annika Kjellgren | Consultant | AFTH3 |
| Nikhil Desai | Consultant | AFTH3 |
| Peter Osei | Research Analyst | AFTP3 |
| Janet Owens | Consultant | AFTP3 |
| Rahel Kassahun | Consultant | AFTP3 |
| Joseph Kizito | Senior Financial Management Specialist | AFTFM |
| A1 Watkins | Program Coordinator | HDNED |
| Anubha Verma | Consultant | HDNED |
| Stefanie Teggeman | Public Sector Specialist | AFTPR |
| Amadou Dem | Economist | AFTPS |
| Ann Rennie | Lead Financial | AFTFS |
| Guillemette Jaffrin | Financial Sector Specialists | AFTFS |
| Paramita Dasgupta | Senior Private Sector Development specialist | IFC |
| Remi Kini | Senior Environmental Economist | AFTEN |
| Marito Garcia | Lead Human Development Economist | AFTH3 |
| Miriam Schneidman | Senior Health Specialist | AFTH3 |
| Verdon Staines | Senior Economist | AFTH3 |
| Victoria Gyllerup | Operations Officer | AFTRL |
| Peter Isabirye | Consultant | AFMRW |
| Marie Jeanne Uwanyarwaya | Program Assistant | AFMRW |
| Lucia Chuo, Maude Jean-Baptiste | Language Program Assistant | AFTP3 |
| Paula White | Language Program Assistant | AFTP3 |

| | |
|---|---|
| **Supervision** | |
| Birgit Hansl | Team Leader |
| Brendan Horton | Primary Author |

*Note:* ICR = Implementation Completion and Results Report.s
a. At time of appraisal and closure, respectively.

## Fifth Poverty Reduction Support Grant (IDA H4520) P106083

### Table A.5. Key Project Data

| Financing | Appraisal Estimate *($, millions)* | Actual or Current Estimate *($, millions)* | Actual as Percent of Appraisal Estimate |
|---|---|---|---|
| Total project costs | 80.00 | 80.00 | 100 |
| Loan amount | 80.00 | 80.00 | 100 |

### Table A.6. Cumulative Estimated and Actual Disbursements

| Disbursements | FY09 |
|---|---|
| Appraisal estimate *($, millions)* | 80.00 |
| Actual *($, millions)* | 80.00 |
| Actual as percent of appraisal | 100 |
| Date of final disbursement | June 30, 2010 |

### Table A.7. Project Dates

| Event | Original | Actual |
|---|---|---|
| Concept review | 12/11/2008 | 12/11/2008 |
| Negotiations | 02/02/2009 | 02/02/2009 |
| Board approval | 03/17/2009 | 03/17/2009 |
| Signing | 03/19/2009 | 03/19/2009 |
| Effectiveness | 04/07/2009 | 04/07/2009 |
| Closing date | 06/30/2010 | 06/30/2010 |

### Table A.8. Task Team Members

| Name | Title[a] | Unit |
|---|---|---|
| **Lending** | | |
| Kene Ezemenari | Senior Economist and Task Team Leader | AFTP3 |
| Edith Kikoni | Research Analyst | AFTP3 |
| Hannah Nielsen | Economist | AFTP3 |
| Kossi Eguida | Economist | AFTP3 |
| Peter Osei | Research Analyst | AFTP3 |
| Eric Bell | Lead Economist | AFTP3 |

| | | |
|---|---|---|
| Loraine Ronchi | Economist | AFTAR |
| Mathewos Woldu | Senior Economist | AFTU2 |
| Amal Talbi | Water Supply Specialist | AFTU2 |
| Asmara-Lua Achcar | Consultant | AFTWR |
| Annelie Gunborg Strath | Education Specialist | AFTH3 |
| Margo Hoftijzer | Economist | AFTH3 |
| Erik Fernstrom | Energy Specialist | AFTEG |
| Kingson Apara | Senior Transport Specialist | AFTTR |
| Chantal Kajangwe | Procurement Analyst | AFTPC |
| Yvan Franusic | Consultant | AFTPC |
| Gert Van der Linde | Lead Financial Management Specialist | AFTFM |
| Lewis Kabayiza Murara | Public Sector Management Specialist | AFTPR |
| Peter Osei | Research Analyst | AFTP3 |
| Diego Garrido Martin | Monitoring and Evaluation Specialist | AFTRL |
| Al Watkins | Program Coordinator | HDNED |
| Anubha Verma | Consultant | AFTH3 |
| Stefanie Teggeman | Public Sector Specialist | AFTPR |
| Amadou Dem | Economist | AFTPS |
| Ann Rennie | Lead Financial Sector Specialist | AFTFS |
| Patrick Mullen | Health Specialist | AFTH3 |
| Verdon Staines | Senior Economist | AFTH3 |
| Aline Dukuze | Team Assistant | AFMRW |
| Maude Jean-Baptiste | Language Program Assistant | AFTP3 |
| Paula Joachim White | Language Program Assistant | AFTP3 |
| Lucia Chuo | Language Program Assistant | AFTP3 |
| **Supervision** | | |
| Birgit Hansl | Team Leader | |
| Brendan Horton | Primary Author | |

*Note:* ICR = Implementation Completion and Results Report.
a. At time of appraisal and closure, respectively.

## Sixth Poverty Reduction Support Grant (IDA H5540) P113241

### Table A.9. Key Project Data

| Financing | Appraisal Estimate *($, millions)* | Actual or Current Estimate *($, millions)* | Actual as Percent of Appraisal Estimate |
|---|---|---|---|
| Total project costs | 115.80 | 115.80 | 100 |
| Loan amount | 115.80 | 115.80 | 100 |
| Cancellation | | June 30, 2011 | |

### Table A.10. Cumulative Estimated and Actual Disbursements

| Disbursements | FY10 |
|---|---|
| Appraisal estimate *($, millions)* | 115.80 |
| Actual *($, millions)* | 115.80 |
| Actual as percent of appraisal | 100 |
| Date of final disbursement | June 30, 2011 |

### Table A.11. Project Dates

| Event | Original | Actual |
|---|---|---|
| Concept review | 11/03/2009 | 11/03/2009 |
| Negotiations | 01/15/2010 | 01/15/2010 |
| Board approval | 03/20/2010 | 03/20/2010 |
| Signing | — | — |
| Effectiveness | 11/03/2009 | 11/03/2009 |
| Closing date | 06/30/2011 | 06/30/2011 |

## Table A.12. Task Team Members

| Name | Title[a] | Unit |
|---|---|---|
| Lending | | |
| Kene Ezemenari | Senior Economist and Task Team Leader | AFTP3 |
| Kossi Eguida | Economist | AFTP3 |
| Peter Osei | Research Analyst | AFTP3 |
| Eric Bell | Lead Economist | AFTP3 |
| Rahel Kassahun | Consultant-Economist | AFTP3 |
| Loraine Ronchi | Economist | AFTAR |
| Valens Mwumvaneza | Agricultural and Rural Development Specialist | AFTAR |
| Mathewos Woldu | Senior Economist | AFTUW |
| Amal Talbi | Senior Water Supply Specialist | AFTWR |
| Margo Hoftijzer | Economist | AFTH3 |
| Alex Kamurase | Social Protection Specialist | AFTSP |
| Erik Fernstrom | Energy Specialist | AFTEG |
| Solomon Waithaka | Senior Transport Specialist | AFTTR |
| Peter Isabirye | Consultant | AFMRW |
| Chantal Kajangwe | Procurement Analyst | AFTPC |
| Yvan Franusic | Consultant | AFTPC |
| Gert Van der Linde | Lead Financial Management Specialist | AFTFM |
| Lewis Kabayiza Murara | Public Sector Management Specialist | AFTPR |
| Anja Nystrom | Public Sector Management Specialist | AFTPR |
| Diego Garrido Martin | Monitoring and Evaluation Specialist | AFTRL |
| Al Watkins | Program Coordinator | HDNED |
| Stefanie Teggeman | Public Sector Specialist | AFTPR |
| Sameena Dost | Senior Counsel | LEGAF |
| Amadou Dem | Economist | AFTPS |
| Ann Rennie | Lead Financial Sector Specialist | AFTFS |
| Aline Dukuze | Team Assistant | AFMRW |
| Maude Jean-Baptiste | Language Program Assistant | AFTP3 |
| Paula Joachim White | Language Program Assistant | AFTP3 |
| **Supervision** | | |
| Birgit Hansl | Team Leader | |
| Brendan Horton | Primary Author | |

*Note:* ICR = Implementation Completion and Results Report.
a. At time of appraisal and closure, respectively.

## Seventh Poverty Reduction Support Financing (IDA H6440, IDA 48680) P117495

### Table A.13. Key Project Data

| Financing | Appraisal Estimate *($, millions)* | Actual or Current Estimate *($, millions)* | Actual as Percent of Appraisal Estimate |
|---|---|---|---|
| Total project costs | 104.40 | 104.40 | 100 |
| Loan amount | 104.40 | 104.40 | 100 |

### Table A.14. Cumulative Estimated and Actual Disbursements

| Disbursements | FY11 |
|---|---|
| Appraisal estimate *($, millions)* | 104.40 |
| Actual *($, millions)* | 104.40 |
| Actual as percent of appraisal | 100 |
| Date of final disbursement | June 30, 2012 |

### Table A.15. Project Dates

| Event | Original | Actual |
|---|---|---|
| Concept review | 11/01/2010 | 11/01/2010 |
| Negotiations | 01/14/2011 | 01/14/2011 |
| Board approval | 02/24/2011 | 02/24/2011 |
| Signing | — | — |
| Effectiveness | 11/01/2010 | 11/01/2010 |
| Closing date | 06/30/2012 | 06/30/2012 |

### Table A.16. Task Team Members

| Name | Title[a] | Unit |
|---|---|---|
| **Lending** | | |
| Birgit Hansl | Task Team Leader | AFTP2 |
| Johannes Widmann | Co-Task Team Leader | AFCKE |
| Wolfgang Fengler | Lead Economist | AFTP2 |
| Louise Fox | Lead Economist | AFTP1 |
| Yasser El-Gammal | Lead Social Protection Specialist | AFTSP |
| Peace Niyibizi | Consultant-Economist | AFTP2 |
| Roger Sullivan | Consultant | AFTP2 |
| Loraine Ronchi | Senior Economist | AFTAR |
| Valens Mwumvaneza | Agricultural and Rural Development Specialist | AFTAR |

| | | |
|---|---|---|
| Bruno Mwanafunzi | Consultant-Water and Sanitation Specialist | AFTWR |
| Margo Hoftijzer | Economist | AFTH3 |
| Alex Kamurase | Social Protection Specialist | AFTSP |
| Erik Fernstrom | Energy Specialist | AFTEG |
| Paul Baringanire | Power Engineer | AFTEG |
| Chantal Kajangwe | Procurement Analyst | AFTPC |
| Gert Van Der Linde | Lead Financial Management Specialist | AFTFM |
| Otieno Ayany | Financial Management Specialist | AFTFM |
| Lewis Kabayiza Murara | Public Sector Management Specialist | AFTPR |
| Tessa Macarthur | Senior Public Sector Specialist | AFTPR |
| Evarist Baimu | Senior Counsel | LEGAF |
| Aissatou Diallo | Senior Finance Officer | CTRFC |
| Rajiv Sondhi | Senior Finance Officer | CTRFC |
| Shahina Shamamod | Finance Analyst | CTRCM |
| Nagaraja Rao Harshadeep | Senior Environmental Specialist | AFTEN |
| Yoko Watanabe | Senior Biodiversity Specialist | GEF |
| Amadou Dem | Economist | AFTPS |
| Moses Kibirige | Senior Private Sector Development | AFTFE |
| Dickson Malunda | Consultant-Economist | AFTP2 |
| Elianne Tchapda | Program Assistant | AFTP4/AFTP2 |
| Edgardo Favaro | Lead Economist | PRMED |
| Kene Ezemenari | Senior Economist | OPCRS |
| Enrique Blanco Armas | Senior Economist | EASPR |
| **Supervision** | | |
| Birgit Hansl | Team Leader | |
| Brendan Horton | Primary Author | |

*Note:* ICR = Implementation Completion and Results Report.
a. At time of appraisal and closure, respectively.

# Appendix B. District Budget by Source and National Budget

### Table B.1. District Budget by Sources and National Budget

| Designation | 2006 | 2007 | 2008 | FY10 | FY11 | FY12 | FY13 | FY14 | FY15 | FY16 | FY17 | FY18 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| District own revenues (taxes and fees) | 13.9 | 15.3 | 18.6 | 21.6 | 29 | 28 | 30.6 | 36.9 | 40.1 | 45.7 | 49.9 | 51.5 |
| Transfers from central government | 35.8 | 68.1 | 107.7 | 99.6 | 112.4 | 189.8 | 242 | 246.9 | 270.7 | 284.5 | 304.4 | 364.9 |
| of which: block grant | — | 2.4 | 11.3 | 16.7 | 20.8 | 25 | 28.3 | 32.1 | 39.1 | 42.6 | 46.8 | 52.1 |
| External grants | — | 4.8 | 5.3 | 11.3 | 14.3 | 22.6 | 37.9 | 30.2 | 24.1 | 28.1 | 43.7 | 23.7 |
| Total district budget (RF, billions) | 49.7 | 90.5 | 143 | 149.2 | 176.6 | 265.4 | 338.8 | 346.1 | 374 | 400.9 | 444.7 | 440.1 |
| Percent of own revenues to total district budget | 28.0 | 16.9 | 13.0 | 14.5 | 16.4 | 10.6 | 9.0 | 10.7 | 10.7 | 11.4 | 11.2 | 11.7 |
| percent of central government transfers to total district budget | 72.0 | 75.2 | 75.3 | 66.8 | 63.6 | 71.5 | 71.4 | 71.3 | 72.4 | 71.0 | 68.5 | 82.9 |
| percent of central government transfers to total national budget | 9.0 | 12.9 | 16.0 | 11.1 | 11.4 | 17.0 | 15.6 | 14.7 | 15.4 | 15.7 | 15.6 | 17.4 |
| Total domestic taxes | 176.7 | 214.6 | 275.3 | 368 | 449.1 | 501.4 | 641.2 | 775.4 | 906.5 | 894.8 | 1,071.60 | 1,200.30 |
| Total national budget | 396.1 | 527.6 | 674 | 899 | 984 | 1,116.90 | 1,549.90 | 1,677.70 | 1,753.30 | 1,808.30 | 1,949.40 | 2,094.90 |

*Source*: Ministry of Finance and Economic Planning.
*Note*: — = not available; CG = central government; RF = Rwanda franc.

# Appendix C. List of Persons Met

## World Bank

| | |
|---|---|
| Yasser El-Gammal | Country Manager |
| Diarietou Gaye | Country Director |
| Johannes Zutt | Former Country Director |
| Omowunmi Ladipo | Former Country Manager |
| Carolyn Turk | Former Country Manager |
| Johannes Widmann | Former Country Officer |
| Yoichiro Ishihara | Senior Economist, Macroeconomics and Fiscal Management Global Practice |
| Adja Mansora Dahourou | Senior Private Sector Specialist: Finance, Competitiveness, and Innovation Global Practice |
| Gunhild Berg | Senior Financial Sector Specialist: Finance, Competitiveness, and Innovation Global Practice |
| Hiroshi Saeki | Senior Economist, Education Department |
| Arnaud D. Dornel | Lead Financial Sector Specialist: Finance, Competitiveness, and Innovation Global Practice |
| Paul Brenton | Lead Economist: Macroeconomics, Trade, and Investment Global Practice |
| Aghassi Mkrtchyan | Senior Economist: Macroeconomics, Trade, and Investment Global Practice |
| Mark Austin | Former Senior Operations Officer, Agriculture Department |
| Emmanuel Taban | Highway Engineer, Transport and Digital Development Department |
| Kevin Crockford | Senior Rural Development Specialist, Agriculture Department |
| Margo Hoftijzer | Senior Economist, Education Department |
| Amadou Dem | Senior Economist, Trade and Competitiveness Department |
| Muhammad Zulfiqar Ahmed | Senior Transport Engineer, Transport and ICT Department |
| Valens Mwumvaneza | Senior Agricultural Specialist, Agriculture Department |
| Jens Kristensen | Lead Public Sector Specialist, Governance Department |
| Tim Robertson | Senior Agricultural Specialist, Agriculture Department |
| Leif Jensen | Former Senior Public Sector Specialist, Governance Department |
| Yadviga Semikolenova | Senior Energy Economist, Energy and Extractives Department |
| Norah Kipwola | Senior Energy Specialist, Energy and Extractives Department |
| Deo-Marcel Niyungeko | Senior Water Supply and Sanitation Specialist, Water Department |
| Winston Dawes | Senior Agriculture Economist, Agriculture Department |
| Aimee Mpambara | Agricultural Specialist, Agriculture Department |
| Elizabeth Ninan Dulvy | Senior Education Specialist, Education Department |
| Kene Ezemenari | Senior Economist, Operations Policy and Country Services Vice Presidency—Knowledge and Learning Department |
| Augustine Sangson Langyintuo | Senior Private Sector Specialist, Trade and Competitiveness Department |
| Lauren Ronchi | Lead Economist, Trade and Competitiveness Department (agriculture sector) |
| Sandeep Mahajan | Lead Economist, Macroeconomics and Fiscal Management Department |
| Lucy Fye | Former Private Sector Development Specialist |

| | |
|---|---|
| Mandy Hupfer | Deputy Head of Development Cooperation |
| Stefan Sckell | Education / Skills Advisor |

## International Finance Corporation

| | |
|---|---|
| Juan Francisco Ron | Investment Officer, Global Industry, (The Manufacturing, Agribusiness, and Services Industry Group) |
| Anup Jagwani | Principal Investment Officer: Global Manufacturing, Agribusiness, and Services |
| William Britt Gwinner | Principal Operations Officer, Financial Institutions Group |
| Michael Opagi | Principal Investment Officer, Cross-Cutting Advisory, Public-Private Partnerships—Africa |
| Ashani Chanuka Alles | Senior Private Sector Specialist, Finance, Competitiveness & Innovation—Global, Finance, Competitiveness & Innovation—East Asia and Pacific |
| Ignace Rusenga | Country Resident Representative |

## Government

| | |
|---|---|
| George Munyaneza | Rwanda Urban Development Project Coordinator, Ministry of Infrastructure |
| Alfred Byiringiro | Division Manager, Ministry of Infrastructure |
| Mulindwa, PS | Advisor (Science, Technology, and Innovation), Ministry of Education |
| Mike Hughes | Advisor (Science, Technology, and Innovation), Ministry of Education |
| Jean Louis Uwitonze | Former Single Project Implementation Unit Coordinator, Ministry of Trade |
| Hon. Gerardine Mukeshimana | Minister, Ministry of Agriculture and Animal Resources |
| Jean-Claude Rurangwa | Adviser to the Minister Rwanda Agriculture Board and Ministry of Agriculture and Animal Resources |
| Octave Semwaga | Director General of Planning, Ministry of Agriculture and Animal Resources |
| Jean Claude Kayisinga | SPIU Project, Ministry of Agriculture and Animal Resources |
| Celestin Sibomana | Director of Capacity Development, Rwanda Public Procurement Authority |
| Guy Kalisa | Director General, Rwanda Transport Development Agency |
| Kampeta Sayingzoga | Former Permanent Secretary, Ministry of Finance and Economic Planning<br>Director General, National Industrial Research and Development Agency |
| Jonathan Nzayikorera | Director for Fiscal Decentralization, Ministry of Finance and Economic Planning |
| Rehemah Namutebi | Head of National Budget, Ministry of Finance and Economic Planning |
| Gerald Mugabe | External Resources Mobilization Officer, Ministry of Finance and Economic Planning |
| Amina Rwakunda | Senior Economist of Macroeconomic Policy, Division Ministry of Finance and Economic |
| Eric Rwigamba | Director General, Financial Sector Development Directorate, Ministry of Finance and Economic Planning |
| Emmanuel Hategeka | Chief Operating Officer, Rwanda Development Board |
| Winifred Kabega | Head of Investment Promotion and Facilitation Department, Rwanda Development Board |
| Diane Sayinzoga | Head of Special Economic Zones and Export Department, Rwanda Development Board |
| Al Hussein Sall | Agriculture Strategic Advisor, Rwanda Development Board |
| Pascal Ruganintwali | Deputy Commissioner General, Rwanda Revenue Authority |
| Innocent Twahirwa | Director, Road Maintenance Fund |

| | |
|---|---|
| Corneille Ntakirutimana | Strategic Planning Division Manager, National Agriculture Export Development Board |
| Eric Bundugu | Director General, Rwanda Capital Market Authority |
| Vincent Nkuranga | Agriculture Public Financial Management Reforms Manager |
| Innocent Musabyimana | Former Permanent Secretary of Ministry of Agriculture and Animal Resources |
| Edward Kalisa | Secretary General, Rwanda Governance Board |
| Minega Isibo | Legal Analyst, Rwanda Development Board |
| Jerome Gasana | Director General, Workforce Development Authority |
| Alex Rutabingwa | National expert on fiscal decentralization |
| Hon. Francine Tumushime | Minister, Ministry of Lands and Forestry |
| Adolphe Bazatoha Shyaka | Head of Economic and Commerce Commission (Former National Coordinator of the Decentralization and Community Development Project) |
| Peace Uwase | Director General, Financial Stability Directorate, National Bank of Rwanda |
| Kevin Kavugizo Shyamba | Director, Microfinance Supervision Department, Financial Stability Directorate, National Bank of Rwanda |
| Edward Kalisa | Secretary General, Rwanda Governance Board |
| Bill Kayonga | Chief Executive Officer, National Agriculture Export Development Board |
| Epimarque Nsanzabaganwa | Horticulture Division Manager, National Agriculture Export Development Board |
| Richard Niwenshuti | Program Manager, Capacity Development and Employment Services Board |
| Antonia Mutoro | Director General, Capacity Development and Employment Services Board |
| Peter Malinga | Single Project Implementation Unit Coordinator, Capacity Development and Employment Services Board |

## Private Sector

| | |
|---|---|
| Innocent Bulindi | Chief Executive Officer, Business Development Fund |
| Biraro Obadiah | Auditor General, Office of the Auditor General |
| Catheriine Kalisa | National Technical Advisor, UN-HABITAT |
| Aimable Nkuranga | Country Manager, TransUnion |
| Peter Ngugi | Yara Commercial Manager, Special Economic Zone, Yara Rwanda Fertilizer |
| Stephen Ruzibiza | Chief Executive Officer, Private Sector Federation |
| Alexis Mutware | Head of Electricity Section, Rwanda Utilities Regulatory Authority |
| Rohith Peiris | Director General of SORWATHE Tea Factory |
| Rushigajiki Cyprien | Manager of Assopthe Cooperative, SORWATHE Tea Factory |
| Ron Weiss | Chief Executive Officer, Rwanda Energy Group Ltd |
| Kasaija Banage | Country Representative, Seedco Rwanda |
| Marie Ingabire | Assistant Field Officer, Seedco Rwanda |

## Bilateral and Mulilateral Donors

| | |
|---|---|
| A. J. H. Negenman | Netherlands Embassy |
| Peter Zwart | Netherlands Embassy |
| Carlos Lietar | Ministerial Council Development Cooperation, Embassy of Belgium, Rwanda |
| Benoit Piret | Ambassador, Embassy of Belgium, Rwanda |
| Stephen Harvey | Education Advisor, Department for International Development (U.K. Department for International Development) |
| Mark Davies | Agriculture Specialist, U.K. Department for International Development |
| Frederike Kluemper | Development Advisor, German Agency for International Cooperation |
| Martha Phiri | Country Manager, African Development Bank |
| Ulrich Berdelmann | Programme Director, Decentralization and Good Governance, German Agency for International Cooperation |
| Malick Haidara | Director, Economic Growth Office, U.S. Agency for International Development |

| | |
|---|---|
| Massimiliano | European Union |
| Johan Cauwenbergh | Minister Counselor, Head of Cooperation/Senior Expert, European Union |
| Sion Morton | Program Officer, Economics and Governance, Euopean Union |
| Okuyama Takashi | Program Adviser for Economic Infrastructure, Japan International Cooperation Agency |
| Placide Nkunzwenimana | Program Officer in charge of Economic Infrastructure Sector, Japan International Cooperation Agency |
| Philip Munyaruyenzi | Infrastructure Specialist, African Development Bank |
| Gilbert Kalimba | Deputy Director General, Association d’execution des travaux d’interets publics |
| Arnaud De Vanssay | Agriculture Specialist, European Union |
| Eng. Jean Claude Kalisa | Managing Director Energy Utility Corporation Limited, EUCL |
| Patrick Mwesige | Project Manager, Energy Utility Corporation Limited, EUCL |
| Alun Thomas | Resident Representative, International Monetary Fund |
| Laure Redifer | International Monetary Fund |

## Civil Societies and Other Development Partners

| | |
|---|---|
| Appolinaire Mupiganyi | Executive Director, Transparency International Rwanda |
| Jean Bosco Safari | Chief Executive Officer, Agribusiness Focused Partnership Organization |
| Innocent Kabenga | Country Representative, Global Green Growth Institute |
| Sally Murray | Senior Country Economist, Country Economist International Growth Centre |
| Derek Appel | Country Economist, International Growth Centre |