



MINISTRY OF LOCAL GOVERNMENT

Decentralization Implementation Plan 2011-2015

He Participates,
She Participates,
I Participate,
... We decide.



January 2011

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ACRONYMS AND ABBREVIATIONS

CB	Capacity Building
CDF	Communal Development Fund
CSOs	Civil Society Organisations
DCPETA	Decentralisation, Community Participation, Empowerment, Transparency and Accountability
DIP	Decentralization Implementation Plan
EDPRS	Economic Development and Poverty Reduction Strategy
GDP	Gross Domestic Product
GoR	Government of Rwanda
HIMO	Haute Intensite de Main d'Oeuvre-Labour Intensive Public Works
ICT	Information Communication Technology
IT	Information Technology
JADF	Joint Action Development Forum
LED	Local Economic Development
LG	Local Government
M&E	Monitoring and Evaluation
MGDs	Millennium Development Goals
MINALOC	Ministry of Local Government
MINECOFIN	Ministry of Finance and Economic Development
MIS	Management Information System
MTR	Mid-Term Review
NDIS	National Decentralisation Implementation Secretariat
PFM	Public Finance Management
PSC	Program Steering Committee
PSCBS	Public Sector Capacity Building Secretariat
RALGA	Rwandese Association of Local Government Authorities
RRA	Rwanda Revenue Authority
SACCO	Savings and Credit Cooperatives
SMEs	Small and Medium Enterprises
VUP	Vision 2020 Umurenge program

EXECUTIVE SUMMARY

Decentralization has been a key policy of the Government of Rwanda (GoR) since 2000 when the National Decentralization Policy was adopted. The main thrust of the policy was, and is, to ensure equitable political, economic, and social development throughout the country, and to be a cornerstone of the fight against poverty by increasing people's participation in the planning and management of the development process.

Since inception of the policy the GoR decided that the implementation of the strategy should be carried out in phases. The first phase (2001 to 2005) aimed at establishing democratic and community development structures at the District level and was accompanied by a number of legal, institutional and policy reforms, as well as democratic elections for local leaders.

The second phase (2006 to 2010) was conceived after a territorial restructuring in 2005, which considerably reduced the number of administrative entities (from 11 to 4 provinces, 106 to 30 districts, 1545 to 416 sectors, and 9165 to 2148 cells), and aimed at consolidating progress on national priorities, such as Vision 2020, and deepen the decentralization process by enhancing effectiveness in service delivery to communities.

The 2nd phase of decentralization also focused on trying to build capacities (human and financial) at local levels, and to boost local development but this has been rather piecemeal and a slow process. Enhanced upward accountability, particularly after introduction of the process of performance contracts-“Imihigo”, has led to significant achievements in terms of governance, social and economic development, and has reinforced synergies, coordination and harmonization of interventions in local governments. But the next phase needs to improve on the key downward accountability linkages between local government leadership and citizens.

The recent evaluation of the decentralization process and regular consultations between stakeholders has indicated a number of challenges hampering optimal functioning of the decentralization framework. These challenges evolve around:

- 1) Institutional and Legal Framework;
- 2) Sectoral Decentralization
- 3) Service delivery;
- 4) Fiscal and Financial Decentralization;
- 5) Capacity Building interventions in LG;
- 6) Local Economic Development; and
- 7) Volunteerism, Participation, Accountability and Democratization.

The GoR remains committed to the successful implementation of decentralization, and the 3rd phase Decentralization Implementation Plan (DIP) activities, outputs and outcomes cover a wide range of development and governance areas to deal with the challenges.

DIP deliverables will be monitored and evaluated primarily through semi-annual and annual reports and NDIS will be central to the implementation and monitoring of the DIP. The overall coordination of the DIP will be done through the Program Steering Committee (PSC). The PSC can conduct annual reviews if needed but a Mid Term

Review of the implementation of the DIP will be conducted by early 2013. The DIP monitoring and evaluation framework will be coordinated with the mechanisms for monitoring the EDPRS and partly receive information from other monitoring systems of central government ministries/agencies and by the local governments themselves where relevant. Particular attention will be paid to the different systems and mechanisms that the DIP will be supporting and is supposed to reinforce. A final evaluation will be carried out to assess if outcomes and outputs have had the intended impact and to determine to what extent the DIP outcomes have been achieved.

The main outcomes of 3rd phase DIP are:

Strategic Area 1: Legal and Institutional Framework

Outcomes:

1.1 Harmonised and updated Decentralisation Policy guides and laws to improve the effective implementation of devolved service delivery

1.2 Roles and responsibilities of the Central Government and all Local Governments (Decentralised entities) are clearly defined and streamlined. The legal framework is non-ambiguous with common interpretation by all entities.

Strategic Area 2: Sector Decentralisation

Outcome

2.1 Enhanced clarity of division of labour, interactions, and engagement between sector ministries and LGs.

Strategic Area 3: Service Delivery

Outcome:

3.1 Increased efficiency and effectiveness in service delivery by local governments.

Strategic Area 4: Fiscal Decentralisation

Outcome:

4.1 An efficient and sustainable resource mobilisation base

4.2 Providing the resources for equitable development at the local level

Strategic Area 5: Capacity Building of Local Government

Outcome:

5.1 Harmonised approach to capacity building established encompassing all stakeholders

5.2 Adequate funding for demand driven capacity building in districts

Strategic Area 6: Local Economic Development

Outcome:

6.1 Local governments play an active role in facilitating local economic development

6.2 Citizens are strongly engaged in income generating activities that are taxable to support service delivery and local governance.

6.3 Women and youths councils are actively represented in the planning and budgeting process

6.4 Urban centres and cities develop in an organised manner with effective and efficient management and service delivery.

Strategic Area 7: Participation, Volunteerism, Accountability and Democratisation

Outcome:

7.1 Citizens effectively participate in local governance

7.2 Volunteerism is popularised and embedded in Rwandan society norms and values

7.3 Citizens' awareness and exercising of their political as well as their civic rights is improved

7.4 Role of Civil Society Organisations (CSOs) in social, economic, and political development as well as collaboration with the LGs is strengthened

7.5 Corruption incidences in LGs are significantly reduced during the term of the DIP

1. INTRODUCTION

National Policy Imperatives

The Vision 2020's first pillar is good governance and a capable state. Through this pillar, the Government of Rwanda reiterates its commitment to ensuring accountability, transparency, and efficiency in deploying resources and delivering services. Central to this is people's empowerment and participation through the decentralization process whereby local communities are empowered to participate in making decisions over issues that affect them most.

The Economic Development and Poverty Reduction Strategy (EDPRS) set forth 3 flag ship programs, namely; sustainable growth for jobs and exports, the vision 2020 Umurenge, and governance. The governance flagship asserts, "Government effectiveness will be improved by strengthening the role of *Imihigo*, **increasing the autonomy of local governments, while ensuring that local authorities are accountable and responsive** to the citizens..."(EDPRS Para 4.129).

The Vision 2020 Umurenge program (VUP), another flagship of the EDPRS is an explicit recognition of the role and importance of the decentralization system to implement the national policies and strategies in order to achieve the MDGs and the objectives of Rwanda Vision 2020.

The Government of Rwanda programme for 2010-2017: The governance commitments of the Government's program 2010-2017 include among others; (i) to further good governance by continued empowerment of the population to participate in the decision making over issues that affect them, making the village level LG (Umudugudu) a solid LG level for service delivery, resolving issues and conflicts, and a place where the population participate in the governance of the country; and (ii) furthering partnerships between the public, private, and non-governmental sectors through Joint Action Development Forum (JADF) at sector and district levels and JADF to take part in the formulation of "Imihigo"-performance contracts.

The Constitutional and Legal Imperatives

Decentralization is enshrined in Rwanda's Constitution. Article 167 of the Constitution of Rwanda provides for decentralized entities and reiterates that they are the foundations of community development. The law determining the organization and functioning of the City of Kigali and the law determining the organization and functioning of the districts gives full effect to the decentralized functions.

2. DECENTRALIZATION POLICY IMPLEMENTATION PROGRESS

2.1 Steadfast Evolution, Solid Gains

The Decentralization Policy was approved in 2001 as a mechanism to achieve good governance principles (through improved participation, promotion of transparency and accountability, and setting up responsive decentralized structures), enhance local economic development (through efficiency and effectiveness in implementation of development programs) and bringing quality and accessible services closer to the citizens.

Rwanda's decentralization policy has five specific objectives:

- 1) To enable and reactivate local peoples' participation in initiating, making, implementing, and monitoring decisions and plans that concern them;
- 2) To strengthen accountability and transparency in Rwanda by making local leaders directly accountable to the communities;
- 3) To enhance the sensitivity and responsiveness of public administration to the local environment by placing the planning, financing, management, and control of service provision at the point where services are provided;
- 4) To develop sustainable capacity for economic planning and management at local levels; and
- 5) To enhance effectiveness and efficiency in the planning, monitoring, and delivery of services.

The First Phase: 2001-2005

Since its inception, the policy is being implemented by phases. From 2001 to 2005, a **first phase** was implemented, aiming at establishing democratically elected and community development structures at the Local Government. The phase was accompanied by a number of legal, institutional and policy reforms, which institutionalized decentralization in Rwanda. The following were the achievements of the first phase:

- Democratically elected Local Government (LG) leadership was put in place through the first ever LG elections.
- Decentralization laws were promulgated, notably; the laws determining the establishment and functioning of Districts and lower LGs as well as the law determining the establishment and functioning of the City of Kigali.
- During the first phase of decentralisation, the National Constitution was adopted recognising decentralised entities as foundations of community development as well as recognised multi-party system of government.
- The law determining the establishment and functioning of political parties was promulgated.

The Second Phase: 2006-2010

A **second phase (2006 to 2010)** was defined after a territorial restructuring in 2005, and aimed at consolidating progress on national priorities, such as Vision 2020, and deepen the decentralization process by enhancing effectiveness in service delivery to communities. Achievements during the second phase of decentralisation included the following:

- Institutional and organisational restructuring of LGs to better deliver their mandates.
- Capacity building of LGs to better deliver services. Human resources capacities at LGs are almost at par with central government.
- Financial resources to LGs increased tremendously. Earmarked transfers increasing from RwF 38.9 billion in 2006 to RwF 102.6 in 2010/11 financial year while block grant increased during the same period from RwF 5.0 billion to RwF 20.4 billion.
- Institutional processes were strengthened including the use of integrated financial management system to prepare and execute the budgets of LGs in 2010/11 financial year.
- Procurement was decentralised and Districts handled procurement operations by themselves up to 300 million RwF.
- Collaboration between the public, private and civil society was enhanced through Joint Action Development Forums (JADFs)
- The notion of “people shall govern” got more entrenched in the population. Political and civic rights sensitization and exercise improved.
- Community development improved tremendously. Services such as health services, education, clean water, roads became more accessible.
- Conditions for growth were put in place and development gains were even across the country and across economic sectors.
- Human settlement became more organised and decent. 52% of the rural people stay in organised settlements-“Imidugudu”, more than 20% of the population stay in cities and towns-from 10% in 2000.
- Local economic development was given more attention.
- People participation in issues affecting them and leadership accountability was enhanced.
- Development was accelerated through performance contracts-“Imihigo”.

3. THE THIRD PHASE-THE NEXT FIVE (5) CREATIVE YEARS

The evaluation of the decentralization process conducted towards the end of the second phase, and regular consultations between stakeholders, indicated a number of challenges hampering optimal functioning of the decentralization framework. These challenges fall into the following categories:

- 1) **Legal and Institutional Framework** with lack of clarity and coherence between documents;
- 2) **Sectoral Decentralization** which is hampered by asymmetrical responses to decentralisation by different sector;
- 3) **Service delivery** which is hampered by lack of guides on service delivery performance standards;
- 4) **Fiscal and Financial Decentralization** where funding is still highly earmarked, bureaucracies through inter-agency transfers, and generally low local revenue generation and collection;
- 5) **Capacity Building** of Local Government staff which is often not coordinated, and local governments have less discretion in setting local priorities for capacity building initiatives;
- 6) **Local Economic Development (LED)**, which includes development of towns and urban centres and strengthening social protection; and
- 7) **Volunteerism, Participation, Accountability and Democratization.**

3.1 Legal and Institutional Framework

Analysis and Challenges

Implementation of the decentralization policy requires strong coordination from the central government ministries and agencies in order to effectively engage local governments and support them in their implementation role. The roles of the central government are: policy formulation, capacity building, and monitoring and evaluation. But often, central government institutions do implementation. Assessments have shown that sectoral ministries and agencies still have problems adjusting to their expected roles of supporting and facilitating local governments and they instead cling to directing and controlling.

In the districts, issues have been raised on the composition of the councils, the number of members, and the individual roles and responsibilities of the executive committee members (the mayor and vice mayors). To further deepen the process of decentralization there must be a redefinition, or re-emphasis, of the roles and responsibilities of institutions at each administrative level, as well as for interactions among them and monitoring of each.

With regard to the Provinces, their future roles vis-à-vis the Decentralization Strategy should be clarified, because Provinces seem to be the deconcentrated arm of the

central government with an M&E role to play but increasingly get involved in day-to-day implementation decisions.

Roles and responsibilities of the City of Kigali and the surrounding municipalities therein sometimes overlap causing conflicts between these autonomous entities. With regard to the status of Kigali City it is important to keep the autonomous structures (Kigali City and its districts), but revisiting their mission and responsibilities. It is normal for most metropolitan areas to have several urban districts and elected entities at district as well as metropolitan level. The trend goes towards increasing citizen participation including involvement in the decision-making process concerning budget allocations for local investments (participatory budgets at local level) and in allowing for an overall Master Plan approach from the Kigali City Council side, which is then integrated with the needs of the district plans.

Strategic Imperatives for Legal and Institutional Framework

Outcome:

1.1 Harmonised and updated Decentralisation Policy guides and laws to improve the effective implementation of devolved service delivery

Outputs:

- 1.1.1 Decentralisation Policy 2001 is updated to reflect developments so far made including forward-looking aspirations of the Government of Rwanda.
- 1.1.2 Sector laws such as the land law, forestry law and others that impact on decentralization are identified and harmonised with the decentralization laws.
- 1.1.3 Implementation guidelines and user manuals for all the laws that impact on decentralization are developed/or updated and users sensitised on their use.
- 1.1.4 The Program Steering Committee effectively guiding the implementation of the Decentralisation Policy with annual calendar of its meetings established.

Outcome:

1.2 Roles and responsibilities of the Central Government and all Local Governments (Decentralised entities) are clearly defined and streamlined. The legal framework is non-ambiguous with common interpretation by all entities.

Outputs:

- 1.2.1 The legal provisions for the roles and responsibilities of central government, Kigali City, Provinces, Districts, Sectors, Cells, and Villages are reviewed and updated.
- 1.2.2 User manuals and guidelines to implement the revised laws are in place and decentralised entities sensitised on their usage.

- 1.2.3 Developing a clear outline of what functions and responsibilities remain with the Kigali City Council and what is to be carried out by the Councils of the Districts in the City of Kigali.
- 1.2.4 Developed clear guidelines for roles/responsibilities of mayors and vice mayors of the City of Kigali and the Districts.
- 1.2.5 Developed clear guidelines of interactions and reporting requirements of the Districts towards the Provinces.
- 1.2.6 Local Government entities have full staff compliment as per establishment/structure.
- 1.2.7 Districts have increased flexibility in terms of administrative structures and staffing levels in departments as per local needs.
- 1.2.8 A robust M&E system and MIS developed to support informed decision making at the central and local governments' levels.

3.2 Sector Decentralisation

Analysis and Challenges

The 3rd phase of decentralization identifies sectoral decentralization as one of the key areas of focus. Success in this area will require strong coordination of all interventions in local governments and proper strategies to make sure that the line ministries are on board and are supportive. The objective is to ensure that there is no ambiguity on what services are decentralised and what services are retained by the sectoral ministries. There is a need for policy and strategy documents to clearly indicate the institutional arrangements that will be created / strengthened / revamped to achieve better results regarding sectoral decentralization. Such measures might include strengthening line ministries' participation in the Decentralisation, Community Participation, Empowerment, Transparency and Accountability (DCPETA) Sector Working Group and re-organizing the decentralization focal points in ministries to increase their commitment to the process. This was already envisioned in the first and second phases of decentralization but remained largely inactive for most sectors.

To better engage the central ministries and agencies in the decentralisation policy implementation, it may be useful to create a sectoral decentralization technical working group under NDIS. The main role of this technical working group would be to ensure sectoral ministries remain updated on the decentralisation policy implementation as well as continue to render the desired support and facilitation to the LGs.

An obvious challenge in Rwanda is that national policies and initiatives are dynamic with their number continuing to scale up, while little qualitative guidance is given to LGs and few (if any) staff is seconded to support new dynamics. Therefore, districts lack capacities to tend to the specific priorities of their electorate. It might be useful to match the number of national initiatives with human, technical, and financial resources as well as strengthening guidance and monitoring for implementation.

Strategic Imperatives for Sectoral Decentralization

Outcome

2.1 Enhanced clarity of division of labour, interactions, and engagement between sector ministries and LGs.

Output

- 2.1.1 An inventory of decentralised services in each sector, as well as guidelines on sector ministries' interactions and engagement with LGs is approved and published.
- 2.1.2 Decentralization focal points in sector ministries are given clear terms of reference and actively participates in the activities of DCPETA.
- 2.1.3 Technical working group on sectoral decentralization in NDIS is established.
- 2.1.4 Annual plans of sector ministries include implementation facilitation and support to be provided to LGs.

3.3 Service Delivery

Analysis and Challenges

With regard to service delivery, districts will be further strengthened so as to better deliver services under their mandates and supporting sector and cell levels to effectively deliver services delegated and/or devolved to them.

Many sectoral ministries have not provided implementation guidelines (procedures manuals) to the LGs and are not adequately providing due technical support and facilitation for implementation of policies and programmes in their respective sectors. There is an urgent need to make an inventory of existing gaps in this area in order to deepen decentralization during the 3rd phase of implementing the decentralization policy.

The introduction of “Imihigo” in 2007 as indigenous tools enhancing service delivery under the implementation of decentralization programme was clearly timely. This concept has been modernised and institutionalised as an effective tool for promoting service delivery that is well understood at all levels of governance and the population at large. Apart from enhancing attainment of certain service products linked to decentralization process (i.e. clean water, primary education and health services to increasing number of users etc), it has also immensely contributed to better understanding of what decentralization policy is and entails.

However, service delivery is meaningful when beneficiaries of the services have an opportunity to provide feedback on the quality and satisfaction levels of the services delivered. This could be achieved by putting in place service charters providing information on minimum generic standards of service, performance that can be expected and time-frames for the realisation of each service. LGs need to provide citizens, service specifications so that they may boldly demand for promised service quality. The service delivery charters would therefore act as a reference document for LGs to account as to whether they meet their promises, thereby emphasizing the

notion that people shall govern. It is through such mechanisms that LGs can be able to continuously improve services delivered.

Offering quality and fast services-“Gutanga serivisi zinoze kandi zihuse” is becoming a “motto” for both the central and local government leadership. However, this will be better achieved by furthering the modernisation of how services are delivered. Central to this modernisation is the use of Information Communication Technologies (ICTs). The broad band infrastructure to all Districts is developed and the challenge now remains how to make good use of it. The critical challenges to the full exploitation of the broad band infrastructure is limited access to last mile connections and hubs where citizens can access computers and internet, low e-readiness in LGs due to un-identified business processes and services that can be automated, poor e-culture and e-attitude, and general poor capacity. The 3rd phase of the decentralisation policy will seek to make good use of the Information Technology (IT) infrastructure through automation to the extent possible.

Strategic Imperatives for Service Delivery

Outcome:

3.1 Increased efficiency and effectiveness in service delivery by local governments.

Outputs:

- 3.1.1 Service delivery charters and development plans for decentralised services are developed and circulated to citizens.
- 3.1.2 Communication strategy among and between central government and local governments is developed and implemented.
- 3.1.3 A situational analysis of the LG structures is conducted to ensure refined roles and responsibilities are accompanied with appropriate resources.
- 3.1.4 An inventory of services delivered by LGs and which service is delivered at what level of LG is made and published.
- 3.1.5 Citizen score card/report card mechanisms are institutionalised.
- 3.1.6 Automation and computerisation of service delivery (use of ICTs) to the extent possible

3.4 Fiscal and Financial Decentralisation

Analysis and Challenges

A fiscal decentralization strategy has been finalised and a study on increasing revenue mobilization capacity for LGs was finalized in 2009, and will be followed by a study on local government revenue potential. Some of the analytical underpinnings of the 3rd phase of DIP could indeed come from existing studies if stronger harmonization

and coordination of efforts were maximized, i.e. without having to re-invent the wheel.

The Government and Development Partners have been discussing how to increase discretionary funding at district level. In line with the proposals there is a need to further streamline the current grant allocation and financial resources transfer systems. The challenge is that earmarked transfers do not give sufficient discretion for local planning priorities. Earmarking is formulated in a very detailed way to ensure that national priorities are implemented but leave hardly any room for local discretion and even if multi-purpose grants (channelled via CDF) are increased to meet the 10 % of the national budget clause, there should be more flexibility to districts in a certain budget year to utilise these grants. Moreover, inter-agency transfer mechanisms serve to provide another layer of bureaucracy between LGs and the Ministry of Finance (MINECOFIN). During the third phase, the Government may consider ceasing the inter-agency transfer mechanisms. The fiscal decentralization legal framework has been revised and the legal texts approved by the Tax Policy Committee. The immediate action will be to expedite the enactment process of the revised laws.

Strategic Imperatives for Fiscal and Financial Decentralization

Outcome:

4.1 An efficient and sustainable resource mobilisation base

Outputs:

4.1.1 Implement the revised fiscal decentralization legal framework.

4.1.2 Conduct revenue potential studies for each District.

4.1.3 Equip LGs with computerised LG revenue management system.

4.1.4 Enhance local revenue collection using partnerships between Districts and Rwanda Revenue Authority (RRA).

Outcome:

4.2 Providing the resources for equitable development at the local level

Outputs:

4.2.1 Improve the system of transfer of Central Government resources to the level of service delivery.

- 4.2.2 Establish a method of equitable and balanced distribution of the resources allocated to local governments.

3.5 Capacity Building of Local Government

Analysis and Challenges

Various stakeholders have initiated capacity building (CB) interventions in Local Governments: Central Government Ministries, development partner supported projects, public and non-public organizations, etc. The interventions have been mainly limited to simple training, using different modules of which the content is determined by the initiating organization. These fragmented, uncoordinated capacity building initiatives have permitted a certain level of performance, but have left persisting gaps in a number of priority areas of LG action, including planning and budgeting, procurement and contract management, projects appraisal/preparation and management, use of ICTs, public financial management (PFM) and management of specific sectors, such as land and cooperatives management, infrastructure projects development and management.

To address the challenges faced with LGs capacity building, in January 2011 the Government of Rwanda approved a LGs capacity building strategy. The strategic objectives to be achieved by 2015 include the following: (i) strengthening coordination among institutions charged with CB, (ii) establishing capacity building quality assurance and standardisation system, (iii) integrating a large diverse of CB approaches, (iv) addressing the issue of funding mechanisms for LG capacity building, and (v) attracting, recruiting, retaining, and motivating a critical mass of technical and professional personal skills. The DIP outputs on capacity building, are appropriately designed to contribute in achieving the objectives of the LG capacity building strategy.

Moreover, despite a considerable presence of CB initiatives benefitting local administrations, it remains difficult to account for the quality of the products delivered and establish their impact and consistency with both the national orientations and local needs, due to weak monitoring, coordination and harmonization.

The mapping of ongoing and planned capacity building activities in districts concluded in October 2008 shows that, following the capacity needs assessment and the five year capacity building plans conducted in early 2008 by Adam Smith International, districts developed their annual plans. These documents should serve as reference documents for all capacity building interventions in districts. Experience in many developing countries worldwide show that the initial training and professional skills development of staff at district level is often provided, but technical assistance/coaching to districts, retention, incentives and mechanisms for building of an institutional culture is lacking. Therefore, the Government should give more attention to consciously linking public sector reform activities to capacity building as well as harmonisation and coordination of CB delivery. Whether this is done through RALGA, CDF, NDIS or PSCBS it needs to be addressed through Capacity Development Plans owned and developed by the districts themselves. It is imperative therefore, in the 3rd phase of decentralisation to assign the role of coordination and development of tools and manuals for LGs capacity building to specific institutions.

To improve coordination and harmonisation during the 3rd phase of decentralization policy implementation, a CB technical working group will be created in NDIS. The main role of the technical working group will be to ensure CB initiatives are demand driven, are harmonised, and are delivered in the most efficient and effective manner.

A serious threat to CB initiatives for LGs is the high staff turn-over. Staff instability is harmful to the capacity building process because it implies loss of capacitated, competent and experienced staff, and loss of continuity and significant institutional memory. Instead of consolidating the acquired experience and skills, districts hire inexperienced officers and continuously train them from scratch. Moreover, staff instability becomes a matter of great concern when the exit emanates from violation of financial management procedures, or is a consequence of unwise decisions following ignorance of laws. Such a phenomenon calls for urgent CB action as well as formulating and implementing staff retention strategies.

Capacity building for local governments must foster demand-driven approaches where local governments only receive facilitation and support from the central government. To manage the relationship between local government and central governments in delivering capacity building to LGs, the following implementation mechanism is envisaged:

- Main tasks of the central government will be to ensure that needed capacity building tools, manuals and instruments are available to guide a wide variety of providers (public and private). The objective of such tools and instruments is to ensure quality and relevance.
- The LGs have to define their locally specific capacity building needs. With own funds, plus additional support from central government, they can purchase capacity building services (like training programmes, consultancy services, equipment) from a wide variety of providers.
- Providers for capacity building activities will come from the public and the private sector. They will provide demand-oriented capacity building services. In many cases, service providers might need support from the central government and development partners to provide capacity building that is needs-oriented, focus on practical implementation and is in line with the specific conditions of the LG procuring them.

Strategic Imperatives for Capacity Building of Local Government

Outcome:

5.1 Harmonised approach to capacity building established encompassing all stakeholders

Outputs:

- 5.1.1 Capacity building in districts is coordinated.
- 5.1.2 Make comprehensive needs assessment for capacity building in local governments.

- 5.1.3 Capacity building strategy, tools, and manuals are reviewed or newly developed and disseminated.
- 5.1.4 Implement capacity building in the districts
- 5.1.5 The Human Resources management position in the Districts is strengthened.
- 5.1.6 Formulate and implement a staff retention strategy in each District

Outcome:

5.2 Adequate funding for demand driven capacity building in districts

Output:

- 5.2.1 Transparent resource allocation for capacity building in districts applied.

3.6 Local Economic Development (LED)

Analysis and Challenges

One of the main aims of the 3rd Phase of DIP is to have a more consolidated Local Economic Development (LED) policy. However, the role of the central government in this field should be one of facilitation and policy guidance.

The point of departure for LED is making the local communities active members of an economy. This requires unleashing people's productive capacities through job creation, entrepreneurship, and increasing their purchasing power. This will require enhancement of partnerships between local governments, private sector, and community interests. The success of any community depends on how well it adapts to the changing dynamics of the local, national, and international economy. Well planned and executed LED, may lead to strengthening of the economic capacity of a local area, improve the investment climate, and increase the competitiveness of local business, enterprises, workers, and products. LED may fight poverty, create new economic opportunities, and improve the quality of life.

Each local community enjoys a unique social, environmental, economic, and physical attributes. These attributes may support or hamper the development of a strong LED. Best practices indicate that strong LED stems from the local communities understanding the nature, structure, and attributes of their local economy. It is the responsibility of local governments to plan LED. This is however done in collaboration with public, private, and non-governmental sector partners. Wealth is created by successful private sector enterprises and public-private partnerships in local communities. This however, requires an enabling environment. Local governments have an essential role in creating a favourable environment for business development and success.

2.5.1 LED and Social Protection

A successful local economy requires social, as well as economic, environmental and physical renewal. In Rwandan rural and urban areas, large numbers of low-income people work within the informal economy. However, these informal activities are often low-growth activities as a result of a lack of access to proper infrastructure and services (i.e., electricity, water, roads), regular means of financing, information and skills. The development of an LED strategy should recognize and accommodate the constraints and opportunities of the informal economy so as to broaden the appeal of a strategically planned LED strategy. It should also encourage wider social benefits for all a community's economic and social sectors, formal and informal, disadvantaged and excluded.

The Government of Rwanda has promoted a number of community development initiatives and programmes, which are meant for social protection and poverty reduction countrywide. They include the Vision 2020 Umurenge Programme (VUP), the Girinka programme, establishment of SACCO's, and many other social protection schemes. LED will build on them and scale up programs that promote entrepreneurship, enterprise development, investment promotion and job creation.

HIMO or Labour based technology is used in construction works production, transformation and maintenance works which optimises the use and management of local resources.

The HIMO intensive skills formation and training as well as in house continuous intensive training focusing especially on human resource development in the rural areas and transformation of agricultural production provide strong support to realising one of the key objectives of the decentralization policy i.e. local economic development and empowerment of especially the rural population.

Social protection is a key component of economic growth. A significant challenge faced by many prospective businesses in Rwanda is lack of market demand for goods and services, to a large extent due to poverty and limited purchasing power experienced by a large proportion of the population. The key priority for government is to graduate as many people as possible off the social protection programmes. Putting in place essential compliments to social protection such as financial services, ownership of productive assets such as land, skills development, and enabling environment will further enhance the ability of households to generate income and graduate from social protection programmes. This in turn, will create a population that is integrated and active in the economy a strong prerequisite for further local private investments.

2.5.2 LED and the Development of Women and Youths

Development cannot be achieved if the biggest percentage of the population is excluded from it. Women and youths constitute the biggest component of the Rwandan population.

Women population in Rwanda is about 53% with a large number of widows and women headed families. About 56% of the population live in poverty. Nearly one-third, or 32.1% of Rwandan households are headed by women. In terms of poverty gender disparities, 62% of the female-headed households lie below the poverty line compared to 54% of the male-headed households. Moreover, 23% cannot read and write.

Yet Rwanda, has taken critical steps in the advancement of women and making them participants in the Rwandan economic advancement rather than spectators. Rwanda has the highest number of women in the chamber of deputies, 35% of the senators are women, and 62% of the Executive Secretaries of Commissions are women.

The Youths make 40.2% of the population and of these, 75% are below 30 years of age. 200,000 youths attain working age annually, unemployment in the youths is about 28.6%, while under-employment is about 27%. This is exacerbated by limited employability skills and limited access to finance, information, and mentoring.

Women and youths empowerment is central to achieving Rwanda’s development. While there has been impressive trends in making women and the youths active participants in economic development, to there are is still a range of actions that can be implemented to scale-up their involvement. During the 3rd phase of decentralisation, efforts will be harnessed to:

- Include women and youths in planning, budgeting, and policy-making in a meaningful way;
- Promote women and youths economic opportunities; and
- Ensure that essential public services like health and education benefit women and youths.

2.5.3 LED and the Development of Towns, Urban Centres and Organised Settlements

Urbanization has transformed the world economy over the past 150-200 years. The agrarian economy and culture is over this period being replaced by a dynamic society with a diversified economy. The cultural, social and political consequences of this transformation cannot be understated and it seems that benefits that come with urbanization are that “...the urbanization process is inherent in economic and cultural development and the trends are universal. Local factors can temporarily speed up or slow down the process but it can neither be stopped nor reversed”.. (Goran Tannerfeldt, *Per Ljung...More Urban Less Poor*, 2006 pg. 27).

Economic development and urbanization are closely linked. Countries with higher gross domestic product (GDP) and income per capita usually are more urbanized. The most probable explanation for this relationship is that urbanization facilitates economic growth. Another equally plausible explanation is that economic growth stimulates urbanization.

Table 1: Association between urbanization level and per capita income 2000-2001

Country	Singapore	USA	Rwanda	South Africa	Uganda	South Korea
Urbanization level (per cent)	100	88	10	60	18	82
Average per capita income in US\$	25,000	35,000	250	9,000	300	18,000

Source: D Satterthwaite, The scale of urban change world-wide 1950-2000 and its underpinnings, IIED 2005.

A growing urban centre with a growing economy is also a growing market for the rural producers. The value of agricultural production often increases rapidly near these urban centres. This, coupled with the capacity of urban centres to absorb underemployed rural people, will raise the per capita income in rural areas. In the long run, economic development, including modernization and productivity of agriculture, cannot take place if the urban economy does not develop. Therefore, there is no conflict between urban and rural development. This is evident from the fact that many of the highly urbanised countries, are at the same time major agricultural producers (Denmark, Netherlands, Israel, Canada etc).

Urban population in Rwanda is estimated at about 20% (2010) with estimated annual growth of 4.2%. The per capita income has more than doubled since 2000. This trend calls for concerted efforts to ensure that urbanization grows in a desirable manner. Given that the 3rd phase will come to an end in 2015 (i.e. five years before 2020), the documents containing its guiding principles may be considered as medium term instrument for achieving Vision 2020. Consideration should be given to the following statement from the Vision 2020: “*From now (2000) until 2010, each town will have regularly updated urban master plans and specific land management plans. The country will develop basic infrastructure in urban centres and in other development poles, enabling the decongestion of agricultural zones. The proportion of those living in towns and cities will increase from 10% in 2000 to 30% in 2020 (from 5% in 1995).*” (Vision 2020 p.15). The Government program 2010-2017 revised the Vision 2020 target. Thus, by 2017, 70% of Rwandans will be staying in “Imidugudu” (planned and organised villages) while 30% will be staying in cities and towns. One of the specific objectives of 3rd phase of decentralization will be then: “*to promote development and effective management of towns/cities and other urban entities, as well as organised settlements*”. In keeping pace with the Government’s program 2010-2017 targets, 30% of the population will be living in urban centres by 2015.

Strategic Imperatives for Local Economic Development

Outcome:

6.1 Local governments play an active role in facilitating local economic development

Outputs:

6.1.1 LED Policy developed in collaboration with all sectors.

6.1.2 LED strategy developed that includes strategy for Urban Centres Development.

6.1.3 Economic (competitiveness) assessment for each district conducted.

6.1.4 Infrastructure, communication and market access is improved.

Outcome:

6.2 Citizens are strongly engaged in income generating activities that are taxable to support service delivery and local governance.

Outputs:

- 6.2.1 Developed local entrepreneurial skills to support LED investments.
- 6.2.2 Local business development centres strengthened.
- 6.2.3 Strengthened micro-finance systems for LED supported SMEs.
- 6.2.4 The necessary environment created for locality specific LED development.

Outcome:

6.3 Women and youths are actively represented in the planning and budgeting process

Outputs:

- 6.3.1 Women and youths councils in local governments are consulted during the planning and budgeting process.
- 6.3.2 Budgetary proposals include strategies to create economic opportunities for women and youths.

Outcome:

6.4 Urban centres and cities develop in an organised manner with effective and efficient management and service delivery.

Outputs:

- 6.4.1 A strategic, multi-sector, and multi-disciplinary approach to urban planning, investment, and development is developed and implemented.
- 6.4.2 Local government structure in urban areas and towns is reviewed and strengthened.
- 6.4.3 Master plans developed for designated urban areas and towns.
- 6.4.4 At least 30% of the population live in urban areas and towns by 2015 so as to keep pace with *Government's program 2010-17*.

3.7 Volunteerism, Participation, Accountability and Democratisation Analysis and Challenges

Volunteerism is a trait that has run through the Rwandan socio-economic fabric for centuries. People co-depend on each other, and volunteerism is one traditional

value that characterized that co-dependence. Today's communities are getting more disconnected due to the growth of secular societies but at the same time that expanding gap can be bridged through volunteering. Volunteering is ultimately about contributing to society and having an impact on people's wellbeing.

There is no better way to connect with one's community than to give a little back. As a volunteer, one certainly returns to society some of the benefits that society gives him/her. Practices have shown that Rwandans are eager to contribute time, resources, and skills to help fellow citizens, promote socio-economic activities, advocate for others, and demonstrate love, concern and respect. Indeed, the social, economic, and historical issues and challenges in Rwanda provide an excellent opportunity for people to contribute their time, energies, and skills to contribute to building Rwanda.

The benefits of volunteerism are diverse. Governments, even the richest ones, cannot afford to pay for all services desired and rendered. Even in the most developed economies, there are situations that have called for volunteerism. In Rwanda volunteerism has some benefits: firstly, public resources are just not enough to cater for all services required. This situation is aggravated by the historical context especially war and genocide. For example, if it were not for the volunteering spirit of Rwandese, genocide cases concluded through the Gacaca courts would never have been concluded. This would ultimately affect unity and reconciliation of Rwandese. Secondly, volunteerism creates social cohesion and good neighbourliness. People pooling together their skills, energies, and time to address issues that affect them become closer and minimizes possibilities for divisions.

It is worth to mention that many actors and many elected leaders at local level (councillors, community mobilizers) perform their duties on a voluntary basis. This system has been at the foundation of Rwanda's progress and socio-economic achievements. However, a number of issues have been raised concerning the use of volunteerism in Rwanda, such as:

- There is no written policy for volunteerism;
- Various sectors manage differently the use of volunteers, with diverse consequences;
- No society can pay for all the services provided to the citizens. Voluntary services is the right response to this challenge, but petty corruption can develop if it is not framed in the right way;
- The same individuals/volunteers find themselves in many voluntary committees and voluntary services.

Participation, Accountability and Democratisation

Political and Civic Participation: During consultations towards completion of the 2nd phase of decentralization policy implementation, some opinions were raised on the possible link between the levels of performance and accountability of LG leaders and the electoral system in use within local governments. In particular, the indirect vote (by an electoral college) against direct representation. However, consensus was that indirect system of voting exists elsewhere in the world including developed democracies, and does not inherently affect accountability and autonomy of LGs.

Moreover, its flexibility (the indirect method) is appreciated when the leaders must be changed for a reason or another. And in a country with scarce resources, the indirect method remains the most efficient and effective system.

The Rwandan Constitution recognises the multi-party system of government (art.52). Rwandans are free to join political organisations of their own or not to join them and no Rwandan is subjected to discrimination by reason of membership of a given political organisation or on account of not belonging to any political organisation. The law governing the establishment and functioning of political parties was promulgated during the second phase. Political parties are free to organise themselves and operate up to the grass-root levels. These instruments guarantee political rights and civic participation for all. During the 3rd phase, actions aimed at consolidating what has been achieved and continued creation of an environment where ideas and opinions flow freely will be implemented. Specifically, Rwanda will continue to ensure that elections are held in conditions free from repression or violence and the citizens are able to cast their votes free from intimidation; safeguarding constitutional rights and maintaining public and private freedoms; and guaranteeing the freedom of expression and open dialogue in the interest of achieving the full and effective participation of all Rwandans-men and women.

The challenge to these efforts remains the cultural background where the population views leadership as “untouchables”, as well as leadership propagating the impression that they are indeed untouchable. This will be dealt with by intensive sensitization of the citizenry that they can actually exercise their political and civic rights without consequences meted against them as well as sensitizing the leadership to be at the fore front to instil confidence in the population they serve. Like the Government envisages institutionalisation of service delivery charters and score/report cards to ensure effective and efficient service delivery, to ensure political and civic participation, the Government will design and implement a framework and strategy for civic education, which will establish benchmarks and indicators for measuring civic participation in governance and the resultant impact on the citizenry.

Civil Society: The Government of Rwanda acknowledges the critical role civil society has played in the country’s social, economic, and political development. Coupled with this acknowledgement, is the realisation of the need to enhance the capacity of civil society organizations so as to play their role more effectively. The law governing civil society organisations will be enacted in the first-half of 2011. The law guarantees the rights and freedoms of the civil society organisations.

The Government collaborates with civil society organizations (CSO) in a variety of ways. Through experience, the Government has learned that achieving full potential benefits of CSO involvement implies enhanced roles for CSOs earlier on in the planning and budgeting process. CSOs can contribute tremendously to the sustainability and effectiveness of social, economic, and political interventions-investments by introducing innovative approaches and promoting community participation. CSOs can help expand community uptake and reach, as well as facilitating greater awareness of stakeholders’ views. During the 3rd phase the collaboration with CSOs will be consolidated and strengthened. In addition to promulgating the law governing CSOs, a policy shall be adopted and a practical guide to operational collaboration with CSOs will be put in place.

Corruption is one threat that if not contained, can derail and bring down most of the present and future achievements. Rwanda is a signatory to the United Nations Convention against Corruption. The war that Rwanda has waged against corruption is appreciated both in Rwanda and internationally. However, the fight against corruption is as complex and dynamic as human nature itself. The Rwandan government is well aware that if it loosens the grip against the “monster”, it will up its head again. During the 3rd phase of decentralization policy implementation, emphasis shall also be put on making the LG more accountable to the citizens, deepening mechanisms for population demand for accountability, consolidating mechanisms for accountability by LGs, and increasing oversight capacity of the population especially through various interest groups. Specific actions to advance the fight against corruption will include among other things: establishing anti-corruption advisory councils at LGs levels up to the cell level as specified by the Government’s 2010-17 program; building their capacity; and sensitizing the population on their rights and mechanisms for whistle blowing.

JADF is another great vehicle for strengthened participation of many stakeholders that should be enhanced. MINALOC institutionalised JADFs through the enactment of the Ministerial Instruction No. 04/07 dated 17th July 2007. The Instruction determines the responsibilities, organization and functioning of JADFs at district and sector levels.

The JADFs have responded to a felt need for increased dialogue and exchange between actors of civil society, private and public sectors. The JADF has become a platform for information exchange, experience sharing and inter-institutional contacts between partners from the three sectors. JADF has helped to distribute activities better, avoid duplication and make development interventions more effective and efficient.

However, JADF still encounters serious limitations in terms of coordination, cooperation and funding. The civil society and private sector are seriously under-represented or fail to participate meaningfully.

There is an urgent need for improvement in the quality of JADF facilitation with a more explicit orientation to results linked to the well-being of the citizens. Due attention in enhancing JADF should focus on ownership, leadership, participation, accountability, and communication.

Strategic Imperatives for Volunteerism, Participation, Accountability and Democratisation

Outcome:

7.1 Citizens effectively participate in local governance

Outputs:

- 7.1.1 Civic education programmes carried out on rights and obligations of population in terms of decentralisation policy.

- 7.1.2 LGs are subjected to accountability requirement of publication of an annual plan, which is open for public submissions, and subsequent publication of a detailed report on performance of the activities in the plan.
- 7.1.3 Oversight role of communities through various interest groups is strengthened.
- 7.1.4 JADF mechanism is strengthened.
- 7.1.5 Citizens sensitised on updated Decentralization Policy through media.

Outcome

7.2 Volunteerism is popularised and embedded in Rwandan society norms and values.

Outputs:

- 7.2.1 Policy on voluntarism established outlining the rationale and benefits of voluntarism and rights and obligations of citizens.
- 7.2.2 Policy implementation guidelines and manuals on volunteerism are developed and disseminated.
- 7.2.3 Volunteer programs are designed, coordinated, and implemented across all levels of local governments.

Outcome:

7.3 Citizens' awareness and exercising of their political as well as their civic rights is improved

Outputs:

- 7.3.1 Political and civic rights education campaign materials are developed.
- 7.3.2 Sensitization campaigns are conducted.
- 7.3.3 A tool to establish benchmarks and indicators for measuring civic participation is developed and used to determine participation.

Outcome:

7.3 Role of Civil Society Organisations (CSOs) in social, economic, and political development as well as collaboration with the LGs is strengthened

Outputs:

- 7.4.1 Updated Laws governing the establishment and functioning of CSOs are promulgated.
- 7.4.2 CSOs policy is developed
- 7.4.3 A practical guide to operational collaboration between CSOs and LGs is developed.

Outcome:

7.5 Corruption incidences are significantly reduced during the term of the DIP

Outputs:

- 7.5.1 Anti-corruption advisory councils are established at LG levels up to the cell level
- 7.5.2 Capacity building for the anti-corruption advisory councils to deliver their mandate is conducted.
- 7.5.3 Sensitization packages for citizens are updated and sensitisation campaigns against corruption conducted.

4. DIP IMPLEMENTATION ARRANGEMENTS

4.1 Program Steering Committee

The Program Steering Committee (PSC), chaired by the Minister of MINALOC, steers, oversees and supervises the implementation of the DIP. It provides guidance to the NDIS on priorities and strategic decisions that shall be implemented for the smooth implementation of the DIP. The main mission of the Program Steering Committee is to provide strategic advice and support for coordination and harmonization of all stakeholders' contributions to DIP execution. The PSC will serve as the decision-making body for DIP implementation.

4.2 National Decentralization Implementation Secretariat (NDIS)

The NDIS shall report to the PSC and provide secretariat services to the PSC. NDIS is exclusively responsible for day-to-day management and coordination of DIP implementation in close collaboration with central Government ministries and local government authorities.

The NDIS, being statutorily part of MINALOC, will work in close collaboration with the Directorates of the Ministry. NDIS will focus on supporting local governments, in order to organize, implement and monitor the attainment of DIP objectives. The mission of NDIS is to:

- Identify, coordinate, harmonize and support all stakeholders contributing to the DIP implementation, especially local governments, sectoral ministries and decentralization Focal Points in Ministries, Provinces, private sector actors, civil society organizations and development partners.
- Implement and monitor, in close collaboration with MINALOC, the national level activities under the responsibility of MINALOC as described in the activity plan of the DIP.
- Draft annual work plans for the DIP to be submitted to the PSC;
- Liaise with and support GoR institutions to fully integrate decentralization principles in their areas of responsibility.
- Facilitate effective engagement of the civil society and the private sector in DIP implementation through, among others, information sharing, promoting transparency in decision-making processes and reinforcing their capacities.
- Implement decisions taken by the PSC.
- Monitor DIP implementation according to the defined M&E framework, prepare reviews and submit progress reports (narrative and financial) to MINALOC, and the PSC.
- Share and disseminate information related to the implementation of the decentralization process with all stakeholders at central and local level.

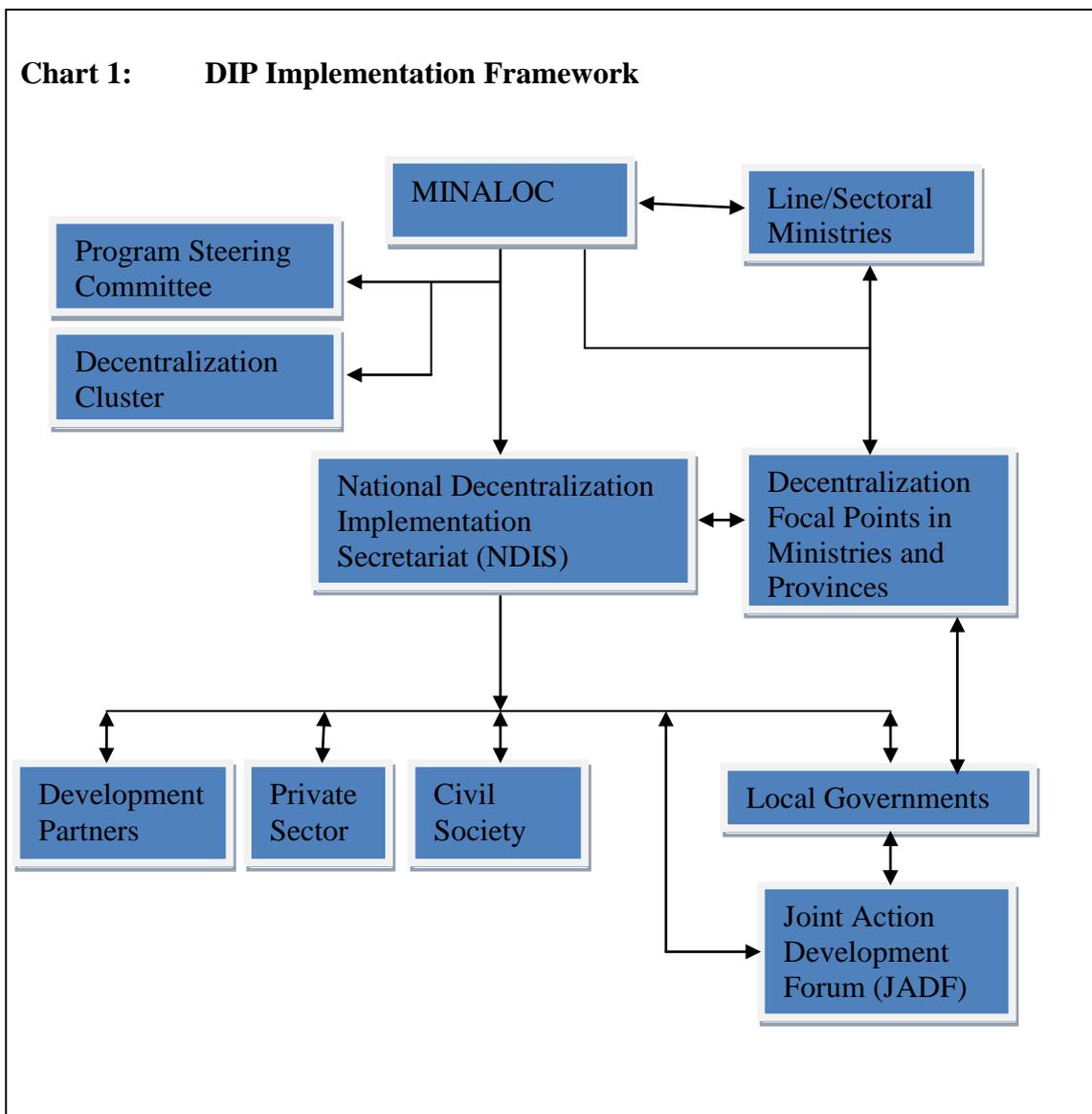
To make sure there is no ambiguity in the implementation of the DIP, the two organs, the NDIS and the PSC are responsible for its implementation. They can consult with, work with, facilitate, and support any other entity or organisation that has a specific activity or output to deliver in attaining the DIP objectives. To give this responsibility to NDIS is to place it right where it should be.

4.3 The Joint Action Development Forum

The Ministerial Instruction No. 04/2007 established the Joint Action Development Forum (JADF) at the district and sector levels. The Forum is meant to be a consultative body for information dissemination and promotion of cooperation among actors supporting local socio-economic development and social welfare of the population. The Forum aims at coordinating activities of all development actors so as to promote coordination of efforts and efficiency, as well as avoid duplication of efforts in development actions.

In addition to its main responsibilities, the JADF is a great vehicle for implementing the DIP. By its nature, the JADF is made of diverse organizations, capacities, and personalities. It will be a great source for coordination and management of technical inputs to the DIP. In order to ensure participation and effectiveness in the implementation of the DIP, the JADFs may organize themselves into task teams who will contribute to specific activities implementing the DIP at LG levels.

Chart 1 below shows the interconnections between central government authorities and other interveners responsible for the DIP implementation.



5. MONITORING AND EVALUATION OF THE DIP

5.1 Monitoring and Evaluation Framework

The DIP matrix provides the basis for Monitoring and Evaluation (M&E). The M&E of the DIP will align with the calendar and mechanisms put in place at National Level for EDPRS as well as at sectoral and Sub-National Level.

Table 2: EDPRS Policy Matrix for Decentralization

Sector	2008	2009	2010	2011	2012
Decentralization	Comprehensive five year local government capacity building (CB) needs assessment produced and agreed by all Stakeholders.	Comprehensive five-year local government capacity building plans implemented.	Decentralization strategy, action plans and responsive interventions are developed using M&E data.	Strategy to accompany third phase of decentralization process implemented.	MIS at central and local level Effective.

Source: EDPRS

An annual operational plan DIP will be defined each year by NDIS in collaboration with the relevant sectoral Ministries and LGs. This plan will constitute the guiding framework of operation for all stakeholders involved in DIP implementation. The annual plan will be directly linked to the DIP Matrix, which spells out the general framework. The M&E framework has the following aspects:

- A matrix of outcomes which provides a succinct overview of desired results;
- A matrix of outputs which provide desired tangible targets that create or lead to desired results;
- A matrix of tentative activities that must be implemented to create the desired tangible results; and
- A matrix of indicators to provide guidance for judgement whether or not DIP implementation progress is on track and means of verification to ensure that DIP progress can be objectively measured.

The M&E framework of the DIP focuses on performance monitoring to keep track on whether the agreed upon activities are being effectively and correctly implemented. The framework allows for regular and consistent tracking of performance through reviews of various inputs and outputs for each strategic pillar.

A monitoring and evaluation framework is of little value if its indicators are not used to shape policy decisions and corrective actions where necessary. For example if one district fails to produce a local economy (competitiveness) assessment report, the institution responsible for the M&E must investigate the reasons for this. It may be that the district has no capacity to conduct the assessment or has no resources. This information should feed into the decision taken by the PSC so that appropriate guidance and follow up action is taken.

The DIP M&E framework will be managed by NDIS in close collaboration with decentralization focal points in line ministries, LGs, and the District JADFs Secretariat. Progress reviews will be conducted under the guidance of NDIS. All the stakeholders with assigned responsibility in the DIP matrix will contribute to the

semi-annual and annual reports that will inform the NDIS reviews. These reports will contain a case-by-case assessment of whether or not progress is on track to achieve each of the outputs as specified in the DIP matrix. Information may not be available at each reporting interval. However, the reporting entity should be able to provide judgement on whether progress is on course, based on all the actions it has undertaken.

5.2 DIP Reporting and Tracking Schedule

Monitoring and evaluation of the DIP will take place at different stages during the implementation period 2011-2015. The following constitute DIP reporting and tracking schedules:

- Semi-annual reports: These will be completed in December and June of each FY.
- Annual reports/reviews: These will be completed every July at the end of the FY.
- Mid-term review (MTR): This will be undertaken in the third year of DIP implementation to assess progress of the DIP by all stakeholders and examine the extent to which expected outputs are being delivered and results progressively achieved. In addition to this, the MTR will examine the extent to which the broader policy environment remains conducive to the achievement of expected results. The MTR will finally make recommendations for the remaining period of the DIP.
- Final evaluation will determine the extent to which the DIP has contributed, over its entire duration to the achievement of expected outcomes in the overall context of decentralization.

ANNEX 1– DIP IMPLEMENTATION PLAN

Strategic Area 1: Legal and Institutional Framework

Outcome:

1.1 *Harmonised and updated Decentralisation Policy guides and laws to improve the effective implementation of devolved service delivery*

Outputs	Activities	Responsibility	Performance Indicators	Timelines	Budget in US\$
1.1.1 Decentralisation Policy 2001 is updated to reflect developments so far made including forward-looking aspirations of the Government of Rwanda.	●Assign a team to review the decentralization policy	MINALOC	Appointment letter or contract	May, 2011	30,000
	●Make consultations with all stakeholders on the decentralization policy review	-MINALOC -Drafting Team	Minutes of consultation meetings are available	July, 2011	
	●Update policy	-MINALOC -Drafting team	Draft policy document is available	September, 2011	
	●Approve policy	CABINET	CABINET minutes indicate approval	November, 2011	
1.1.2 Sector laws such as the land law, forestry law and others that impact on decentralization are identified and harmonised with the decentralization laws.	●Assign a team to review and harmonise laws that impact on decentralization	MINALOC	Appointment letter or contract	March, 2011	60,000
	●Make an inventory of all laws that impact on decentralization	-MINALOC -MINIJUST -Drafting Team	Inventory of laws is available	May, 2011	
	●Review laws and harmonise with decentralization laws	-MINALOC -MINIJUST -Drafting Team	Harmonised texts of laws are available	July, 2011	
	●Submit laws to parliament	-MINALOC	Submission letter	September, 2011	
	● Enactment of laws	-Parliament	Official gazette	December, 2011	

1.1.3	Implementation guidelines and user manuals for all the laws that impact on decentralization are developed/or updated and users sensitised on their use.	●Formulate implementation guidelines and user manuals	-MINALOC	Guidelines handbooks available	Jan, 2012	30,000
		●Publish and circulate the guidelines	-MINALOC	All central government and local government institutions have copies of guidelines	Feb, 2012	
		●Train LGs on how to use the guidelines.	-MINALOC	Number of personnel trained	Continuous	
1.1.4	The Program Steering Committee effectively guiding the implementation of the Decentralisation Policy with annual calendar of its meetings established	●Formulate Program Steering Committee rules of procedure	-MINALOC -Program Steering Committee	Rules of procedure are available	March, 2011	3,000
		●Formulate annual calendar of Program Steering Committee meetings	-Program Steering Committee	Calendar of meetings available	March, 2011	

Outcome:

1.2 Roles and responsibilities of the Central Government and all Local Governments (Decentralised entities) are clearly defined and streamlined. The legal framework is non-ambiguous with common interpretation by all entities.

Outputs	Activities	Responsibility	Performance Indicators	Timelines	Budget
1.2.1 The legal provisions for the roles and responsibilities of Central Government, Kigali City, Provinces, Districts, Sectors, Cells and Villages are reviewed and updated	●Assign a team to review and update decentralization laws	-MANALOC	Appointment letter or contract	March, 2011	30,000
	●Review and update laws	-MINALOC -MINIJUST -Drafting Team	Legal texts are available	June, 2011	
	●Submit laws to parliament	MINALOC	Submission letter	July, 2011	
	● Enactment of laws	Parliament	Laws appear in Official gazette	September, 2011	

1.2.2	User manuals and guidelines to implement the revised laws are in place and decentralised entities sensitised on their usage	●Formulate implementation guidelines and user manuals for decentralization laws	-MINALOC	Guidelines handbooks are available	September, 2011	30,000
		●Publish and circulate the guidelines	-MINALOC	All central governments and local governments institutions have copies of guidelines	October, 2011	
		●Train LGs on how to use the guidelines	-MINALOC	Number of people trained	Continuous	
1.2.3	Developing a clear outline of what functions and responsibilities remain with the Kigali City Council and what is to be carried out by the Councils of the District in the City of Kigali.	●Make an inventory of functions to be retained by the Kigali City	-MINALOC -MIFOTRA	Inventory is available	July, 2011	-
		●Make an inventory of functions to be retained by the Districts in Kigali City	-MINALOC -MIFOTRA	Inventory is available	July, 2011	
		●Issue a Ministerial Instruction on the updated functions for the Kigali City and Districts thereof	-MINALOC	Instruction is available	September, 2011	
1.2.4	Developed clear guidelines for roles/responsibilities of mayors and vice mayors of the City of Kigali and the districts.	●Review roles and responsibilities of Mayors and Vice Mayors in Districts and Kigali City	-MINALOC -MIFOTRA	Document on roles and responsibilities of mayors and vice mayors available	September, 2011	-
		●Issue Ministerial instruction on the updated assigned roles	-MINALOC	Instruction is available	September, 2011	
1.2.5	Developed clear guidelines of interactions and reporting requirements of the Districts towards the Provinces.	●Formulate guidelines defining interactions between provinces and districts	-MINALOC	Guidelines handbooks are available	September, 2011	20,000
		●Issue and circulate guidelines	-MINALOC	Central government and local government institutions have copies of guidelines	September, 2011	
		●Train the provinces and districts on the guidelines	-MINALOC	Number of personnel trained	Continuous	

1.2.6	Local Government entities have full staff compliment as per establishment/structure.	●Advertise positions	DISTRICTS	Adverts appear in widely circulated media	March, 2011	60,000
		●Conduct interviews and select successful candidates	DISTRICTS	List of successful candidates is available	June, 2011	
		●Placement of successful candidates	DISTRICTS	Number of vacant positions	August, 2011	
		●Induction of recruited personnel	DISTRICTS	Number of inducted personnel	September, 2011	
1.2.7	Districts have increased flexibility in terms of administrative structures and staffing levels in departments as per local needs	●Districts submit to MINALOC alternative staffing proposals as per local needs	DISTRICTS	Proposal received by MINALOC	Feb, 2011	-
		●MINALOC review the proposals and provides feedback	MINALOC	Feedback is received by DISTRICTS	March, 2011	
		●Districts implement recruitment as per legal provisions	DISTRICTS	All positions are filled	August, 2011	
1.2.8	A robust M&E system and MIS developed to support informed decision making at the central and local governments levels.	●Elaborate a concept for M&E and MIS for Central Government and Local Governments to monitor progress of decentralization policy implementation	-MINALOC -DISTRICTS -Line Ministries	M&E and MIS concept document is available	March, 2011	500,000
		●Identify data required at Central and Local governments levels	-MINALOC -DISTRICTS -Line Ministries	Inventory of data required is available	April, 2011	
		●Establish clear guidelines and mechanisms for collection, management and dissemination of data and information	MINALOC	Guidelines and data forms are available	May, 2011	
		●Procure computerised M&E and MIS system	-MINALOC -MINECOFIN	M&E and MIS systems are commissioned	December, 2011	
		●Provide training on M&E and use of guidelines	-MINALOC -MINECOFIN	Number of personnel trained	Continuous	

Strategic Area 2: Sector Decentralisation

Outcome:

2.1 Enhanced clarity of division of labour, interactions, and engagement between sector ministries and LGs.

Outputs	Activities	Responsibility	Performance Indicators	Timelines	Budget
2.1.1 An inventory of decentralised services in each sector, as well as guidelines on sector ministries' interactions and engagement with LGs is approved and published.	●Make an inventory of decentralised services in each sector	-Line Ministries -MINALOC	Inventory is available	Feb, 2011	50,000
	●Publish and circulate inventory	-MINALOC -Line Ministries	All Local Governments have copies of inventory	March, 2011	
	●Formulate guidelines on interactions between central government ministries and local governments	-MINALOC -Line Ministries	Guidelines are available	May, 2011	
	●Publish and circulate guidelines	-MINALOC -Line Ministries	All Central Government and Local Government institutions have copies of guidelines	June, 2011	
	●Train central government ministries and local governments on the guidelines	-MINALOC -Line Ministries	Number of people trained from each institution	Continuous	
2.1.2 Decentralization focal points in sector ministries are given clear terms of reference and actively participates in the activities of DCPETA.	●Review and update terms of reference for decentralization focal points in ministries	MINALOC	Terms of reference are available	Feb, 2011	-
	●Formally appoint focal points in each ministry	Line Ministries	Letters of appointment	March, 2011	
	●Focal points participate actively in all DCPETA meetings	Focal Points	Minutes of DCPETA meetings showing participation of focal points	Continuous	

2.1.3 Technical working group on sectoral decentralization in NDIS is established.	●NDIS creates a sectoral decentralization technical working group	-NDIS -Line Ministries -Development partners in decentralisation	List of members of the technical working group is available	March, 2011	-
	●Formulate terms of reference for the decentralization technical working group	-NDIS -Line Ministries -Development partners in decentralization	Terms of reference available	March, 2011	
	●Decentralization policy implementation key agenda on the technical working group's meetings	-NDIS -Sectoral Decentralization technical working group	Number of meetings with decentralization issues on agenda	Continuous	
2.1.4 Annual plans of sector ministries include implementation facilitation and support to be provided to LGs.	●Define support to be accorded to LGs by each ministry	Line Ministries	List of actions to be implemented is available	Annually	-
	●Include the support in the annual action plans	Line Ministries	Annual action plans of line ministries	Annually	
	●Deliver the support	Line Ministries	Number of districts personnel trained, mentored, and rendered technical support	Annually	
	●Evaluate efficiency and effectiveness of the support accorded	-Line Ministries -MINALOC -Districts	Evaluation report is available	Every 2 years	

Strategic Area 3: Service Delivery

Outcome

3.1 Increased efficiency and effectiveness in service delivery by local governments.

Outputs	Activities	Responsibility	Performance Indicators	Timelines	Budget
3.1.1 Service delivery charters and development plans for decentralized services are developed and circulated to citizens.	●Define common services delivered at LGs level	-Line Ministries -MINALOC -Districts	Inventory of services is available	April, 2011	30,000
	●Define performance standards expected for each service delivered	-Line Ministries -MINALOC -Districts	Standards document is available	May, 2011	
	●Formulate service delivery charters	-MINALOC -Line Ministries -Districts	Service delivery charters available	July, 2011	
	●Publish and circulate charters to the citizens	-MINALOC	Service delivery charters copies circulated up to "Imidugudu"	September, 2011	
	●Sensitise the citizens on their rights and obligations of the LG leadership	MINALOC	Number of people sensitised	Continuous	
3.1.2 Communication strategy among and between central government and local governments is developed and implemented.	●Define communication needs	-MINALOC -Line Ministries	Document defining communications needs available	April, 2011	20,000
	●Review existing communication channels	-MINALOC -Line Ministries	Inventory of communications channels is available	May, 2011	
	●Formulate communication strategy	-MINALOC -Line Ministries	Strategy available	August, 2011	
	●Implement strategy	-MINALOC -Line Ministries	Strategy implementations plans are part of the Line Ministries annual plans	Continuous	

3.1.3 A situational analysis of the LG structures is conducted to ensure refined roles and responsibilities are accompanied with appropriate resources.	●Conduct an organizational and institutional review for LGs	-MINALOC	Assessment report is available	December, 2011	550,000
	●Determine if roles and responsibilities are matched with the resources and identify the gaps	-MINALOC -Line Ministries	% of districts financial and human resources deficit	December, 2011	
	●Implement recommendations of the review	-MINALOC -MIFOTRA	% change of districts financial and human resources deficits	March, 2012	
3.1.4 An inventory of services delivered by LGs and which service is delivered at what level of LG is made and published.	●Identify and make inventory of services delivered at each level of local government	-MINALOC -Line Ministries	Inventory is available	May, 2011	-
	●Publish and circulate the inventory	-MINALOC	All local governments and Central governments institutions have copies of inventory	May,2011	
3.1.5 Citizen score card/report card mechanisms are institutionalised.	●Define scope of action	-MINALOC -Line Ministries	Service standards documents available	June, 2011	1,000,000
	●Prepare report cards	-MINALOC -Line Ministries	Reports cards available	September, 2011	
	●Collect citizen feedback	-Districts	Number of report cards filled to completion	Annually	
	●Rate the services	-Districts -MINALOC -Line Ministries	Services rating guidelines are available	Annually	
	●Periodic benchmarking and public review	-Line Ministries -MINALOC -Districts	Reviewed standards of service made available	Every 2 years	
3.1.6 Automation and computerisation of service delivery to the extent possible.	●Develop last mile connections	RDB	-Number of last mile connections	June, 2012	4,000,000
	●Establish access hubs/Kiosks for citizenry	RDB	-Number of hubs/kiosks -Distance to nearest kiosk	June, 2012	Budget to be determined by RDB
	●Identify business processes	-Districts	Inventory of	June, 2012	50,000

	for computerisation	-MINALOC -Line Ministries	computerised business processes available		
	●Identify services for automation	-Districts -MINALOC -Line Ministries	Inventory of automated services available	June, 2012	50,000

Strategic Area 4: Fiscal Decentralisation¹

Outcome:

4.1 An efficient and sustainable resource mobilisation base

Outputs	Activities	Responsibility	Performance Indicators	Timelines	Budget
4.1.1 Implement the revised fiscal decentralization legal framework.	●Submit revised laws to Cabinet	MINECOFIN	Cabinet minutes indicate approval of draft laws	February, 2011	300,000
	●Enact Laws	Parliament	Laws appear in official gazette	June, 2012	
	● Formulate implementation guidelines	MINECOFIN	Guidelines handbook available	June, 2011	
	●Train Districts on the use of the guidelines	-MINECOFIN -MINALOC	Number of district personnel trained	December, 2011	
4.1.2 Conduct revenue potential studies for each District.	●Appoint teams to conduct the revenue potential studies	-MINECOFIN -Districts	Appointment letters or contract	April, 2011	1,500,000
	●Make wide consultations	-Districts -Drafting Teams -MINECOFIN	Number of institutions consulted	June, 2011	
	●Draft revenue potential studies	-Districts -MINECOFIN	Draft revenue potential studies available	August, 2011	

¹ The Fiscal Decentralisation outcome and outputs table presented here in the DIP Phase 3 has been taken from the latest version of the Fiscal Decentralisation Strategy (Draft) of 12 November 2010 and therefore should dovetail with the strategy as presented by MINECOFIN and developed in collaboration with MINALOC, DPs and other stakeholders.

		-Drafting Teams				
	● Validate study	-MINECOFIN -Line Ministries -Districts	Validation workshop	September, 2011		
	● Implement findings of the studies	-Districts -MINECOFIN -MINALOC	% change in revenue	Continuous		
4.1.3	Equip LGs with computerised LG revenue management system.	● Define scope of automation/computerisation	-MINECOFIN -Districts	Terms of reference for computerisation are available	June, 2011	1,500,000
	● Procure computerised revenue management system for LGs	-MINECOFIN -Districts	Computerised revenue management system is commissioned	June, 2012		
	● Train LGs on using the system	-MINECOFIN -Districts	Number of personnel trained in each District	Continuous		
	● Monitor increase in revenue	-MINECOFIN -Districts	% change in local revenue	Annually		
4.1.4	Enhance local revenue collection using partnerships between Districts and Rwanda Revenue Authority (RRA).	● Sensitise citizens on importance of taxes and meeting tax obligations	-MINECOFIN -Districts	Number of business owners sensitised	Continuous	300,000
	● Sign an MoU with Rwanda Revenue Authority to transfer skills to LGs	-MINECOFIN -Districts	MoU is available	June, 2011		
	● Monitor increase in local revenue	-Districts -MINECOFIN	% change in local revenue	Annually		

Outcome:

4.2 Providing the resources for equitable development at the local level

Outputs	Activities	Responsibility	Performance Indicators	Timelines	Budget
4.2.1 Establish an efficient system of transfer of CG resources to the level of service delivery.	●Issue planning, budgeting, budget execution, and reporting guidelines to LGs	MINECOFIN	Guidelines handbook is available	June, 2011	-
	●Issue budget ceilings to LGs in sufficient time to allow enough time for consultations	MINECOFIN	Budget ceilings issued not later than 31 st December	Annually	
	●Transfer directly to LGs all funds meant for them	MINECOFIN	Cease inter-agency fiscal transfers	June, 2011	
4.2.2 Establish a method of equitable and balanced distribution of the resources allocated to local administrations.	●Design allocation formulae	-MINECOFIN -Line Ministries	Allocation formulae available	March, 2011	50,000
	●Publish allocation formulae with budget ceilings	MINECOFIN	Budget ceilings circular includes allocation formulae	Annually	

Strategic Area 5: Capacity Building of Local Government

Outcome:

5.1 Harmonised approach to capacity building established encompassing all stakeholders

Outputs	Activities	Responsibility	Performance Indicators	Timelines	Budget
5.1.1 Capacity building in districts is coordinated	Make an inventory of all capacity building efforts in the districts for all governmental and non-governmental institutions (including line ministries, development partners, NDIS PSCBS and RALGA)	-MINALOC/NDIS -MIFOTRA	Inventory is available	June, 2011	20,000
	Define role for each institution in capacity building and develop <i>division of labour</i> in capacity building among these institutions	-MINALOC/NDIS -MIFOTRA	Documentation on roles for each institution is available	June, 2011	
	Establish harmonized capacity building plan for the districts including the activities of all stakeholders based on the district needs (5.1.2)	MINALOC/NDIS	Capacity building plan is available for each budget year starting in July 2011	July, 2011	
	●Create a CB technical working group in NDIS	-NDIS -Line Ministries	List of members of the technical working group is available	March, 2011	
5.1.2 Make comprehensive need assessment for capacity building in local governments.	●Update existing districts five-year capacity building plans and include plans for lower levels of LGs	-Districts	Updated capacity building (CB) plans are available	June, 2011	50,000
	●Prioritise capacities required for initial 2 years of 3 rd phase DIP	-Districts	Priority capacity needs inventory available	June, 2011	
5.1.3 Capacity building strategy, tools, and	Review existing capacity	-NDIS	Number of modules	May, 2011	100,000

manuals are reviewed or newly developed and disseminated.	building modules	-PSCBS	reviewed		
	●Develop capacity building tools which are missing	-MINALOC -MIFOTRA	CB building tools package is available	May, 2011	
5.1.4 Implement capacity building in the districts	●Train LGs and capacity building service providers on the use of the tools	-MINALOC -MIFOTRA	Number of Human resources management departments trained	Continuous	1,500,000
	●Implement capacity building packages	-Districts -Line Ministries -CB service providers	Number of Training workshops, mentoring attachments and technical assistance missions delivered	Continuous	-
	●Monitor efficiency and effectiveness of capacity building packages delivered	-Districts -Line Ministries -CB service providers	-Score from report cards of services delivered -Score from performance contracts evaluation	Annually	-
5.1.1 The Human Resources (HR) management position in the Districts is strengthened.	●Review job description of the HR management department to make capacity building a core job responsibility	-Districts -MINALOC -MIFOTRA	Updated job description is available	March, 2011	-
	●Include capacity building performance aspects in the HR management department performance contracts- “imihigo”	Districts	“Imihigo” reflect capacity building performance aspects	Continuous	
	●Issue capacity status reports for Districts and lower levels of LGs	Districts	Capacity building reports are available	Continuous	
5.1.2 Formulate and implement a staff retention strategy in each District.	●Formulate a staff retention strategy	-Districts -NDIS	Number of Districts with staff retention strategy	September, 2011	100,000
	●Implement strategy	-Districts	% change in numbers of staff quitting jobs	Continuous	

Outcome:

5.2 Adequate funding for demand driven capacity building in districts

Outputs	Activities	Responsibility	Performance Indicators	Timelines	Budget
5.2.1 Transparent resource allocation for capacity building in districts applied.	●LGs budgets include capacity building (CB)	-Districts -Line Ministries -MINECOFIN	CB budgetary lines appear in the District budgets	Continuous	-
	●Capacity building funds transferred directly to LGs	-MINECOFIN -Line Ministries	Cease inter-agency CB funds transfer to Districts	Continuous	

Strategic Area 6: Local Economic Development

Outcome:

6.1 Local governments play an active role in facilitating local economic development

Outputs	Activities	Responsibility	Performance Indicators	Timelines	Budget
6.1.1 LED Policy developed in collaboration with all sectors.	●Assign team to formulate policy	-MINALOC	Appointment letter or contract	June, 2011	50,000
	●Make consultations on policy	-MINALOC -Line Ministries -Drafting Team	Number of institutions consulted	August, 2011	
	●Draft policy	-MINALOC -Drafting Team	Draft policy available	October 2011	
	●Approve policy	CABINET	Minutes of Cabinet meeting indicate approval of policy	December, 2011	
6.1.2 LED strategy developed that includes strategy for Urban Centres Development	●Assign team to formulate strategy	-MINALOC -MINECOFIN	Appointment letter or contract	January, 2012	1,500,000

		MININFRA -Districts				
	●Make consultations on strategy	-MINALOC -MINECOFIN -MININFRA -DISTRICTS -Drafting Team	Number of Institutions consulted	March, 2012		
	●Draft strategy	Drafting team	Draft strategy is available	May, 2012		
	●Approve strategy	CABINET	Cabinet minutes indicate approval of strategy	June, 2012		
6.1.3	Economic (competitiveness) assessment for each district conducted.	●Assign teams to carry out economic assessments for each district	-MINALOC -MINECOFIN -Districts	Appointment letter or contract	June, 2012	1,500,000
		●Carry out economic assessments	-Districts -Line Ministries -Drafting Team	Assessment reports are available	September, 2012	
6.1.4	Infrastructure, communication and market access is improved.	●Develop LED programs	-Districts -MINALOC -Line Ministries	Program documents are available	December, 2011	1,000,000
		●Develop LED projects	-Districts -MINALOC -Line Ministries	Project documents are available	December, 2012	
		●Create committees (made of public, private, and professionals) to drive LED	-Districts -Line Ministries	Appointment letters of committee members	June, 2012	
		●Implement LED projects	-Districts -Line Ministries	Number of LED projects under implementation	Continuous	

Outcome:

6.2 Citizens are strongly engaged in income generating activities that are taxable to support service delivery and local governance.

Outputs	Activities	Responsibility	Performance Indicators	Timelines	Budget
6.2.1 Developed local entrepreneurial skills to support LED investments	●Identify skills needed for specific led investments in each district	-Districts -MINALOC -Line Ministries	Inventory of LED investments skills is available at all Districts	September, 2012	1,500,000
	●Do skills assessment	-Districts -MINALOC -Line Ministries	Skills assessments reports are available	December, 2012	
	●Develop skills development and training packages	-Districts -Line Ministries -MINALOC -Private and Non-Governmental service providers	Skills development materials are available	December, 2012	
	●Train and equip skills to identified beneficiaries	-Districts -Private and Non-Governmental service providers	Number of people trained, mentored or given technical support	Continuous	
6.2.2 Local business development centres (BDCs) strengthened.	●Assess business development centres capacity to offer advice, technical support, and information	-MINALOC -MINICOM -DISTRICTS	Assessment report is available	September, 2011	150,000
	●Implement assessment recommendations	-MINALOC -MINICOM -Districts	Number of actions implemented to strengthen DBCs	Continuous	
6.2.3 Strengthened micro-finance systems for LED supported SMEs.	●Create guarantee mechanisms for LED investments	-MINECOFIN	Guarantee scheme is available	December, 2012	30,000
	●Formulate incentive packages for SMEs and banks funding LED investments	-MINECOFIN	Incentives package is published	December, 2012	

6.2.4	The necessary environment created for locality specific LED development.	●Create incentives for pooled LED investment funds	-MINECOFIN -MINALOC -Districts	Number of local investment groups	Continuous	30,000
		●Create mechanism for dialogue and feedback from LED investors	-Districts -MINICOM	LED steering committees established	December, 2012	

Outcome

6.3 Women and youths are actively represented in the planning and budgeting process

Outputs	Activities	Responsibility	Performance Indicators	Timelines	Budget
6.4.1 Women and youths councils in local governments are consulted during the planning and budgeting process	●Conduct consultative meetings	-LGs	Meetings held	Annually	300,000
	●Women and youths councils make submissions to planning and budgeting teams	Women and youths councils	Proposals for funding submitted to relevant LGs	Annually	
	●Discuss submissions from women and youths councils	-LGs -Women and youths councils	Planning and budget papers reflect discussions with women and youths councils	Annually	
6.4.2 Budgetary proposals include strategies to create economic opportunities for women and youths	●identify investments to create opportunities for women and youths	-LGs -Women and youths councils	Budget papers reflect investments to create opportunities for women and youths	Annually	300,000
	●LG budgets include investments to create opportunities for women and youths	-LG -Women and youths councils	Approved budgets reflect investments to promote women and youths	Annually	

Outcome:

6.5 Urban centres and cities develop in an organised manner with effective and efficient management and service delivery.

Output	Activities	Responsibility	Performance Indicators	Timelines	Budget
6.5.1 A strategic, multi-sector, and multi-disciplinary approach to urban planning, investment, and development is developed and implemented.	●Creat multi-sector and multi-disciplinary urban development and management teams for all districts	-MINALOC -MINECOFIN -Districts -Line Ministries	Appointment letters for team members	June, 2011	30,000
	●Develop urban development guidelines	-MININFRA	Guidelines handbook available	August, 2011	
	●Train urban development teams on the guidelines	-MININFRA -Districts	Number of personnel in each District trained	Continuous	
6.5.2 Local government structure in urban areas and towns is reviewed and strengthened.	●Designate urban centres and towns	-MINALOC	Instrument designating urban centres and towns	June, 2011	50,000
	●Formulate urban centres and towns LG structures	-MINALOC -MIFOTRA	Structures available	June, 2011	
	●Fill positions for the urban centres and towns LG structures	-MINALOC -Towns' Local Governments	Number of positions filled	September, 2011	
6.5.3 Master plans developed for designated urban areas and towns.	●Design land use master plans	-MININFRA -MINELA	Land use mater plans for all Districts and urban centres are available	December, 2011	3,000,000
	●Develop towns master plans	-MININFRA	Towns master plans are available	December, 2011	
	●Guide towns' development as per master plan	-MININFRA	Number of developments/investments as per master plan	Continuous	
6.5.4 At least 30% of the population live in urban areas and towns by 2015 so as to keep pace with <i>Government's 2010-17 program targets</i> .	●Sensitize population on organized settlements	-MININFRA -MINALOC -Districts	Number and mode of Sensitization campaigns implemented	Continuous	500,000
	●Develop social and economic infrastructure for designated towns and urban areas	MININFRA	-Number of projects implemented -Number of people staying in cities	Continuous	

Strategic Area 7: Volunteerism, Participation, Accountability and Democratisation

Outcome:

7.1 Citizens effectively participate in local governance

Outputs	Activities	Responsibility	Performance Indicators	Timelines	Budget
7.1.1 Civic education programme carried out on rights and obligations of population in terms of decentralisation policy.	●Develop civic education packages and materials	-MINALOC -Districts	Civic education materials are available	June, 2011	500,000
	●Organise sensitisation campaigns to the citizens	-MINALOC -Districts	Number and mode of civic education programmes implemented	Continuous	
7.1.2 LGs are subjected to accountability requirement of publication of an annual plan, which is open for public submissions, and subsequent publication of a detailed report on performance of the activities in the plan.	●Organise public submissions of the annual plans to citizens	Districts	Dates for public submissions of plans	Annually	1,500,000
	●Organise public reporting on executing the annual plans for the citizens	Districts	Dates for reporting on plans execution	Annually	
7.1.3 Oversight role of communities through various interest groups is strengthened.	●Identify interest groups	-MINALOC -Line Ministries -Districts	List of interest groups in each District is available	June, 2011	-
	●Interest groups be represented on the JADF	-Districts -MINALOC -Line Ministries	Interest groups representatives attend JADF meetings	Continuous	
	●Sensitise interest groups on their oversight roles	-Districts -MINALOC -Line Ministries	Number and mode of sensitization campaigns implemented	Continuous	
7.1.4 JADF mechanism is strengthened.	●Develop JADF rules of procedure	-MINALOC -Districts -JADFs	Rules of procedure are available	June, 2011	10,000
	●Sensitise private sector and	-MINALOC	Number of private and	Continuous	

	civil society on the benefits of JADF	-Districts -JADFS Secretariats	civil society members consistently attending meetings			
	●Implement joint ownership of JADF through rotational chairing	-Districts -JADF Secretariats	All actors have an opportunity to chair the JADF	Continuous		
7.1.5	Citizens sensitised on updated Decentralization Policy through media.	●Develop materials for media campaign	-MINALOC	Materials for media campaign are available	June, 2011	1,000,000
	●Carryout media campaign on decentralization	-MINALOC		Number and mode of media campaigns implemented	Continuous	
	●Provide opportunity for citizens feedback during the media campaigns	-MINALOC		Documentation on citizens feedback is available	Continuous	

Outcome

7.2 Volunteerism is popularised and embedded in Rwandan society norms and values.

Outputs	Activities	Responsibility	Performance Indicators	Timelines	Budget	
7.2.1	Policy on voluntarism established outlining the rationale and benefits of voluntarism and rights and obligations of citizens.	●Assign team to develop policy	-MINALOC -Culture & Civic Organization-“Itorero”	Appointment letter or contract	March, 2011	20,000
	●Make wider consultations	-MINALOC -Itorero -Drafting Team	Number of Institutions consulted	May, 2011		
	●Develop policy	-MINALOC -Itorero -Drafting Team	Policy document available	August, 2011		
	●Approve policy	CABINET	Cabinet minutes indicate approval	October, 2011		
7.2.2	Policy implementation guidelines and	●Make consultations on best	-MINALOC	Best practice case	August, 2011	500,000

manuals on volunteerism are developed and disseminated.	implementation approaches	-Itorero -Drafting Team	studies consulted		
	●Develop policy implementation guidelines	-MINALOC -Itorero -Drafting Team	Guidelines handbook available	October, 2011	
	●Train and educate volunteers representatives on the guidelines	-MINALOC -Itorero	Number of volunteers trained	Continuous	
7.2.3 Volunteer programs are designed, coordinated, and implemented across all levels of local governments.	●Make an inventory of volunteer programs	-MINALOC -Itorero	Inventory available	June, 2011	500,000
	●Carryout sensitization campaign of the available volunteer programs	-MINALOC -Itorero	Number and mode of sensitization campaigns implemented	Continuous	
	●Recruit volunteers	-MINALOC -Districts	Number of volunteers recruited per volunteer program	Continuous	
	●Document volunteers	-MINALOC -Itorero -Districts	Inventory of volunteers available	Continuous	

Outcome:

7.3 Citizens' awareness and exercising of their political as well as their civic rights is improved

Outputs	Activities	Responsibility	Performance Indicators	Timelines	Budget
7.3.1 Political and civic rights education campaign materials are developed	●Appoint team to develop materials	-MINALOC	Appointment letter or contract	September, 2011	100,000
	●Make consultations with stakeholders	-MINALOC -Drafting team	Number and category of stakeholders consulted	January, 2012	
	●Develop materials	-MINALOC -Drafting team	Campaign materials are available	March, 2012	

7.3.2 Sensitisation campaigns are conducted	●Identify channels and methods for sensitisation	-MINALOC -“Itorero”-Rwanda Civic Organisation	Sensitisation channels and methods guides are available	April, 2012	500,000
	●Deliver sensitisation campaigns	-MINALOC -“Itorero”-Rwanda Civic Organisation	-Number of sensitisation campaigns conducted -Number of people and categories sensitized	Continuous	
7.3.3 A tool to establish benchmarks and indicators for measuring civic participation is developed and used to determine participation	●Appoint team to develop tools	-MINALOC	Appointment letter of contract	December, 2011	500,000
	●Make consultations	-MINALOC -Drafting team	Number of stakeholders consulted	April, 2012	
	●Develop tools	-MINALOC -Drafting team	Tools are available	August, 2012	
	●Use developed tools	-MINALOC -Local Governments	Reports generated by using tools available	Continuous but every two years	

Outcome:

7.4 Role of civil society organizations (CSOs) in social, economic, and political development as well as collaboration with LGs is strengthened

Outputs	Activities	Responsibility	Performance Indicators	Timelines	Budget
7.4.1 Updated Laws governing the establishment and functioning of CSOs is promulgated	●Enact laws	Parliament	Laws published in official gazette	July, 2011	-
	●Circulate laws to all stakeholders	MINALOC	Number of stakeholders with legal texts	Continuous	
7.4.2 CSOs policy is developed	●Appoint team to draft policy	MINALOC	Appointment letter of contract	July, 2011	50,000
	●Make consultations	-MINALOC -Drafting team	Number of stakeholders consulted	September, 2011	

	●Develop policy	-MINALOC -Drafting team	Policy document is available	December, 2011	
	●Approve policy	-CABINET	Cabinet minutes indicate policy approval	February, 2011	
7.4.3 A practical guide to operational collaboration between CSOs and LGs is developed	●Draft guide	MINALOC	Guideline handbook is available	September, 2011	50,000
	●Disseminate guide	MINALOC	Number of stakeholders accessing guide	November, 2011	

Outcome:

7.5 Corruption incidences in LGs are significantly reduced during the term of the DIP

Outputs	Activities	Responsibilities	Performance Indicators	Timelines	Budget
7.5.1 Anti-corruption advisory councils are established up to the cell level	●Appoint anti-corruption advisory councils	-MINALOC -OMBUDSMAN	List of appointees is available	June, 2011	-
	●Provide clear terms of reference to the councils	OMBUDSMAN	Terms of reference are available	June, 2011	
7.5.2 Capacity building for the anti-corruption advisory councils to deliver their mandate is conducted	●Develop capacity building material for the councils	OMBUDSMAN	Capacity building materials are available	September, 2011	300,000
	●Conduct capacity building	OMBUDSMAN	Number of council members trained	Continuous	
7.5.3 Sensitization packages for citizens are updated and sensitisation campaigns against corruption conducted	●Sensitisation materials are updated	OMBUDSMAN	Sensitization materials available	June, 2011	1,000,000
	●Sensitisation campaigns conducted	OMBUDSMAN	Number of people aware of how corruption manifests itself	Continuous	

ANNEX II: Summary of DIP Budget

No.	Strategic Area	Budget per Strategic Area in US\$
1.	Institutional and Legal Framework	763,000
2.	Sectoral Decentralisation	50,000
3.	Service Delivery	5,700,000
4.	Fiscal and Financial Decentralization	3,650,000
5.	Capacity Building in LGs	1,770,000
6.	Local Economic Development	9,940,000
7.	Volunteerism, Participation, Accountability and Democratization	6,530,000
	TOTAL	28,403,000