

THE REPUBLIC OF RWANDA



MINISTRY OF LOCAL GOVERNMENT

**ASSESSMENT OF THE IMPACT OF
DECENTRALISATION POLICY IMPLEMENTATION
IN RWANDA (2001-2017)**

REPORT



FOREWORD

In May 2017, the Ministry of Local Government commissioned an impact assessment of the National Decentralization Policy implementation to establish the achievements made and fundamental changes registered since the policy was introduced in 2001. Specific interest in the areas of citizens' empowerment, leadership accountability and service delivery. The assessment also sought to guide reflections on policy priorities and implementation approaches in order to align Rwanda's new national vision and development priorities.

The assessment showed that over the last 17 years, decentralization has impacted directly on Rwandans and on governance processes in four key areas. Services are now closer to the citizens, most citizens feel empowered to participate in governance processes and decide on their own development priorities. Government is now closer to citizens than ever before, the gap between leaders and the led has significantly narrowed. An effective governance framework guaranteeing inclusive, equitable and sustainable development, in which citizens have a voice, has been established.

Consequently, the cultural, political and institutional environment that encourages citizens to participate, to hold leaders accountable, to demand for quality services, to engage in productive activities, and to work together and sustain the gains in rebuilding a cohesive Rwandan society, has been established. Local innovations based on the spirit of reclaiming dignity (*Agaciro*) and self-help (*kwishakamo ibisubizo*) is another outcome that is to a large extent associated with decentralization policy implementation.

Also, decentralization has greatly improved participatory and accountable governance. It has enabled in poverty reduction, equitable, inclusive and greener economic development.

Despite the gains made, however, there remain challenges largely emanating from the new citizens' aspirations towards development and gaps in institutional and human resource capacities.

The report was further, informed by inputs from stakeholders' consultations including Ministry Senior Management, the governance and decentralization cluster members, Sectoral service delivery institutions, which recommend

context-relevant and practical policy actions for increasing the effectiveness of decentralization as Rwanda pursues Vision 2050.

As a country, we are now in a much better position to realize the goals of decentralization than when the policy was first rolled out in 2001. The citizens, leaders and other stakeholders are inspired by, among other things, the achievements we have made and the lessons we have learnt in the process.

We have managed to get where we are because our leadership has been and remains resolute, citizens are responsive and our development partners are supportive. These are the most critical factors in our continued pursuit of greater success in the next phase for the overall national development journey.

However, three key challenges continue to impede decentralization implementation. These include among others: inadequate coordination among actors at local level and local government capacity constraints for quality service delivery. Decentralization cuts across multiple domains yet multiple stakeholders have different interests, aspirations and priorities. Capacity development for decentralization requires enormous resources, the mobilization of which requires concerted efforts and commitment.

As we seek to deepen the reforms, I call upon all stakeholders and our development partners to join hands and work together. In that way, strengthened by the government's commitment, we shall consolidate, widen and sustain decentralization's positive development impact.


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ACRONYMNS AND ABBREVIATIONS

BTC	Belgian Technical Cooperation
CDF	Common Development Fund
CG	Central Government
CRCs	Citizen Report Cards
DASSO	District Administration Security Support Organ
DDP	District Development Plan
DFID	Department for International Development (of United Kingdom)
GIZ	German Development Organisation
GMO	Gender Monitoring Office
GNU	Government of National Unity
GoR	Government of Rwanda
IDP	Integrated Development Program
JADF	Joint Action Development Forum
LG	Local Government
LGI	Local Governance Institute
LODA	Local Entities Development Agency
MINALOC	Ministry of Local Government
MINAGRI	Ministry of Agriculture and Animal Resources
MINECOFIN	Ministry of Finance and Economic Planning
MINEDUC	Ministry of Education, Science and Technology
MININFRA	Ministry of Infrastructure
MoH	Ministry of Health
MoU	Memorandum of Understanding
MYICT	Ministry of Youth, Information and Communication Technology
NCPD	National Council for Persons with Disabilities
NURC	National Unity and Reconciliation Commission
OAG	Office of the Auditor General
PFM	Public Financial Management
PWDs	Persons with Disabilities
RAB	Rwanda Agricultural Board
RALGA	Rwanda Association of Local Government Authorities
RBC	Rwanda Biomedical Centre
RGB	Rwanda Governance Board
RRA	Rwanda Revenue Authority
SACCO	Savings and Credit Cooperatives
SIDA	Swedish International Development Agency
SWG	Sector Working Group.
UNDP	United Nations Development Programme

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EXECUTIVE SUMMARY

Introduction

This report presents the findings and recommendations of the study to “assess the impact of the decentralization policy implementation in Rwanda over the last 16 years (2001-2017)”. It was commissioned by the Ministry of Local Government (MINALOC) and was undertaken during May – August 2017.

The Government of Rwanda (GoR) adopted the National Decentralisation Policy in May 2000, and has implemented it since May 2001. The overall aim of the Decentralisation Policy was to empower citizens to participate in governance and development processes and thereby make government responsive, transparent and accountable to citizens. Over the last 16 years a lot of reforms have been undertaken in the political, fiscal and administrative spheres. They have contributed significantly to establishing an effective, accountable and inclusive Local Governance system.

This assessment focused primarily on the extent to which citizens participate through democratic elections, involvement in decision making and in community development activities; the systems, structures and processes for transparent, accountable leadership at local government level; and the degree to which local government entities have been strengthened in terms of capacity to plan, finance and deliver services to citizens, as well as coordinate efforts of state and non-state development actors.

Methodology

The assessment primarily targeted ordinary citizens who are the intended principal beneficiaries of policy decisions. We used a multi-approach methodology to collect primary and secondary data. Quantitative techniques included a household survey covering 300 villages in 10 districts (Kicukiro, Gasabo, Muhanga, Nyaruguru, Gicumbi, Musanze, Nyamasheke, Rubavu, Nyagatare and Ngoma) using a closed questionnaire. We selected the respondents through multi-level sampling techniques including purposive, simple random and systematic sampling. We collected the qualitative data through key informant interviews and focus-group discussions with stakeholders in Kigali and in the selected districts. We also undertook a comprehensive review of policy and program documents, laws and regulations related to decentralisation, financial reports, commissioned survey reports and administrative statistical databases. We analysed the data using MS Excel and Statistical Package for Social Sciences (SPSS).

Achievements and impact

Decentralisation has impacted Rwanda and Rwandans in the following key areas:

- *Increased access to high-quality, affordable, and reliable services.* Service delivery centres have moved closer to citizens. Efficiency and effectiveness in the planning and delivery of

services across all sectoral domains have increased. This is reflected in the high level of satisfaction with services among citizens, as revealed by this survey and previous studies such as the Citizen Report Cards (CRCs). Most ordinary citizens say that under decentralization services are more accessible (81%), faster (75%), cheaper (73%) and more reliable (76%). Meanwhile the level of satisfaction is higher in some domains than in others. For example: while 79% of respondents were highly satisfied with agriculture and land services and 77% with administrative services, only 52% were highly satisfied with water services.

- *There has been a mindset shift among citizens, from a powerless population dependent on the state to a productive, increasingly self-dependent one where the first point of call for communities facing challenges is within themselves.* As a result, communities manage the Umudugudu level entirely by themselves, through volunteerism, and most local development challenges are addressed through collective action (*Umuganda*) or individual contribution based on one's ability (*Umusanzu*).
- *Citizens have been transformed from beneficiaries to clients.* Today most Rwandan citizens, irrespective of socioeconomic category, feel empowered to demand for high-quality services as a right and not a privilege. They are willing to contribute to making high-quality delivery possible, which can be seen in *Umuganda* and *mutuelle de santé* contributions. Citizens who participate regularly in community development activities add up to 86%. Home-grown initiatives have been deployed to address socioeconomic and political challenges via the creation of an enabling policy and institutional environment that empowers local leaders and in turn citizens to do things on their own.
- *There is now an effective framework for inclusive and equitable development at the sub-national level.* Decentralisation has created an institutional framework that promotes equitable and inclusive development, with the sector and cell at the centre of service delivery, and districts as centres of local development planning and resource allocation. The main motivations for increased citizens' participation are the confidence that their views will be taken into consideration in local decision-making processes, the enabling policy and legislation, and increased awareness of the importance of discharging their civic duties.

Underlying explanation – Effective citizens' mobilization and sustained reforms in the policy and institutional architecture

The impact of decentralization on governance and human wellbeing in Rwanda in the 16 years of policy implementation is attributed to the mass mobilization and reforms that have resulted in:

- *Devolution of power to sub-national entities.* The 30 Districts are now the main centres of decision-making for service delivery. Since 2006, service delivery responsibilities have been progressively transferred further to sector and cell levels, facilitating faster and wider access to services. The capacity of LGs has also increased in terms of tools and resources to enable local leaders make decisions effectively.

- *Democratisation and increased accountability:* Since 2001, elections are the main mode of choosing local leaders. The current 131,030 local leaders were elected in 2016 at 9 local government levels, 52,516 of these being women, with 93 leaders occupying executive decision-making positions.
- *Progressive increase in intergovernmental fiscal transfers* from RwF 36 billion in 2006 to RwF 365 billion in 2017/18. As a result, LG budgets have increased from less than Rwf 50 billion in 2007 to more than RwF 440 billion in 2017/18. This has enhanced the capacity of LGs to deliver services.
- *Increased human resource and local administration capacity* in terms of numbers and quality of personnel. In addition, LGs have power to recruit, deploy and remunerate staff. At the time of the assessment, average staffing level stood at 68%, districts have up to 10 graduate personnel at sector level from zero in 2001. This has contributed to increased effectiveness and efficiency in decentralized service delivery.
- *Mass citizens' sensitization and mobilization to participate:* In the initial phase of decentralization, massive public awareness, sensitization and mobilization were undertaken and received positive response throughout the country. Subsequent phases have been associated with mobilization of all citizens to participate and contribute in nearly every activity. This has empowered citizens and increased ownership of all outcomes of decentralization.

A number of issues still need particular attention:

- i) *The capacity of local governments* to plan and deliver services ought to be enhanced. Districts are not able to attract and retain personnel with the necessary knowledge, skills and experience to deliver effectively on their mandates;
- ii) *Existing platforms and spaces for inter-governmental relations* need further restructuring to promote sufficient dialogue between central and local government actors. Currently local leaders' input into policy formulation remains minimal and their experiences are not used adequately. This undermines pro-poor policy-making and citizen-centred service delivery.
- iii) *Local accountability needs further strengthening.* Currently it remains largely dependent on central government oversight. More should be done to build citizens' trust in local leaders and to motivate local leaders to serve citizens better.
- iv) *Although community-level institutions* have become the clearest symbols of citizens' creativity and civic participation and cell and Umudugudu the new loci of citizen-centred service delivery, problem solving and mobilization, they are under-equipped and inadequately facilitated to carry out these functions. Local leaders who are the main sources of information for ordinary citizens are under-equipped and not sufficiently knowledgeable to inform and guide citizens appropriately. Efforts should be made to cultivate further and strengthen the spirit of voluntarism on which lower administrative entities depend to get most things done.
- v) *Although decentralised planning* has improved, it remains ineffective. The local planning process and its outputs can barely be defined as instruments for priority setting, resource

allocation and public expenditure management. While imihigo fill the gaps somewhat, there is room for strengthening local-level planning.

- vi) There is growing expectation for local governments to become more autonomous including in terms of ability to finance a significant proportion of their budgets from their own locally generated resources. Yet in all districts, the capacity for revenue generation remains low. Extensive stakeholder dialogue and action around complex issues of fiscal decentralization and the wider national socioeconomic vision, is needed, beyond piecemeal fiscal reforms.
- vii) *Local governments are increasingly focused on local economic development (LED)*, which has hitherto not received adequate attention during the implementation of decentralization. *While* recent LED initiatives appear to be more comprehensive and focused, their effectiveness is dependent on committed and capable local leadership.
- viii) *Urban authorities* are facing higher population pressure, mostly from rural-urban migration. It strains the limited resources, amenities and services in urban areas and undermines the ability of local authorities to deliver quality services. The “one-size fits all” structure of local government institutions further constrains their ability to pursue sustainable urbanization and manage wider challenges of urban governance such as affordable housing demand, crime, solid and municipal waste management, physical planning, and unemployment, that are peculiar to urban residents.
- ix) *Sectoral decentralization remains incomplete and some devolved functions seem to be reverting to the central government.* Inadequate coordination of the policy implementation processes has contributed to the slow sectoral decentralization.

Conclusion

Decentralisation has impacted Rwanda’s governance and development processes and produced outcomes in two significant areas: mindset change among citizens and leaders; and the efficiency and effectiveness of service delivery. Citizens have access to services that are reliable and more affordable, and a system has been established to ensure that they continue to receive high-quality services more equitably, effectively and efficiently in ways that transcend political, geographical, socio-economic and demographic divides. Citizens’ participation has increased and they are now empowered and motivated to participate in development processes in their own local communities. Much has been achieved in establishing a culture of responsive and accountable leadership, although institutional and socio-cultural impediments to change remain.

Clearly, decentralization in Rwanda remains work in progress. Many functions that should have been devolved remain in the hands of sector ministries. More needs to be done to build local economies, and to strengthen the institutional and human resource capacity of Local Governments. A key skill area that needs enhancement is the ability to mobilise investors and other economic actors to harness local resource endowments and translate them into wealth and productive jobs for the youth especially.

Key policy recommendations

In order to consolidate the gains made, sustain the positive impact created and position decentralization as an instrument for delivering Rwanda's Vision 2050, a number of strategic actions are recommended:

- 1. Review the decentralization implementation framework.* Clarify devolved functions, roles and responsibilities and strengthen synergies in the policy implementation process;
- 2. Establish an effective national decentralization implementation coordination and Support Unit.* Foster strategic linkages and leverage political will (e.g. in Prime Minister's Office, Presidency) to fast-track sectoral decentralization and strengthen inter-governmental relations.
- 3. Review the decentralized administration structures,* and implement strategies to ensure organizational structures and human resource deployment and compensation are aligned with the functions and service delivery demands at each level. The cell should be restructured and be digitally equipped to deliver basic services to citizens and enhance cost-effectiveness in the delivery of services currently provided.
- 4. Review the Central Government structures* with emphasis on entities (ministries, agencies) whose statutory mandates or core activities overlap with those of LGs. Undertake comprehensive mapping of decentralized functions and services and align all sectoral policies and strategies with the decentralization policy.
- 5. Review the fiscal decentralization strategy.* Focus on empowering local governments to expand local revenue generation, secure adequate and reliable flow of funding to deliver services, and establish sustainable public financial management capacity.
- 6. Establish appropriate platforms and spaces for effective inter-governmental relations.* Restructure the set-up and management of existing inter-governmental platforms to enhance productive dialogue on decentralization and pro-poor policy formulation.
- 7. Develop a comprehensive strategy for cost-effective and sustainable citizen-centred decentralized service delivery.* Actions should entail: i) increasing capacity of the cell level to provide basic services; ii) establishing clear standards of service delivery with quality assurance mechanisms; and iii) empowering citizens and citizens' interest groups with information and confidence to hold local service providers accountable.
- 8. Develop a comprehensive urban governance policy and strengthen institutional capacity for urban governance:* Undertake appropriate institutional reforms to promote participatory and sustainable municipal governance.
- 9. Review the Local Government capacity building strategy,* and develop a comprehensive and responsive long-term strategy for effective and sustainable capacity building for decentralized governance and service delivery.
- 10. Review the structure and composition of District and lower Councils* to increase their effectiveness in citizens' representation and oversight over local service delivery.
- 11. Formulate a national youth employment and sustainable livelihoods policy* and develop appropriate tools to mainstream youth livelihood empowerment in the decentralization implementation framework.

12. Review the framework for volunteerism in decentralized governance and service delivery, and establish an appropriate incentive scheme to sustain it. Strengthen the capacity of cell and village structures for effective coordination of volunteerism efforts.

1.0 INTRODUCTION

1.1 Background and Context

This report presents the findings of the study commissioned by the Ministry of Local Government (MINALOC), to assess the impact of the Decentralisation policy implementation in the last 16 years (2001-2017). The Policy was adopted in May 2000 and implemented from May 2001. The assessment was conducted from May–August 2017.

The transitional Government of National Unity (GNU) adopted Decentralisation as an instrument for promoting participatory and accountable governance, as well as responsive and innovative leadership, among other critical tenets of good governance.

This followed resolutions of the Urugwiro consultations (1996-1998) that, *inter alia*, identified citizens' disenfranchisement and alienation with no role and no voice in their governance and development, as one of the underlying causes of bad governance in Rwanda that climaxed in the 1994 genocide against the Tutsi.

Prior to decentralization, governance in Rwanda was characterized by the following:

- Highly centralised state, unaccountable leadership and high levels of corruption;
- Powerless, voiceless and disengaged citizenry;
- Dysfunctional local government and poor service delivery at all levels;
- Limited efficiency and effectiveness of public investments;
- Poor state-citizen relations, characterized by citizens' fear and mistrust of leaders;
- High level of social marginalisation and inequality; deeply divided society with most returnees just being resettled;
- Top-down information flow with local leaders as executioners;
- Very low local revenue generation and low economic productivity; and
- Centralised planning and budget management,

Empowering citizens to participate in their governance and development, and strengthening accountability, were identified as long-term solutions to these challenges. Thus the Decentralisation Policy and its implementation framework were expected to establish a culture of participatory, democratic and inclusive governance, as well equitable and citizen-centred socioeconomic development.

The policy design, objectives and implementation process have focused on empowering citizens – *awareness, knowledge and access to information; power to decide their leaders through regular democratic elections; the responsiveness of leaders to citizens' wellbeing;*

accountability of leaders to citizens; and their own active participation in and ownership of development activities. These constituted the main aspects for the impact assessment.

1.2 Assessment Objectives and Scope

The terms of reference (ToRs) outlined three objectives for the assessment, viz:

1. To assess the impact of decentralisation reforms in Rwanda for the last 16 years;
2. To identify key lessons learnt, key success factors and challenges;
3. To formulate recommendations for key actions to guide the future of decentralisation process in Rwanda.

The assessment focused on the following thematic areas consistent with the policy objectives:

- i) Citizen empowerment and participation
- ii) Accountability and transparency
- iii) Sensitivity and responsiveness of public administration to local environment;
- iv) Sustainable economic development planning and management;
- v) Effectiveness and efficiency in the planning, monitoring and delivery of decentralized services;
- vi) Functioning of Local Councils and District Executive Committees;
- vii) Institutional and human resource capacities at all levels;
- viii) Coordination and supervision, including mechanisms for communication with stakeholders including development partners and other non-state actors;
- ix) Performance of local government organs;
- x) Sectoral, financial, administrative and political decentralisation processes for the future of decentralisation;
- xi) Appropriateness and conduciveness of the policy, legal and institutional environment for decentralisation;
- xii) Involvement of women, youth and people with disabilities.

The study took stock of the reform process and achievements made, analysed the impact of policy implementation, identified challenges, gaps and lessons learned, and recommended the strategic actions for more effective and sustainable decentralisation.

1.3 Overview of the Policy and its Implementation Framework

1.3.1 Policy Objectives

The National Decentralisation Policy initially aimed to achieve 5 specific objectives, viz:

- (i) To enable and reactivate local people's participation in initiating, making, implementing and monitoring decisions and plans that concern them taking into consideration their

local needs, priorities, capacities and resources by transferring power, authority and resources from central to local government and lower levels.

- (ii) To strengthen accountability and transparency in Rwanda by making local leaders directly accountable to the communities they serve.
- (iii) 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 and by enabling local leadership to develop organizational structures and capacities that take into consideration the local environment and needs.
- (iv) To develop sustainable economic planning and management capacity at local levels that will serve as the driving motor for planning, mobilization and implementation of social, political and economic development to alleviate poverty;
- (v) To enhance effectiveness and efficiency in the planning, monitoring, and delivery of services by reducing the burden from central government officials who are distanced from the point where needs are felt and services delivered.

Following reflection and comprehensive review in 2012, taking into consideration what had been achieved and the fundamentally changed political landscape and socioeconomic context, the policy objectives were updated to focus on the following:

- (i) To enhance and sustain citizens' participation in initiating, making, implementing, monitoring and evaluating decisions and plans that affect them by transferring power, authority and resources from central to local government and lower levels, and ensuring that all levels have adequate capacities and motivations to promote genuine participation.
- (ii) To promote and entrench a culture of accountability and transparency in governance and service delivery by strengthening national and local accountability mechanisms to make them more relevant, credible, conducive, supportive/attractive to all citizens, leaders and non-state entities.
- (iii) To fast-track and sustain equitable local economic development as a basis for enhancing local fiscal autonomy, employment and poverty reduction, by empowering local communities and local governments to explore and utilize local potentials, prioritise and proactively engage in economic transformation activities at local, national and regional levels, and ensure fiscal discipline.
- (iv) To enhance effectiveness and efficiency in the planning, monitoring, and delivery of services by promoting joint development planning between central and local governments and ensuring that service delivery responsibilities and corresponding public expenditure are undertaken at the lowest levels possible.
- (v) To consolidate national unity and identity (*ubunyarwanda*) by fostering, enhancing and sustaining the spirit of reconciliation, social cohesion and common belonging as a nation hence ensuring lasting peace and security as well as common purpose for sustainable national development.

- (vi) To build and consolidate volunteerism, community work and self-reliance based on cultural and other values of collective responsibility, personal worth and productive involvement.
- (vii) To fast-track and translate the regional integration agenda into politically meaningful, economically fruitful venture for Rwandans in all corners of the country, and as a strong anchor for national stability, peace and unity.

Rwanda's Decentralization reforms have focused on transferring power, resources and responsibilities for decision-making to citizens and elected leaders, creating enabling environment for citizens' participation in governance and development, as well as establishing systems and structures for effective, efficient, equitable and accountable service delivery. Since 2015, there is increasing focus on local economic development.

1.3.2 Implementation Approach and Institutional Framework

The GoR adopted a phased implementation approach, in view of the political sensitivities associated with the decentralization reforms as well as capacity gaps among implementing institutions at the time. The phased approach enabled the GoR to better define targets, manage the reform process with limited capacities, focus resources, and coordinate actors. The Decentralization Policy has so far been implemented in three successive phases each lasting 5 years. At each stage, the GoR defined key strategic results to be achieved building on the achievements of previous phases. The common strand across the different phases of policy implementation has been transfer of power, responsibilities and resources, and improvements in service delivery.

During the first phase, policy implementation largely focused on political empowerment to provide opportunity to citizens to elect their own leaders and to create opportunities for youth, women and persons with disabilities (PWDs) to get into leadership responsibilities. Considerable effort was put on awareness creation and establishing Local Government structures which have been progressively reformed. For instance, the District Executive initially comprised of 5 members (i.e. the Mayor and 4 Vice Mayors) but has since 2006 been reduced to 3 (Mayor and 2 Vice Mayors). Subsequent reforms aimed at strengthening local government fiscal and administrative capacities to deliver services while empowering citizens to hold their leaders accountable. An overview of key reforms and achievements in each of the 3 phases of decentralization implementation are summarized in Table 1.

Table 1: Phases of Decentralisation implementation and Key Achievements

Phase	Key reforms undertaken	Key Outcomes and Impact
Phase 1: 2001-2005	Elected leaders at all LG levels in 106 districts (and City of Kigali), 1545 sectors and 9,165 cells across the country as well as parallel structures of women and youth councils	Vote power over who governs returned to citizens, opportunities for leaders to evolve especially for women and youth increased.
Phase 2: 2006- 2011	Institutional reforms and territorial re-organisation from 12 provinces to 5 (including City of Kigali), 106 districts to 30, from 1545 sectors to 416, and from 9165 cells to 2,148. Alignment of decentralisation implementation with national development planning processes; Introduction of key innovations in improving service delivery and decentralised governance performance monitoring systems.	LGs restructured to create 30 strong districts from 106 small unviable districts; Increased human and institutional capacity of LGs to plan, mobilise citizens and delivery; Reduced poverty as a result of effective targeting and efficient utilisation of public investment resources.
Phase 3: 2012- 2017	Consolidation of power and resource transfer through capacity strengthening of national and sub-national institutions; deepening sectoral & fiscal decentralisation; refocusing LG priorities to local economic transformation. Scale-up and enhancement of citizens' participation platforms and mutual accountability.	Increased service delivery; increased fiscal transfers and expenditure capacity of LGs; increased citizens' satisfaction with service delivery and outcomes in key service domains including health, education, agriculture, security and infrastructure.

It is noted that in 2012, the GoR reviewed the Decentralisation Policy to ensure its continued relevance to the changing political and socio-economic landscape, and building on the achievements made, experiences and lessons learnt from the decade of implementation. In the post-review period, policy implementation appears to have shifted from phased milestones to pursue long-term goals, including local economic development, improving the quality of service delivery and leadership accountability.

1.3.3 Legal Framework for Decentralisation

Rwanda's decentralization is enshrined in the National Constitution, especially in Article 6, which clearly states "*public powers are decentralised at local administrative entities in accordance with provisions of law*". This is translated into action by a number of laws that have been progressively enacted and/ or reviewed since 2001. The principle law on decentralization was reviewed in 2005 and again in 2013. The 2013 law seems to have devolved more powers to Local Government authorities, enhanced clarity of roles and power separation between Councils and Executives, and increased mechanisms for local accountability. It also included more provisions on financial, administrative and political decentralisation, but lacked clarity on all functions to be devolved and inter-governmental relations. There also remains disharmony between the LG law and other legislation relating to local governance and decentralized service delivery.

1.3.4 Changing Political and Socioeconomic Context

This assessment comes 16 years after the policy was rolled out during which period Rwanda adopted and has been governed under a new Constitutional dispensation (since June 2003),

a more solid democratic dispensation (three Presidential Elections and more than 3 Local Government electoral cycles). The Policy was adopted shortly after launching Vision 2020, and its implementation has been instrumental in turning the Vision 2020 into reality. The assessment was undertaken at the dawn of Rwanda's transition to the next phase of the long-term governance and development framework i.e. from Vision 2020 to Vision 2050, end of the second democratically elected presidential term (2010-2017) and from the second Economic Development and Poverty Reduction Strategy (EDPRS II) to the National Strategy for Transformation (NST).

1.4 Structure and Utility of the Report

This report is presented in 6 chapters. Chapter one gives the background and introduction while chapter 2 describes the assessment methodology. In chapter 3, the key findings from citizens' perspectives on decentralization impact are presented, while chapter 4 analyses the decentralization reforms undertaken and key achievements. Chapter 5 presents a synthesis of the key issues observed, key lessons learnt and challenges to the implementation process as well as best practices. Chapter 6 presents key conclusions and recommendations for future policy implementation.

It is expected that the report will assist decentralisation stakeholders to reflect on what has been achieved and how decentralization has impacted citizens and promoted good governance. More importantly, the report will inform the next phase of Rwanda's governance and development process, provide the impetus and direction to set new milestones building on fairly solid ground established in the last 16 years. The starting point is to consolidate the gains and then use them as instruments to define a new strategy for decentralization towards under a new long-term vision 2050.

2. APPROACH AND METHODOLOGY USED

2.1 Overall Approach

The assessment approach involved developing a conceptual framework to capture the rationale for the assessment, mapping out the expectations from the policy implementation, understanding the stakeholders and contemporary issues in the decentralization process, the political and institutional context. The nature of expected impacts including access to services, citizens' participation, accountability, local democracy, and institutional capacity of LG structures, shaped the assessment approach.

2.1.1. Stakeholder' Mapping and Analysis

Stakeholder analysis was undertaken during the inception stage to identify and map out the main stakeholders in Rwanda's decentralization process, analyse their role and interests in the policy formulation, implementation and reforms, and identify their issues of concern for decentralization impact on participatory governance and socioeconomic development in Rwanda. A stakeholder analysis matrix was used to document key issues of interest or concern for stakeholders, identify data needs and structure of the report.

2.1.2 Gender Analysis

Gender analysis was integrated into the study tools and analytical framework to ensure crosscutting gender issues are analysed in political, administrative and fiscal decentralization dimensions, right from data collection. Gender analysis covered decentralization-related policies, selected programs and projects, with a focus on political and economic participation, as well as social protection.

2.2 Data Collection

Secondary and primary data was collected using a combination of quantitative and qualitative techniques, as summarized in the proceeding sub-sections.

2.2.1 Review of documents and Statistical Databases

Relevant policy and program documents were sourced and reviewed from line ministries and agencies, relevant websites and electronic databases as well as web-based libraries. The documents ranged from policy papers, strategies, legislative instruments, program documents and review reports to Auditor General's Reports on Local Governments' Financial Statements and Performance Audits, Commissioned Survey Reports, and administrative reports. In addition, conventional literature and other publications on decentralization were reviewed. A list of documents reviewed is attached.

2.2.2 Primary Qualitative Data Collection techniques

Primary qualitative data was collected using the following techniques:

1. Key Informant Interviews:

In-depth interviews with selected Key informants (KIs) were undertaken at national and local level. KIs were selected on the basis of their perceived knowledge and experiences related to the decentralization reform process, local governance and decentralised service delivery. KIs targeted were current and former leaders, senior technocrats and policy makers, researchers and independent analysts. Standard and tailored checklists of questions were prepared and used to guide the interviews. The list of stakeholders interviewed is attached as Annex 3.

2. Formal Group meetings:

The consultants facilitated decentralization review meetings for senior district official in some areas (Muhanga, Nyagatare and Ngoma). Town Hall meetings were structured to enable district stakeholders to freely express their views on the decentralization process, including what they thought wasn't going well.

3. Focused Group Discussions (FGDs):

A number of FGDs with interest groups of citizens (youth, women, farmers, small business operators) and leaders (political and civic leaders, Technocrats) to enlist their views and perceptions on the decentralization reform. The issues raised were synthesized and documented as issues, responses, clarifications or explanations for the findings from other sources.

4. Direct Field Observations:

The study team visited selected areas and observed selected projects, phenomena and activities linked to decentralization (including infrastructure, facilities and other physically and visually observable projects, business processes in districts and lower levels, Council sessions, etc.) to appreciate local governance and service delivery at different levels in selected districts. Innovative projects related to Umuganda, Girinka, VUP were especially targeted and documented.

5. Informal meetings:

They were held with expert groups and other knowledgeable persons to clarify and triangulate information obtained from interviews, secondary sources, observations (e.g. abandoned projects) and the household survey results.

2.2.3 Primary Quantitative Data Collection

A structured questionnaire was administered to ordinary citizens targeting household heads. The questionnaire was structured to assess ordinary citizens' perceptions about the impact of decentralisation on their livelihoods, political and civic participation, community cohesion

and other governance and development parameters. The electronic questionnaire was translated into Kinyarwanda and administered by knowledgeable enumerators using electronic devices (tablets).

Quality assurance was provided by expert translation of the questionnaire, group review and training, and pretesting the tools and the tablets. A two-day training workshop was organized for Research Assistants and Supervisors in Kigali, prior to the fieldwork. A half-day pre-test was undertaken in Kamonyi district, followed by two post-pretest feedback and review meetings with the fieldwork team.

2.2.4 Sample and Sampling Techniques for the quantitative survey

The sampling design used stratified multi-stage probability sampling, where the sample frame was stratified into 10 strata corresponding to 10 districts. The first stage involved purposive selection of 2 districts in each of the 4 Provinces and City of Kigali, based on a combination of pre-determined criteria developed during the inception phase. The second stage was to select 5 sectors from each of the 10 sampled districts, and from each sector, 2 cells were selected. The third stage involved selection of 3 villages from each selected cell by simple random sampling. Finally, systematic sampling was used to select 10 households from each of the selected villages. In Each village, the list of households was obtained from the Village Coordinator, and a sampling interval determined. Enumerators then selected and interviewed household heads on a systematic basis until the last sampled household or the enumerators could not proceed for specific reasons (often run out of time). A total of 2,560 respondents in 300 villages were interviewed (an average of 8.53 households out of 12 originally targeted per village). The sampled sectors are presented in Table 2.

Table 2: Sample for the Quantitative Survey

Province	District	Sectors	Cells	Villages
Kigali	Kicukiro	Gikondo, Kanombe, Masaka, Niboye, Nyarugunga	10	30
	Gasabo	Gisozi, Kimihurura, Remera, Jali, Bumbogo	10	30
South	Muhanga	Nyamabuye, Mushishiro, Rongi, Kabacuzi, Nyarusange	10	30
	Nyaruguru	Busanze, cyahinda, Mata, Ruheru, Ruramba	10	30
North	Musanze	Gashaki, Busogo, Nkotsi, Kimonyi, Kinigi	10	30
	Gicumbi	Bwisige, Mukarange, Rutare, Miyove, Ruvune	10	30
West	Nyamasheke	Cyato, Kanjongo, Karengera, Mahembe, Shangi	10	30
	Rubavu	Nyundo, Gisenyi, Kanzenze, Nyakiriba, Nyamyumba	10	30
East	Nyagatare	Nyagatare, Gatunda, Karama, Mimuri, Rwempasha	10	30
	Ngoma	Kibungo, Jarama, Karembo, Murama, Rukumberi	10	30
Total	10	50	100	300

2.2.5 Timeframe and Organisation of Field visits

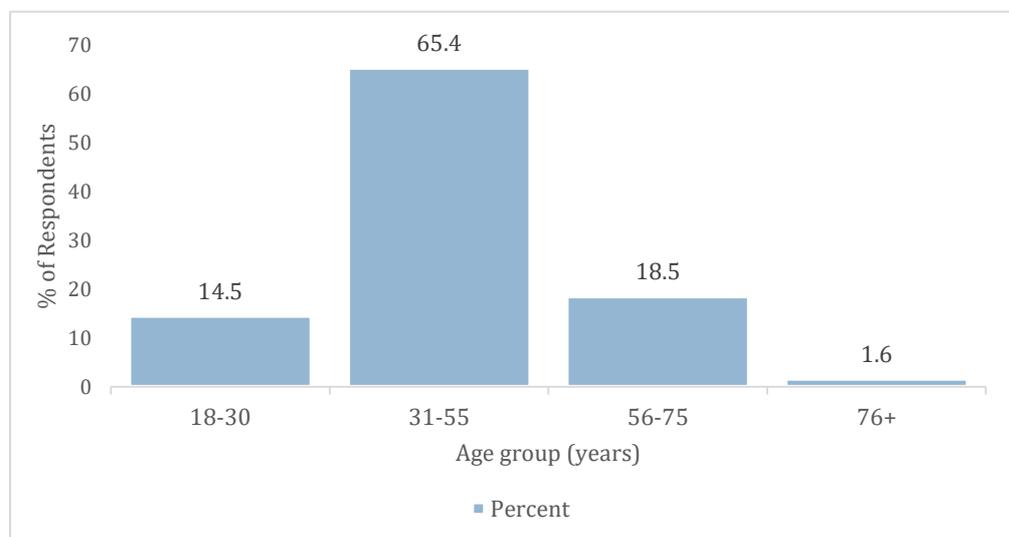
Field visits were undertaken for 2 weeks during June 26–July 07, 2017. The consultant constituted 5 teams of 6 members each (5 Enumerators and 1 Consultant/Supervisor). Each team met after each field day to clean the data, and document field observations. These were captured in individual reports compiled by all field teams.

2.2.6 Socio-demographic Characteristics of the Household Respondents

The Household survey respondents were 76.8% rural, 18% urban and 5.2% peri-urban; 57.2% male and 42.8% female. One in five (21.2%) had no education; just over half (53.8%) had primary education, while about 6% were educated up to Diploma level and above. The majority (51.5%) were smallholder farmers while 11% were agricultural labourers. Most (85.8%) were household heads while 14.2% were other adults. Of these, 78.3% were married, 9.1% widowed while 4.6% were single.

In terms of wealth ranking, 11% were in Ubudehe category 1, 36.4% in category 2; 85.1% with health insurance, 14.9% not covered. Nearly two-thirds of the respondents were productive adults in the age group 31-55, with 14.5% youth. One in five (20.1%) were elderly i.e. above 55 years.

Figure 1: Household Respondents by Age group



The socio-demographic characteristics of the respondents in Figure 1 mirror the Rwandan population, hence the sample was representative.

2.3 Data Analysis and Reporting

The data was posted to a central database for cleaning and storage. CSP Pro was used for data entry and cleaning while MS Excel and SPSS were used for data analysis of the quantitative data. An analytical framework was developed, based on the ToRs, and used for data tabulation, analysis and reporting. The quantitative data was analysed and presented in form of tables, graphs and charts, and explained using qualitative information obtained from interviews and secondary sources. The results are presented in Chapters 3 (citizens' perceptions on impact) and 4 (review of the decentralization reform process).

3. IMPACT OF DECENTRALISATION: CITIZENS' PERCEPTIONS

3.1. Awareness and Knowledge of the Policy

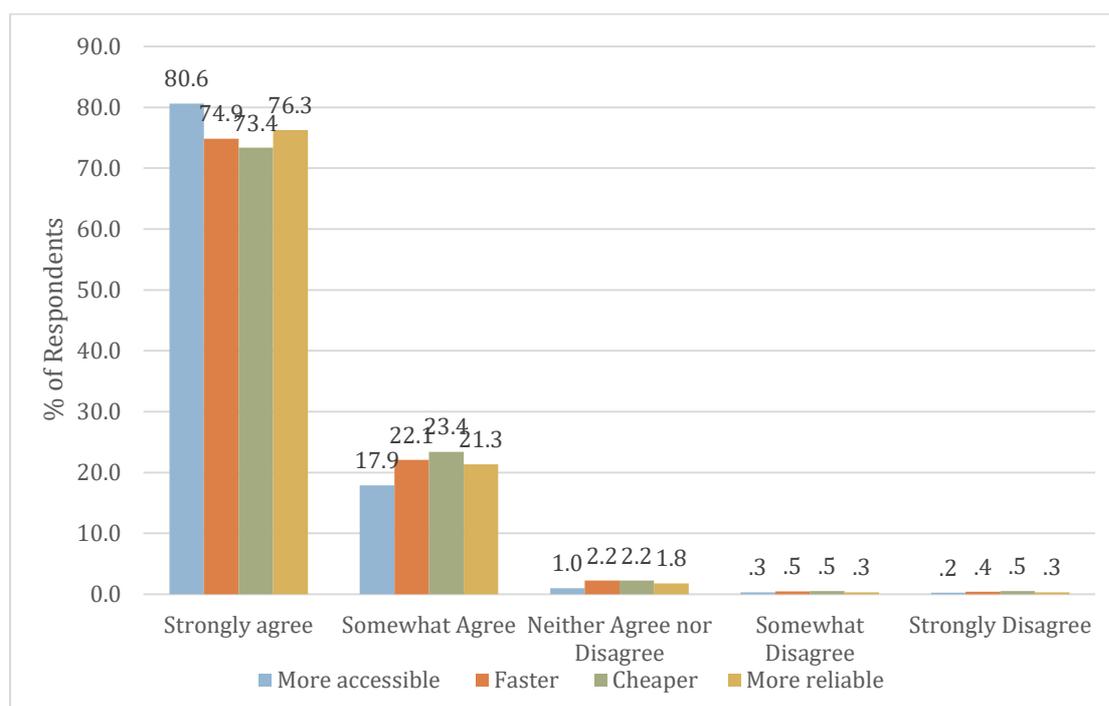
Findings show that 84.7% of respondents knew or were aware of the National Decentralisation Policy. Only 15% didn't know. Also, 61.3% knew about the East African Community (EAC) integration program, 11% had scanty information while 28% didn't know; 67% knew about the EDPRS, while 33% didn't have any knowledge of the EDPRS. Just over a half (51.2%) had got information about the EDPRS from local leaders, while 36.5% had got information from community meetings. Only 11.5% had got information from radio or Television. Those who knew about the EAC regional integration program and its benefits cited the free movement across the border with national Identity card.

3.2. Citizens' access to and satisfaction with service delivery

The most felt impact of decentralization mentioned by citizens and stakeholders is increased access to and reliability of service delivery. Basic services are closer, more reliable, of higher quality and more accessible by most citizens.

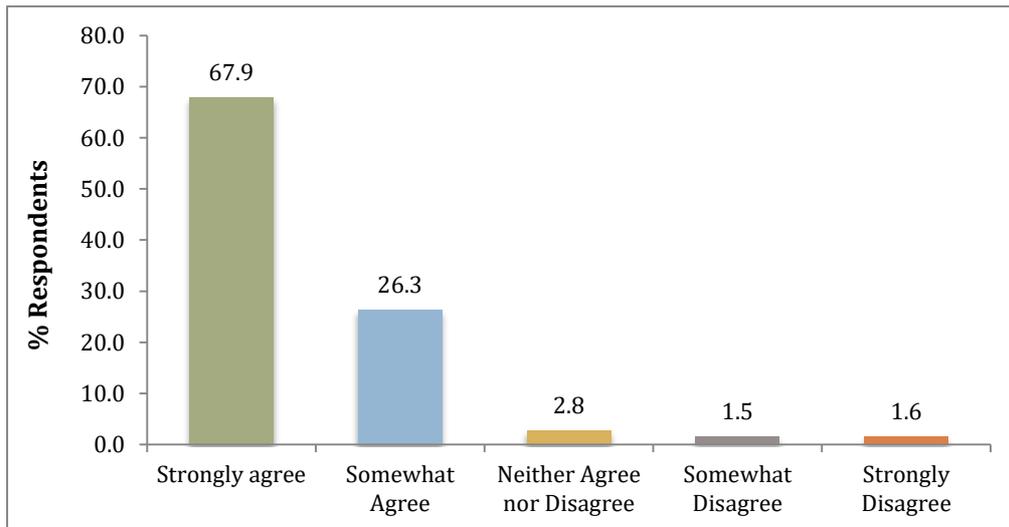
As shown in Figure 2 below, most citizens strongly believe that services are more accessible (81%), faster (75%), cheaper (73%) and more reliable (76%) under decentralization than would be if decentralization policy were not implemented.

Figure 2: Citizens' perception on service delivery under decentralization



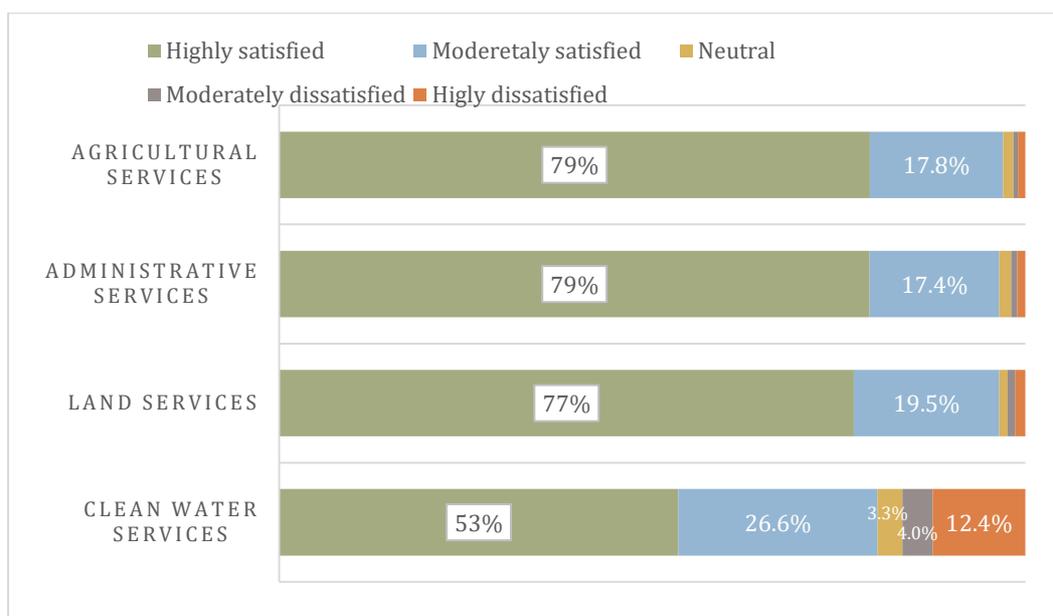
As shown in Figure 2 above, most citizens agree that services are cheaper (73.3%), more reliable (76.3%), faster (74.9%) and more accessible (80.6%). Figure 3 below shows that 94% of respondents agreed that service delivery has improved in the last 10 years.

Figure 3: To what extent would you agree with the statement that service delivery in Local Government has significantly improved in the last 10 years?



It is observed, nonetheless, that the level of satisfaction differs from area to area and from one service delivery domain to another. From Figure 4 below, more than three in four citizens indicated that they were highly satisfied with agricultural (78.9%), land (77%) and administrative services (79.2%). Just over half were highly satisfied with clean water services (53.2%).

Figure 4: Citizens' Levels of Satisfaction with key services



It is also observed from Figure 4, that 16.9% expressed dissatisfaction with water services. This, in addition to more than 10% who claimed they didn't even have access to clean water, represent a significant section of the population, which underscores the challenges in the delivery of reliable clean water services. The main reasons for lower than expected satisfaction with water services are inadequate access and unreliability of supply where the water supply infrastructure exists.

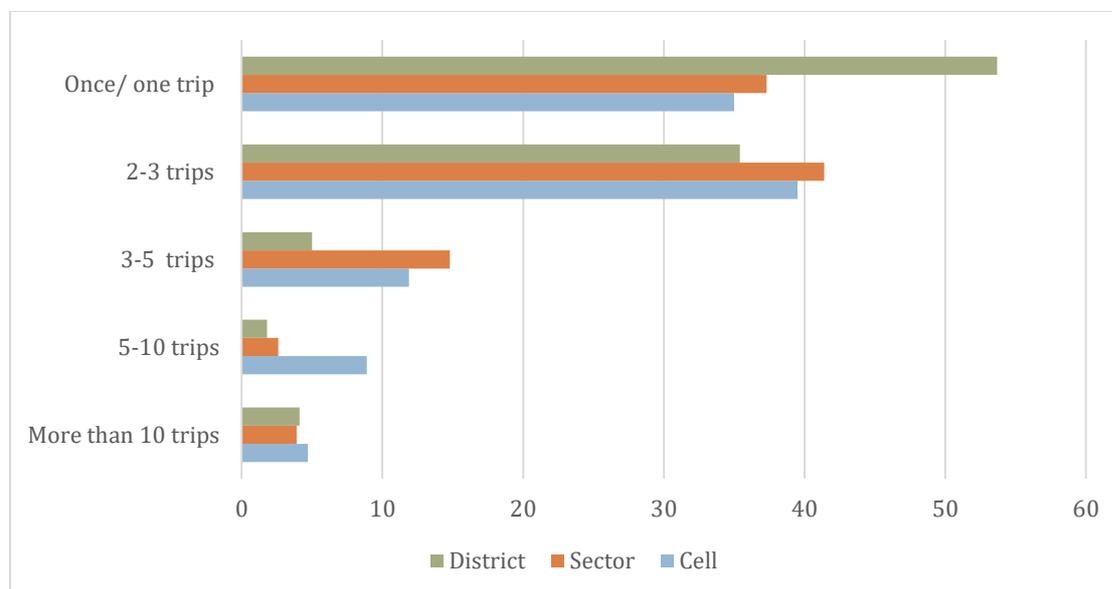
The results above agree with those of the citizen report card (CRC) 2016 that showed overall citizens' satisfaction with local administrative services (75.9%), health services (74.9%), education (73.2%) and clean water (57.3%) (RGB, 2016). The results, however, sharply contrast with CRC 2016 particularly on agricultural services (48.4%), livestock services (54%) and land services (67.3%), These wide disparities in satisfaction levels are largely explained by the way the CRC questions were designed and analysed (CRC figures did not include responses categorized as "average, and the parameters considered in the agricultural indicators included industrial, marketing and other services/factors that are outside the scope of local service delivery).

It is observed that the reforms undertaken since 2006 have not only strengthened LGs, but also enhanced public sector performance by bringing services closer to citizens and ensuring reliability and cost of services for citizens. In health care, for example, 92% of respondents indicated that the quality of services provided in public health facilities is much higher than before decentralization policy. Findings show that 81.4% of respondents agree that local public service providers (health workers, teachers) are more competent and enthusiastic than they were before decentralization, and attributed the improved quality of social service providers to decentralization.

Another area of quality improvement in service delivery is the reduced cost incurred by citizens in terms of time or distance travelled (indirect cost) reflected in the number of trips

and payment for services (direct cost). Figure 5 below shows the number of trips citizens make to different service delivery centres.

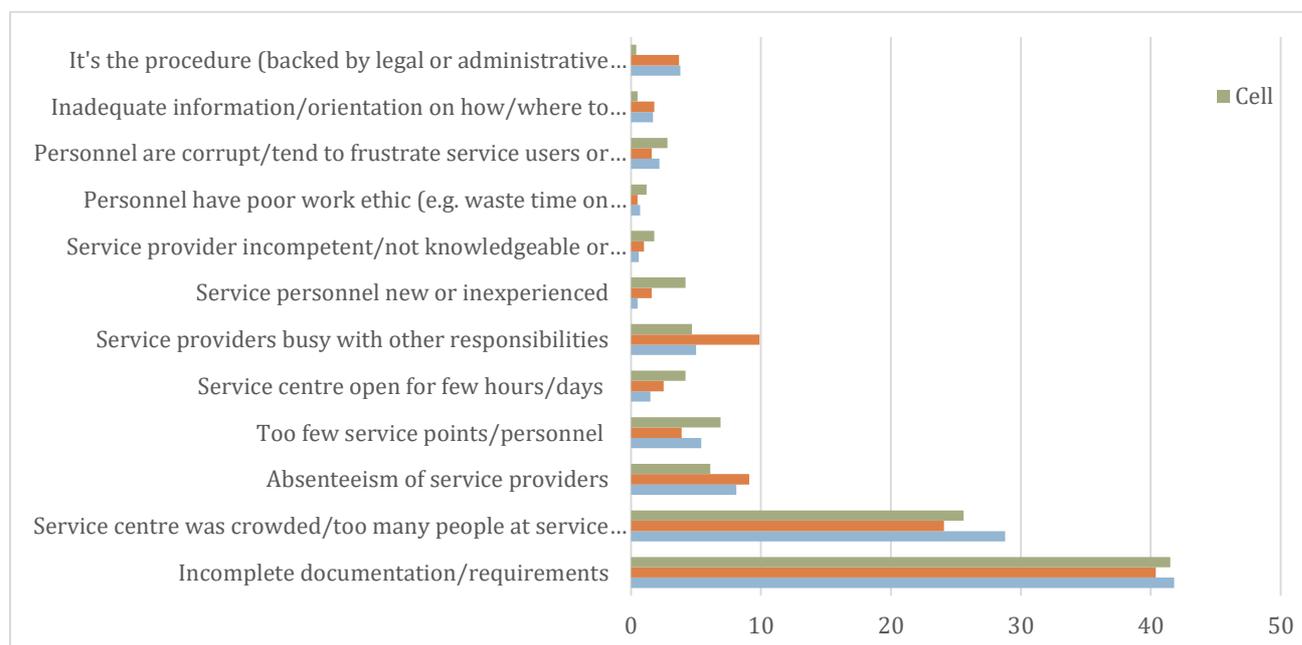
figure 5: Percentage of Respondents by Number of Trips taken to service delivery Centre



As shown in Figure 5 above, most people make 1-3 trips to a service delivery centre for a particular service. More than half (53.7%) of respondents make only one trip to the district for a service. Although most citizens indicated that services are closer and take less time, a significant proportion of respondents indicate that they make more than 3 trips to and from the service centre. This makes access to services more costly. As the cost of accessing a service increases with the frequency of travel or how much time they spend waiting for a service, a larger proportion of citizens taking more than 3 trips is an issue of concern. A small but significant number indicated that they make more than 5 trips to the cell (13.6%), sector (6.5%) and district levels (5.9%) for a service.

A particular point of attention is the district level, which could be described as a tertiary or apex level of service delivery. Ideally no service sought at district level should require more than one return trips as it would be too costly for ordinary citizens since most people live far away from district headquarters. Thus, the 35.4% who do 2-3 trips and especially the 11% who make more than 3 trips to district level, should be an issue of concern for local leaders. Figure 6 below shows the main reasons mentioned for respondents who made more than 3 trips to service centres.

Figure 6: Respondents' main or most probable reasons for making more than 3 trips to get services



From Figure 6 above, the main reasons mentioned at different levels of service delivery are incomplete requirements (usually incomplete documentation) mentioned by more than 40% of respondents, too many people at a service centre or overcrowded service centres and absenteeism of service providers (which is more pronounced at sector and district level). For sector level, a significant proportion of citizens indicated that service providers tend to be too busy with other responsibilities (including spending a lot of time on telephones) thereby taking longer than necessary to provide a service.

In addition to the reasons in Figure 6 above, the assessment identified other factors including unreliable ICT-based systems e.g. automated banking infrastructure, internet breakdowns and erratic electricity supplies which undermine ICT-based service delivery as a result of which citizens are often forced to make extra trips to service centres. The other reason is the scattered nature of service intermediaries e.g. designated bank branches being far away from main service centres (e.g. sector office) as a result of which service seekers waste a lot of time moving from one place to another. These were frequently mentioned in rural sectors where energy and ICT infrastructure challenges are most prevalent, and where service providers are not concentrated in the same areas. It is thus important to consider unique circumstances in designing service delivery systems including choice of service intermediaries (e.g. in rural areas, SACCOs would be more appropriate than formal large Banks) as well as alternatives (e.g. off-grid solar and generator energy for some areas, off-line systems and manual

alternatives) in rural sectors with limited ICT coverage. An important observation from Figure 6 above is the low level of perceived corruption in decentralized service delivery.

Another key factor in decentralised service delivery is competence and motivation of service providers. Findings show that 59.4% of respondents agreed that LG personnel are more competent and enthusiastic about their work compared to those before decentralization. A significant 37%, however, disagreed. A key message from these findings is that there is improvement in the quality of LG human resources and that significant gaps remain that need to be addressed. This view was confirmed by senior LG leaders interviewed (Mayors and Executive Secretaries) who agreed that there was significant improvement in LG human resources but voiced a concern that gaps exist in the LG ability to attract quality personnel which affect the performance of human resources.

In terms of overall satisfaction with service delivery, more than 80% of citizens expressed satisfaction with services especially the administrative services provided by local authorities. The findings agree with the CRC findings for 2016 and 2015 as shown in Table 3 below.

Table 3: Level of Satisfaction with services provided by local entities (CRC)

Service provided/function performed	2016	2015
Disseminating information on projects and activities services provided to citizens	81.4	85.6
Providing essential services/documents provided by/at local level	84.5	85.8
Communicating and explaining government programs to citizens	89.6	83.9
Engaging citizens and solving their problems/ issues	80.7	89.7
Explaining to citizens information about the services provided by local authorities	85.8	87.5
Customer care in service provision	83.3	81.6

Source: Rwanda Governance Board (RGB), 2016; 2015.

It is also observed from Table 3 above that the satisfaction levels are generally consistent over the 2 consecutive years. Both the CRCs and the field findings from this survey identified motivation of local authorities, high level of supervision, comparatively better facilitation, respect for ordinary citizens, and competence of Technical Officers, as the main factors for better service delivery leading to higher satisfaction levels.

3.3. Citizens' participation

The Constitution of Rwanda (Article 48) makes it a duty for every Rwandan to participate in the development of their country. The state also has obligations to put in place mechanisms to enable all citizens to participate. To this end, a key policy outcome of the National Decentralisation Policy was to reactivate and promote citizens' participation.

There is general consensus among citizens and other stakeholders that citizens' participation has increased at all levels of governance and service delivery.

Figure 7 shows that 86% of citizens regularly participate in community development activities and another 12% participates irregularly. Only 1% indicated that they never participate at all.

Figure 7: Do you regularly attend community development/ LG organized meetings?

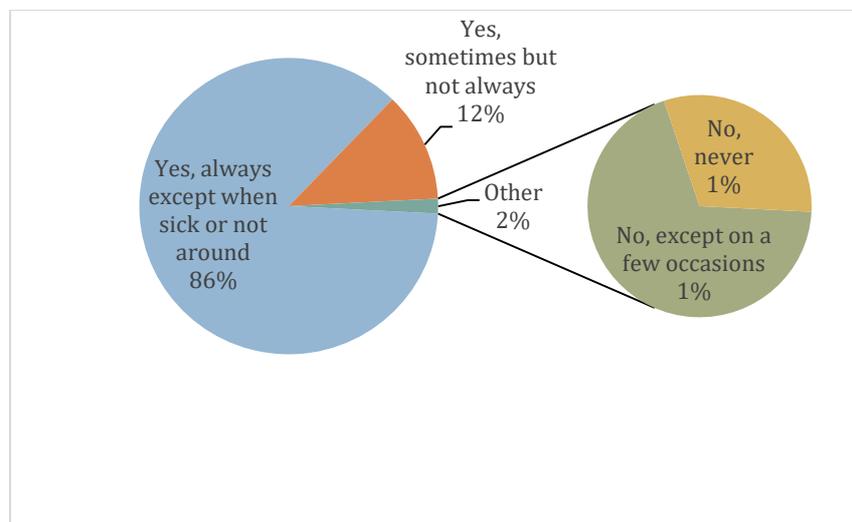


Table 4 below shows the main modes of citizens' participation.

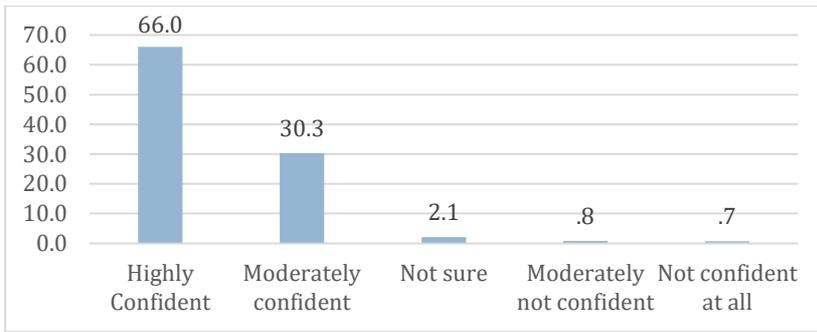
Table 4: How actively do you participate in meetings and other community development activities?

Mode of Participation	Percent Respondents
Just attending meetings/forums	41.6
Contributing ideas in meetings/ forums	44.6
Mobilising others to participate or contribute	7.9
Participating in physical activities & events like Umuganda	4.5
Neither attend meetings, nor participate in other community activities	.4
Other (please specify)	1.0
Total	100.0

From Table 4 above, the main form of participation is attending meetings (42%). A significant proportion of respondents (44.6%) also participate actively by contributing ideas during meetings while a smaller proportion mobilise others (7.9%).

Citizens' participation is largely motivated by the belief and confidence of citizens that their views are considered in most decisions made, as shown in Figure 8 below.

Figure 8: How confident are you that your or other citizens' views are taken into consideration in decisions made by local authorities?

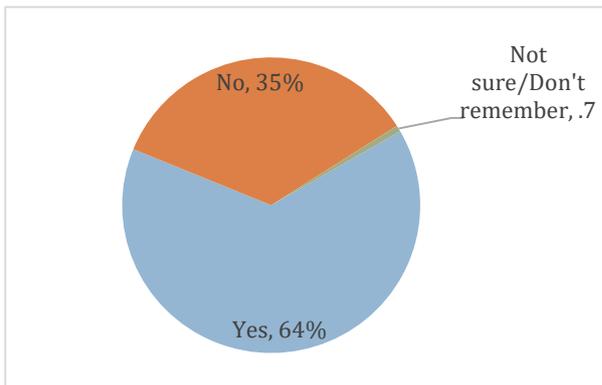


From Figure 8 above, 96.3% of respondents expressed confidence (66% highly) that their views are taken into considerations in decisions made by local authorities.

An important indicator of active citizens' participation and growing interest of ordinary citizens in decisions that affect them is the proportion of citizens who participate in General Meetings of their local primary schools (Figure 9) and those who know about expenditure decisions at their local primary school (Figure 10).

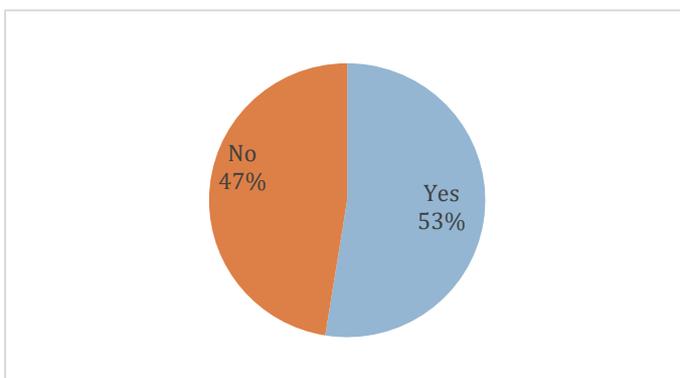
As shown in Figure 9 below, 64.5% of respondents indicated that they attend general meetings of their local primary schools.

Figure 9: Attended General meeting of your local primary school?



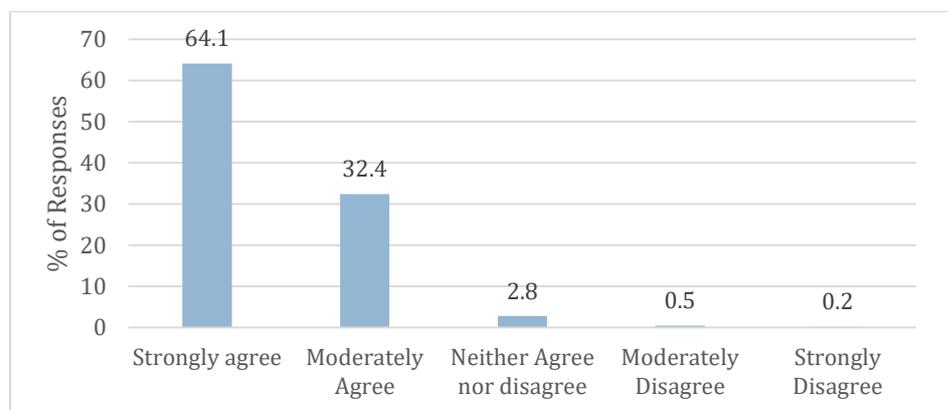
More active participation of citizens in service delivery is demonstrated in Figure 10 below where 53% respondents indicated that they are aware of or familiar with expenditure decisions at their primary schools.

Figure 10: Are you aware of or familiar with how expenditure decisions at your primary school are made?



This corroborates the findings in Figure 11 below.

Figure 11: Parents and local community members are more involved in or concerned about the management of local primary schools than 10-15 years ago.



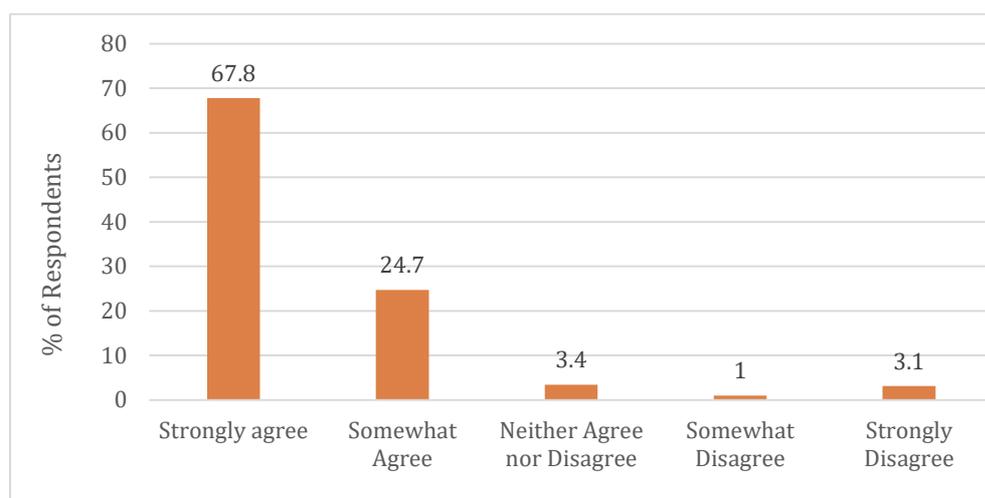
From Figure 11 above, 96.5% agree (64.1% strongly) that parents and community members are now more involved in or concerned about the management of local primary schools than 10-15 years ago, the period just after the Decentralisation Policy was rolled out.

It is thus observed that the level of participation represents a significant improvement from the period just after decentralization policy was rolled out. Citizens sharply contrasted the management of primary schools under a Central Government where they were perceived to belong to the Ministry of Education (MINEDUC) and even the local authorities were not so concerned, with the present situation where citizens have a sense of ownership and actively participate in their operation and maintenance as well as performance. Indeed under community work (*Umuganda*), many schools and other infrastructure have been established with a large contribution from citizens (usually in form of material, labour and money). Many citizens, however, complained during FGDs that the quality of public basic education is low. From the decentralization perspective, this is a positive development as quality education can only improve if the most important stakeholders – parents and children- raise concerns with service providers and actively participate in efforts to improve the quality of learning for their children.

Nonetheless, there remain challenges in improving the quality of participation i.e. ensuring that citizens do not participate by merely attending meetings but becoming more active in finding solutions and influencing the decisions made by local authorities.

Decentralisation has enhanced motivation of citizens to participate in Government activities, as the responses in Figure 12 below shows.

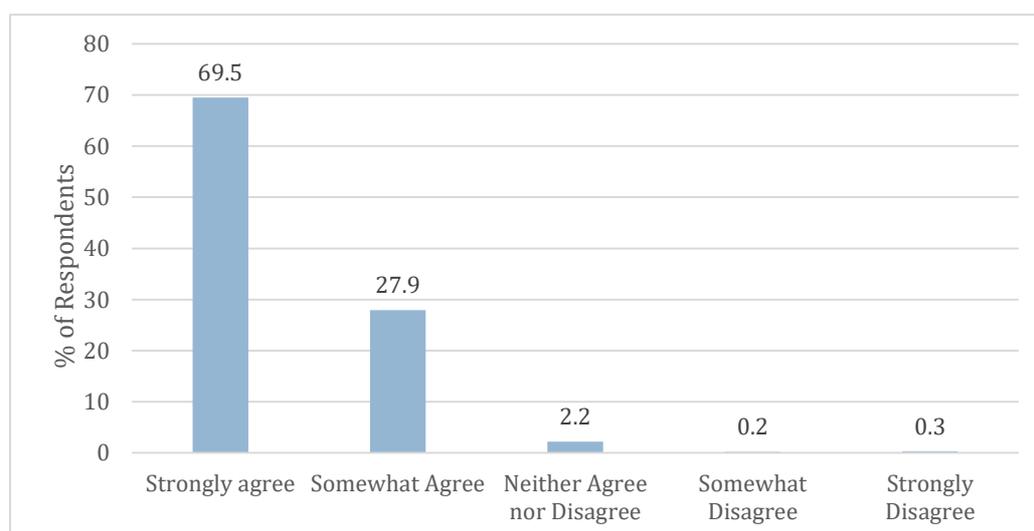
Figure 12: Citizens are more motivated to participate in Government activities than before decentralisation or if decentralisation was not implemented.



As Figure 12 above shows, 92.5% of respondents agree (67.8% strongly) that citizens are more motivated to participate in Government activities than before Decentralisation or if the Decentralisation Policy was not implemented.

An important motivator for citizens' participation is enabling policy and legislation. From Figure 13 below, 97.4% of respondents agree (69.5% strongly) that the decentralization policies and laws require or encourage citizens to actively participate in developing their localities as opposed to the situation before decentralization.

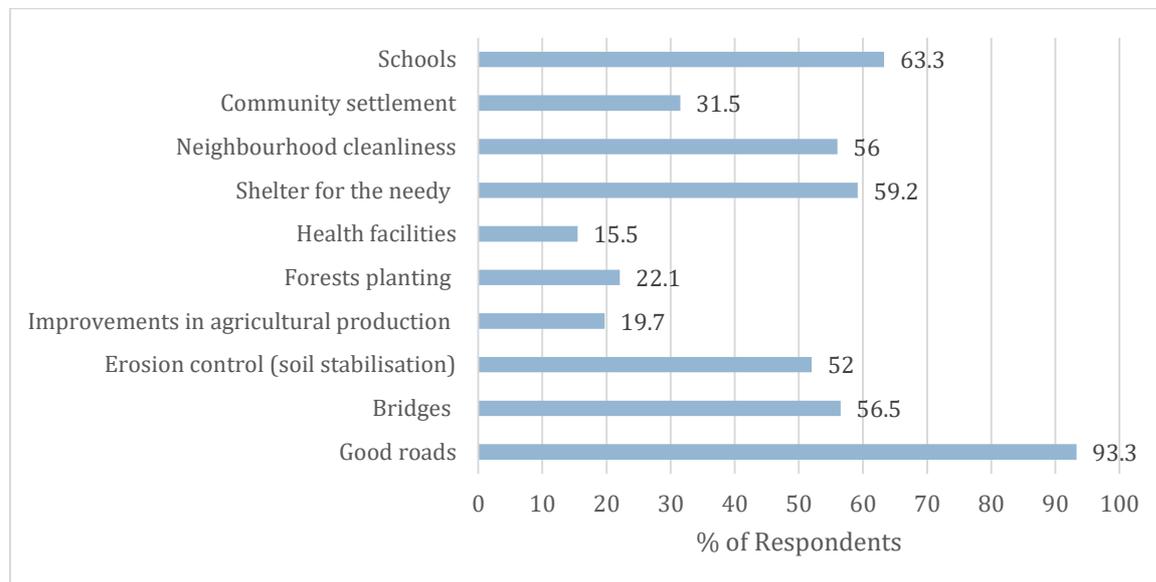
Figure 13: The policies and laws require citizens to play an active role in developing their localities, as opposed to the laws under centralized system.



Initially, most community participation activities (e.g. *Umuganda*) were voluntary but improved when enforceable legislation was introduced. Subsequently, the value of citizens' participation was appreciated and became integral to all service delivery domains, including basic education (community contribution in school infrastructure development under 12-

YBE). This corroborates the findings of a previous survey by Rwanda Governance Board (RGB, 2014) in which citizens identified the economic and social benefits as shown in Figure 14 below.

Figure 14: Citizens’ Perception of Benefits from Umuganda



Source: Rwanda Governance Board (2014)¹.

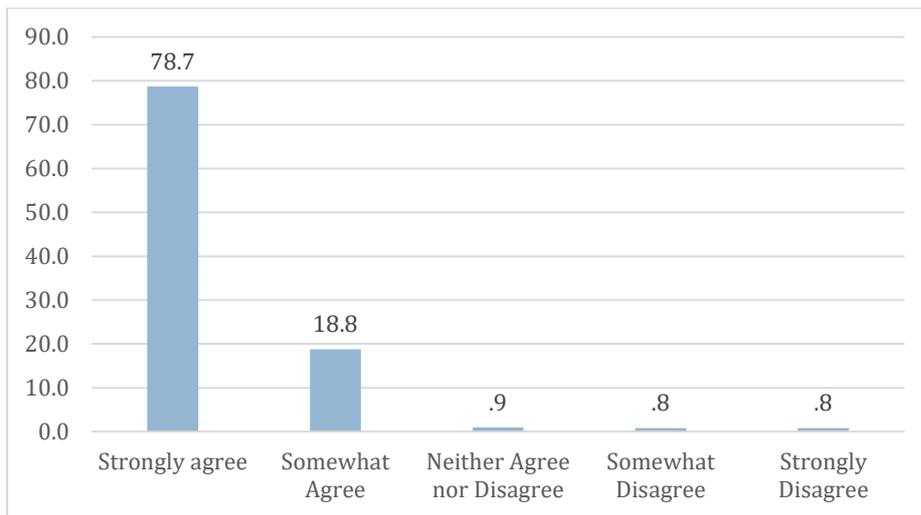
From Figure 14 above, citizens considered improving roads and bridges in the neighborhood, building schools, shelter for the needy, and neighbourhood cleanliness as the main benefits from Umuganda. The focused group discussions also revealed community cohesion, platforms for resolving conflicts and community security as other important, albeit, intangible benefits.

3.4. Perceived impact on Citizens’ well-being

Most citizens associated decentralization to the improvements in their social and economic wellbeing, as the results in Figures 14 and 15 below show.

Figure 15: I believe my social wellbeing has improved as a result of decentralisation policy implementation.

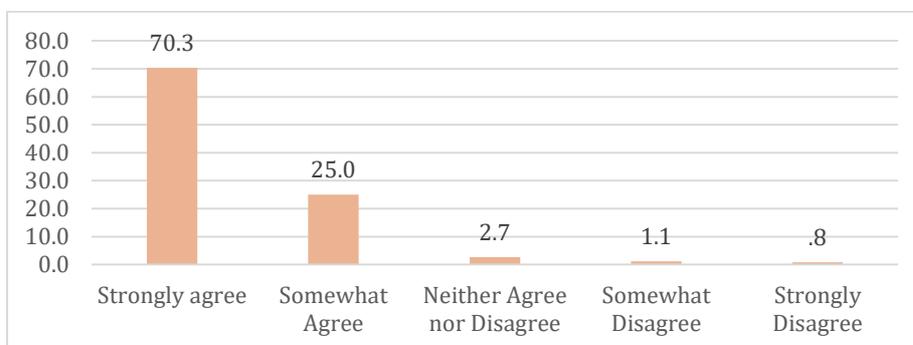
¹ Rwanda Governance Board (RGB). 2014. Assessment of the Impact of Home Grown Initiatives.



As shown in Figure 15 above, 78.7% of respondents believe strongly that they are socially better off because of decentralization. This was mostly attributed to the social development and social protection programs that have been enabled by decentralization. In particular, LG institutions and structures are able to prioritise specific community needs and ensure equitable access by the most disadvantaged citizens.

Figure 16 shows that 95 % of respondents agree (78.7% strongly) that they are better off economically because of decentralization compared to where the situation before decentralisation, and only 2% disagree.

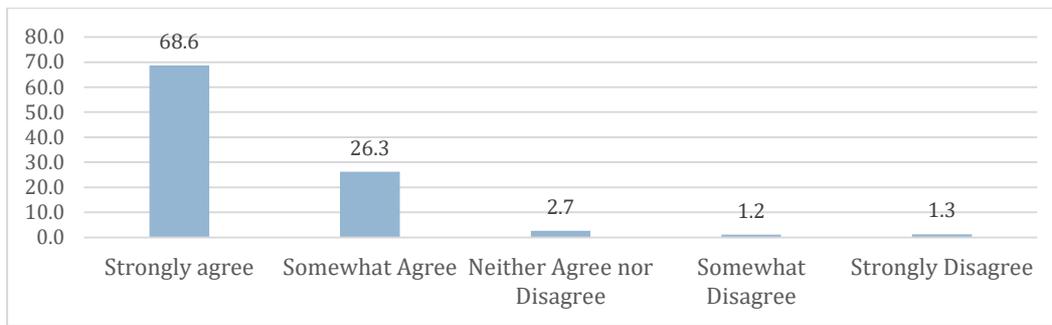
Figure 16: I believe I'm better off economically because of decentralisation



This, however, does not suggest that most citizens are satisfied with their socio-economic situation or have reached where they would like to be.

Figure 17 below also demonstrates the connection between decentralisation and wellbeing.

Figure 17: To what extent would you say your membership to or participation in any of the organisations mentioned has enabled or empowered you to participate in development?

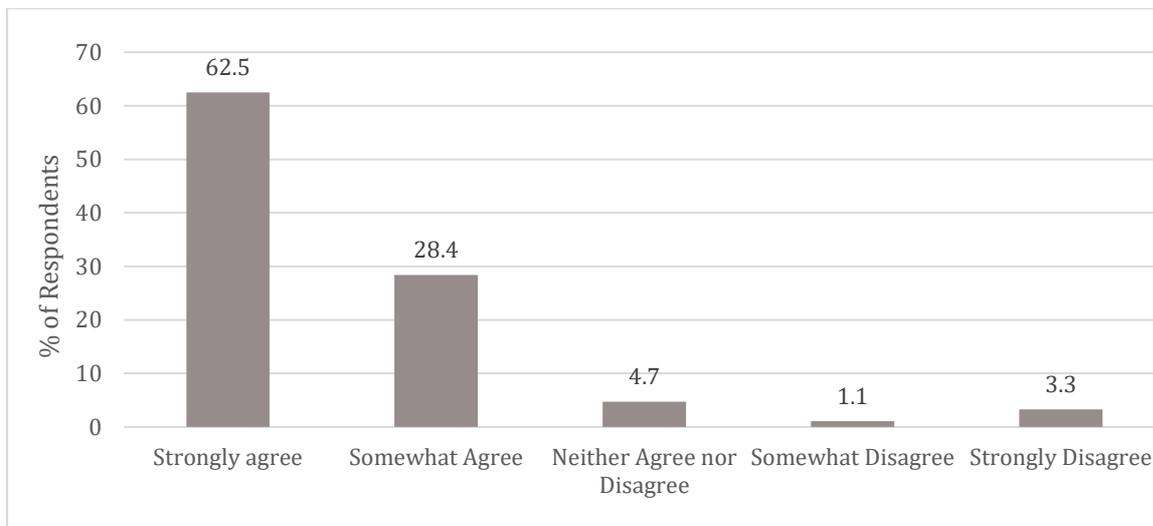


As shown in Figure 17 above, 95% of respondents agreed (68.6% strongly and 26.3% somewhat respectively) that their membership to local associations including cooperatives was enabled or facilitated by decentralization.

3.5. Citizens' level of Trust of Leaders

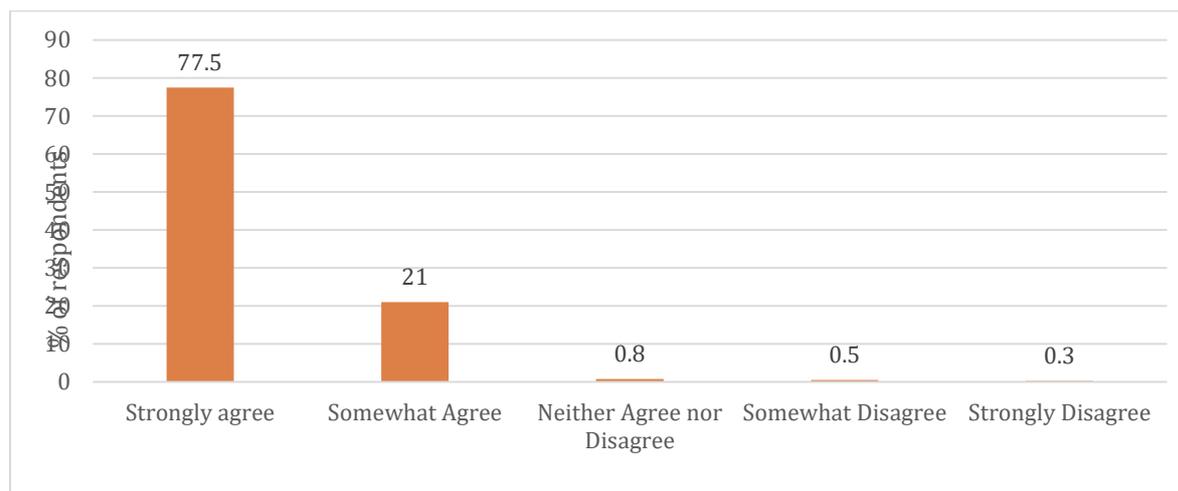
An important indicator in promoting citizens' participation and enhancing accountability is the extent to which citizens trust local leaders. Figure 18 below shows the responses on Government closeness to citizens.

Figure 18: Government is closer to citizens than would be if decentralisation was not implemented



From Figure 18 above, 91% of respondents agreed (62.5% strongly) that Government is closer to citizens as a result of decentralization. This was mostly attributed to the increased attention of local authorities to citizens' issues and their close interaction with ordinary citizens, as shown in Figure 19 below.

Figure 19: Local leaders are closer to citizens than under centralised government system?



From Figure 19 above, 98.5% of citizens agreed (77.5% strongly) that local leaders are closer to citizens than they were or would be under a centralized government system.

3.6. Citizens' perceptions of corruption

One of the main factors that make Rwanda's decentralized service delivery fairly efficient and effective is the perceived low level of corruption. Figure 20 shows the responses of ordinary citizens on existence of corruption in decentralized service delivery.

Figure 20: Do you think there is corruption in the decentralized service delivery system?

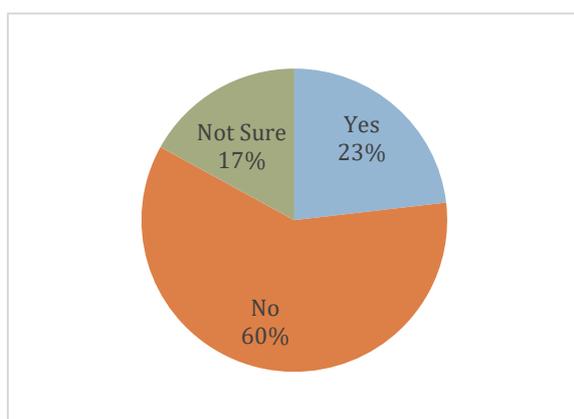
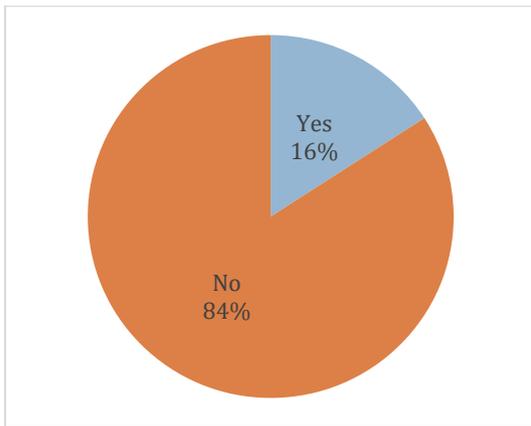


Figure 20 above shows that 60% of respondents agree that there is no corruption, and 23.2% agreed that there is corruption in Local Government. This compares with the 2016 CRC where 67.5% of citizens indicated that there was no corruption and 67.5% who indicated that there was no nepotism in service delivery (RGB, 2016).

Figure 21 below further shows the responses on incidences of corruption in Local Government.

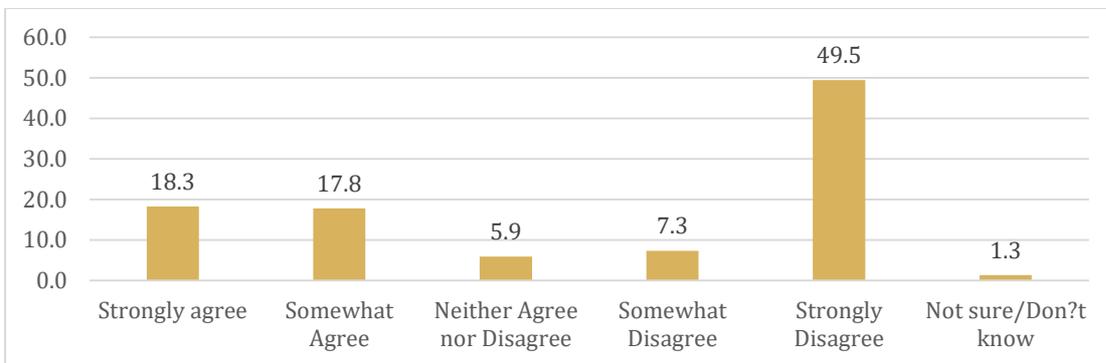
Figure 21: Has anyone from a LG institution ever engaged or tried to engage you in corrupt practices?



From Figure 21 above, 84% of respondents indicated that they had not encountered corruption and only 16% of the respondents had. This compares with the 2016 CRC where 88.1% indicated they had not encountered corruption and 89.6% indicated they had not encountered nepotism (RGB, 2016).

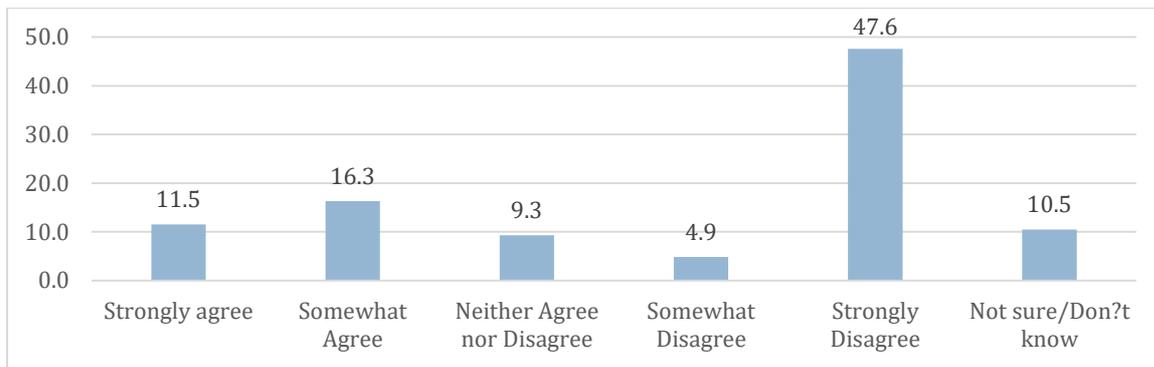
In linking low incidences of corruption to decentralization, most respondents (56.8%) disagree with a view that corruption levels are higher than before decentralization or would be under central Governance system (Figure 22).

Figure 22: The level of corruption is higher than before decentralization or would be without decentralization?



Nonetheless, the 36.1% who agree that corruption is higher in the decentralized system raises concerns that need to be addressed. It may point to incidences where citizens believe things happen only with the intervention of Central Government. Further, as shown in Figure 23, 52.5% disagree that corruption in LG recruitment is high.

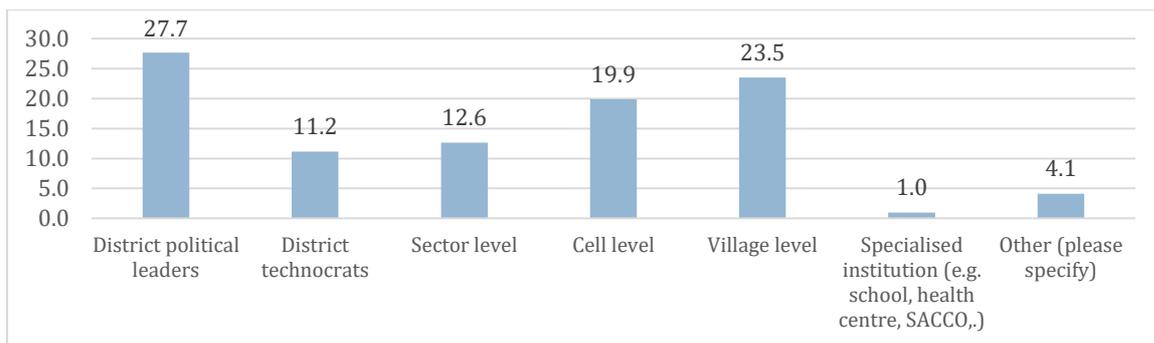
Figure 23: Whether cases of corruption in Local Government recruitment are high



Although corruption in decentralized service delivery is perceived to be low, the more than a quarter (27.8%) who agree that there is corruption in LG recruitment are a significant number that points to the need for action before the problem escalates.

As shown in Figure 3.16, corruption was more likely to be encountered at district (27.7%), village (23.5%) and cell level (19.9%).

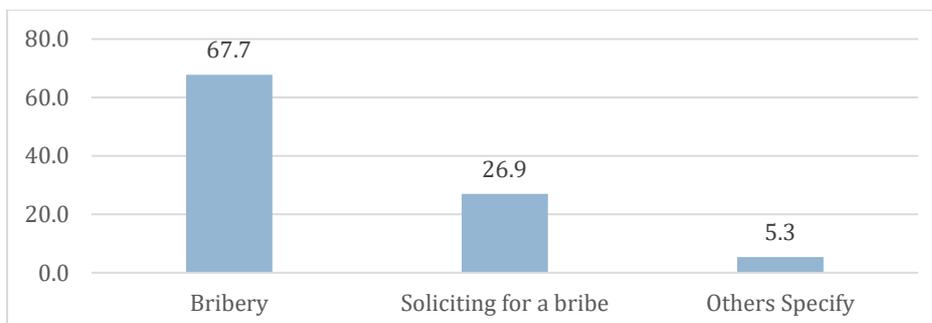
Figure 24: At what level did you encounter incidences of corruption?



From Figure 24 above, citizens are unlikely to encounter corruption at front line service providers (e.g. school, health centre, SACCOs) where only 1% of those who had encountered corruption had experienced it.

Figure 25 shows the main forms of corruption that ordinary citizens are likely to encounter in decentralized service delivery.

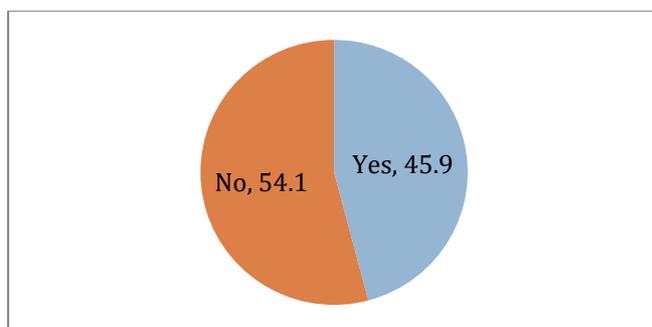
Figure 25: Which kind of corruption did you encounter in the institution mentioned?



As Figure 25 shows, the most common form of corruption likely to be encountered is bribery (reported by 67.7%).

An important observation from Figure 26 below is that more than half (54.1%) of citizens who reported paying the bribes did not get what they had wanted, suggesting that there are limited incentives to encourage corruption within the LG service delivery.

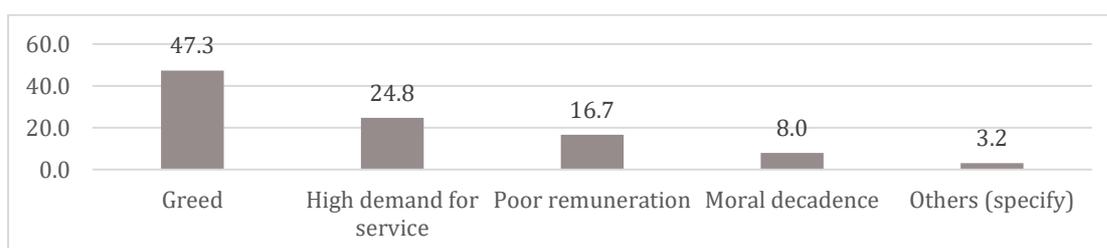
Figure 26: Did you get what you wanted after paying the bribe?



Indeed, in an FGD with local people in Busanza cell, Kanombe sector, Kicukiro district, some residents lamented how they bribe city authorities to allow them build houses without official approval, only for other officials to break down their houses. It was noted, however, that such incidences tend to happen in situations of vacuum in terms of information or guidance on building and other services that citizens commonly need.

In order to address corruption, it is important to understand what causes it. Figure 27 shows that most citizens believe that the main causes of corruption are greed (47.3%) and high demand for services (24.8%).

Figure 27: What do you think are the reasons for corruption in LG institutions?



On the contrary, fewer citizens believe that poor remuneration (16.7%) or moral decadence (8%) were reasons for corruption.

These findings point to the need to review business processes for decentralized service delivery especially where high demand tends to be a factor of low efficiency or poor attitudes of service providers and factors like absenteeism.

Citizens appear to prescribe strong measures against corruption, which are mostly legal. As shown in Figure 28 below, the main measures suggested are instituting tough sentences against culprits (46.7%) and expulsion of implicated personnel (45.8%).

Figure 28: What measures in addition to those already taken should be taken to curb corruption?

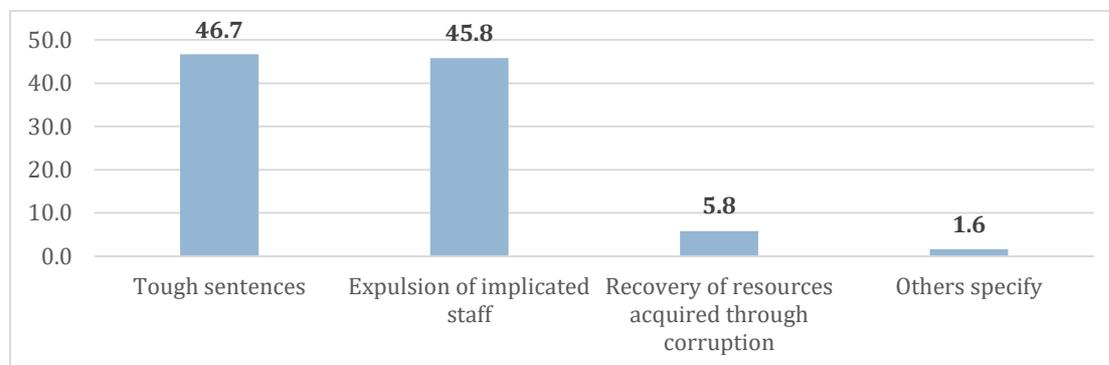
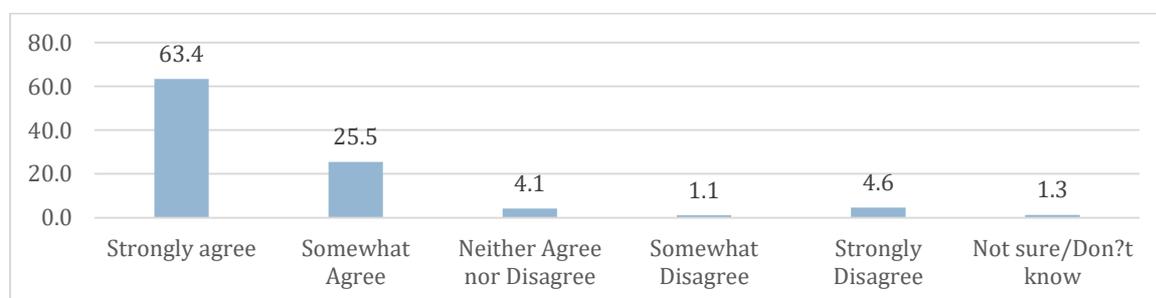


Figure 28 above also shows that very few respondents (5.8%) recommend recovery of resources acquired through corruption. This is mainly because most corruption is petty bribery that does not involve much money or substantial material gain.

Citizens appear to have reasonable level of trust and confidence in ability and willingness of authorities to address injustice or corruption, as Figure 29 below shows.

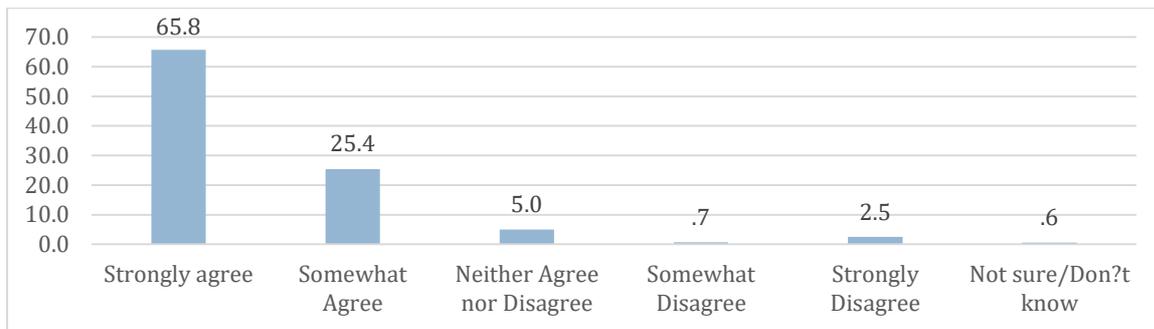
Figure 29: I have confidence that authorities will take action against a culprit if I report acts of corruption by a LG leader or service provider.



From Figure 29 above, 88.9% of respondents expressed confidence (63.4% strongly) that authorities can take action against the culprit if they reported incidences of corruption in local service delivery. Only 5.9% appeared to have no confidence that such action can be taken.

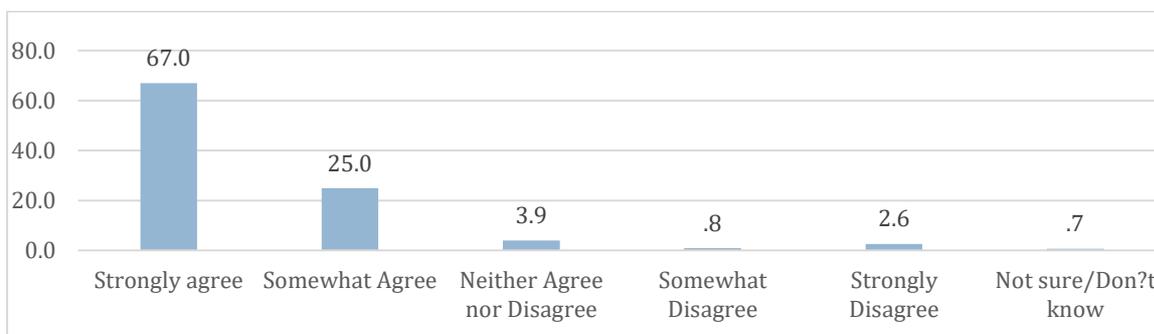
Figure 30 below also shows a similar trend.

Figure 30: I have confidence that authorities can take action against a culprit if I report incidences of segregation on social identity or other basis by a school head teacher.



From Figure 30 above, 91.2% of respondents expressed confidence (65.8% strongly) that authorities can take action against a culprit if they report incidences of segregation on social identity or other basis by school authorities. An almost similar trend obtains in Figure 31 below which shows that 92% expressed confidence (67% strongly) while only 3.3% did not.

Figure 31: I have confidence that authorities will take action against a culprit if I report cases of segregation on social identity or other basis by a doctor or other health worker.



The findings from Figures 29, 30 and 31 above indicate that although there may be some segregation in service delivery, ordinary citizens are confident that the service delivery system does not condone corruption or segregation, and disciplinary or remedial action can be taken if they report such incidences. This speaks to the responsiveness or sensitivity of LG leadership but also the need to increase confidence of citizens to report whenever they experience segregation.

It should be recalled that prior to decentralization, corruption was not only considered to be very high, it considered an integral part of the governance culture. At all levels, citizens feared leaders so much so that they were expected to give bribes to leaders even when they didn't solicit or irrespective of whether they were seeking a service or not. The voice of one of the citizens reflecting on the behaviour of citizens and leaders prior to decentralization below illustrates this point.

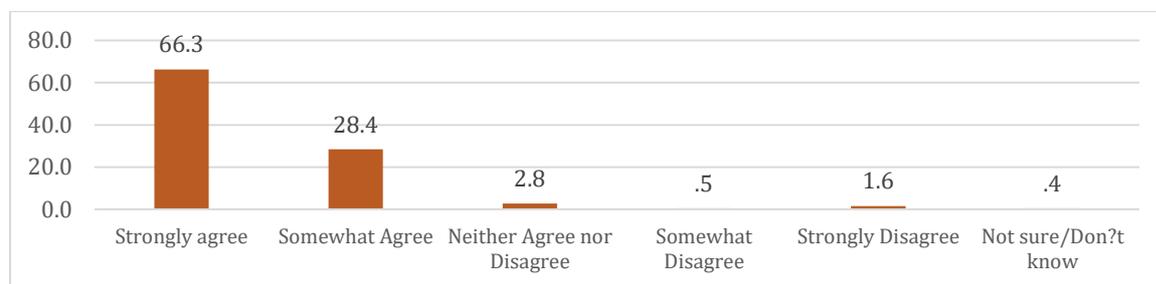
“Whenever a local leader, usually Burgomastre, wanted to eat meat, he would simply drive his car and park at a market entrance on a typical market day and simply sit in his car. Citizens would stream in one-by-one and put whatever they could on the back of his pick-up truck, and then greet him. He would then leave at his leisure with a vehicle full of fresh and dry food, chicken, fruits, etc. Others, especially business people, would give money. Those leaders were so powerful

and they used their power corruptly and unquestionably. No one dared to report anything anywhere. These days, however, leaders are careful as they know it's very risky. It's a completely different situation under decentralization" Said a middle aged man in Kigali City.

3.7. Sensitivity and Responsiveness of Local Government leadership

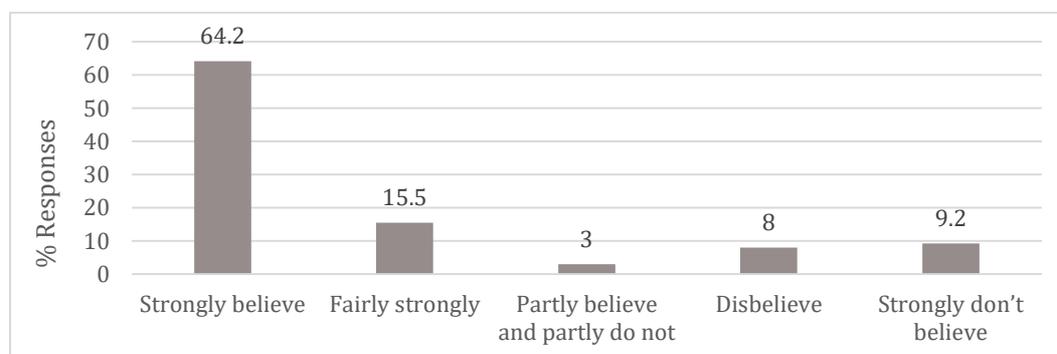
Most ordinary citizens agree that their leaders are responsive and sensitive to their needs, aspirations and concerns. Figure 32 below shows that 66.3% of respondents strongly agree that concerned people are usually informed before any decisions relating to their property is concerned.

Figure 32: The Community or concerned people are usually informed in time before decisions relating to land ownership or use is made (e.g. demolition of illegal structures)



The findings in Figure 32 above corroborate those of Figure 33 below.

Figure 33: To what extent is the Mayor responsive to your personal or community's needs?



From Figure 33 above, 79.7% of respondents believe that their District Mayors are responsive to their personal or community's needs. Closely related to this, 66.4% of respondents strongly believe that LG officials in their localities are fair, responsive or sensitive to ordinary citizens' complaints or concerns, as shown in Figure 34 below.

Figure 34: How often are LG officials fair, responsive or sensitive to ordinary citizens' complaints or concerns?

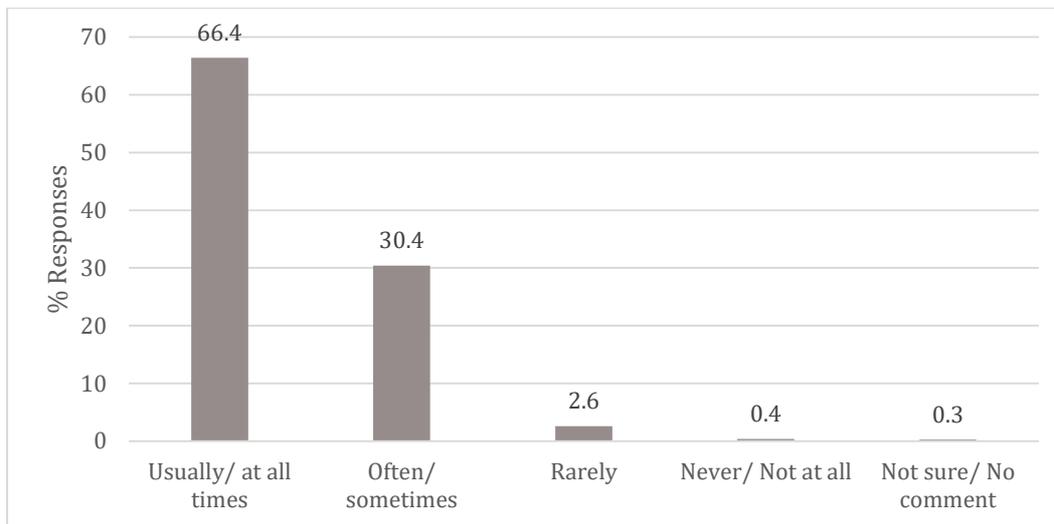
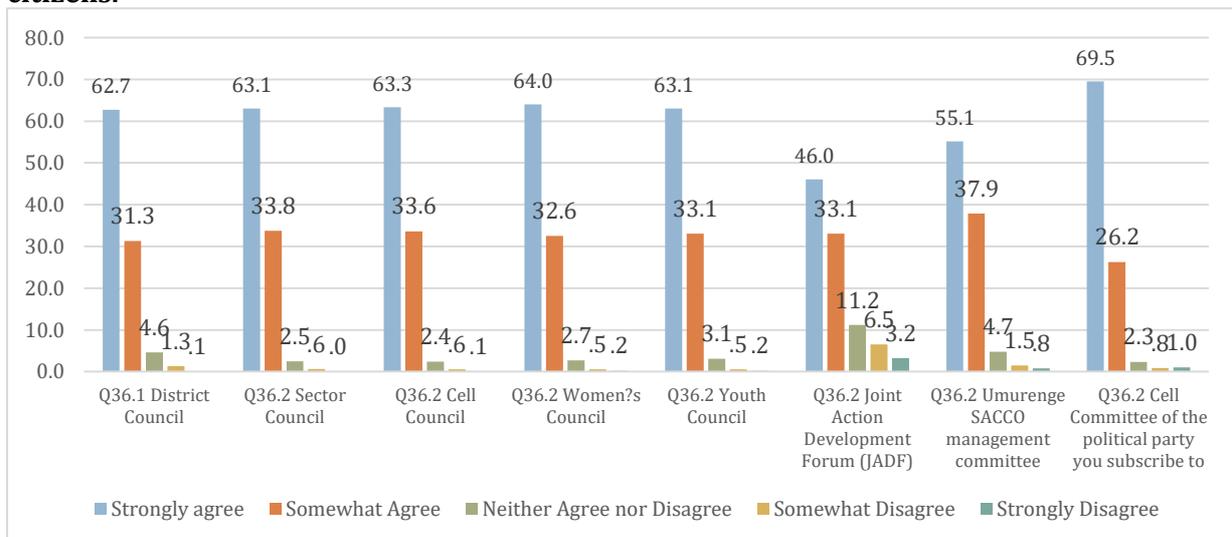


Figure 34 above also shows that only 3% agree that LG officials are not sensitive or responsive to their complaints or concerns. This positive belief in LG leadership could be a result of increased attention of local leaders to ordinary citizens' issues.

Figure 35 below shows the extent to which ordinary citizens agree that some selected LG institutions represent their interests.

Figure 35: The following Local Governance Institution represent interests of ordinary citizens.

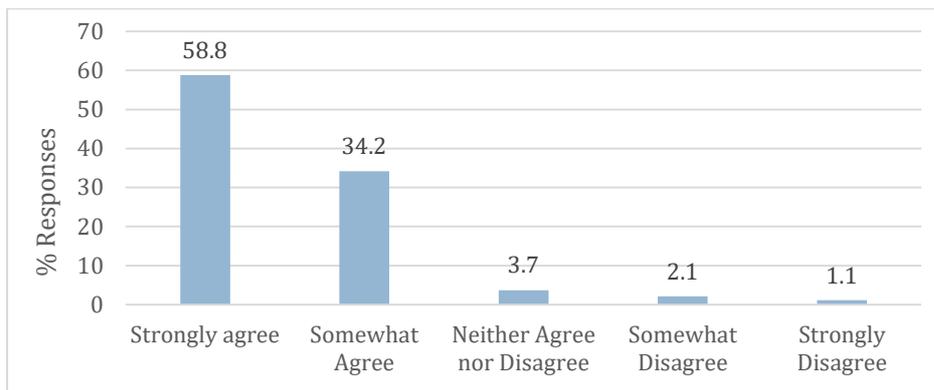


As Figure 35 above show, most citizens strongly agree that the District Council (62.7%), Sector Council (63.1%), Women's Council (64%), Youth Council (63.1%), Cell Committees of their political parties (69.5%) and Umurenge SACCO management Committees (55.1%) represent the interests of ordinary citizens. It should be interesting to note why ordinary citizens believe more strongly in their local political party committees (69.5%) than LG councils (all around 63-64%) and much less in the Umurenge SACCOs management (55.1%).

The need to increase citizens' trust and belief in Umurenge SACCOs requires more attention in light of their expected role in promoting financial inclusion and facilitating local private sector development.

Another area of leadership responsiveness is the extent to which projects implemented respond to or are aligned with local people's needs and/or aspirations. Figure 36 below shows citizens' perceptions on the extent to which development projects respond to community needs and/or aspirations.

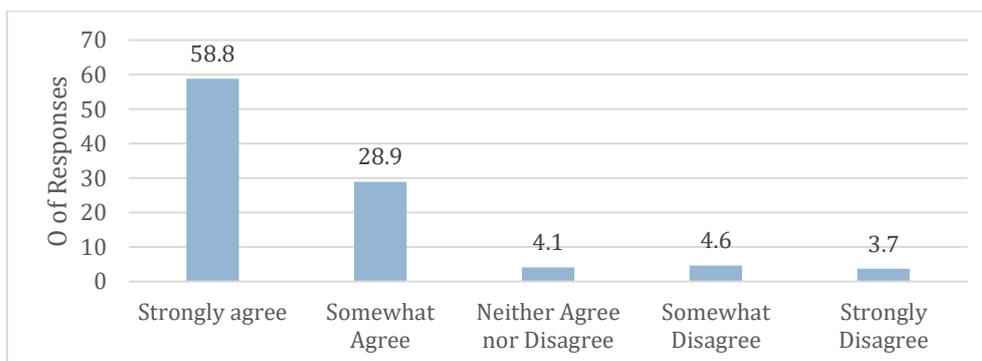
Figure 36: In the last 5 years, most projects implemented in our village are in line with the community needs or aspirations of most people.



From Figure 36 above, 59% of respondents strongly agree that most projects implemented in the last 5 years are aligned with community needs and/or aspirations of most people. This could be due to a number of factors key of which include increased participation of citizens in identifying priorities for *Imihigo*, and increased alignment of civil society programs with LG plans under Joint Action Development Forums (JADFs).

Another key area of LG responsiveness and sensitivity to citizens' needs, aspirations and concerns, are local bylaws. Figure 37 below shows the citizens' views on sensitivity of local bylaws to poor and vulnerable people's feelings and aspirations.

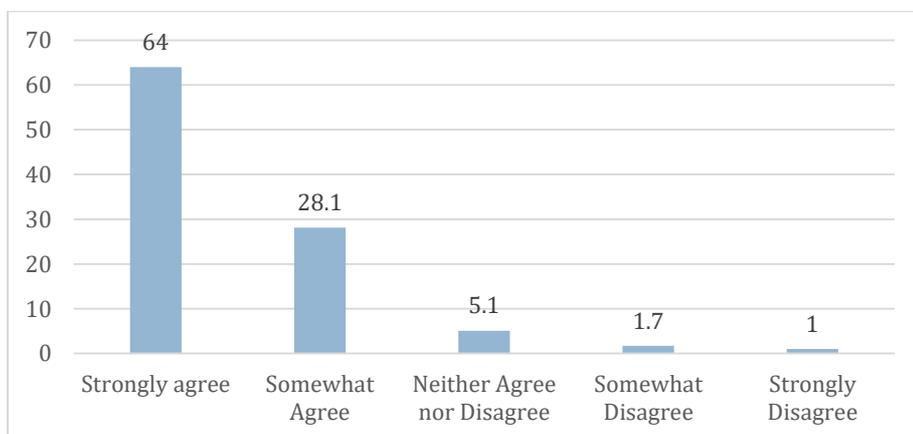
Figure 37: Our local leaders rarely make or implement bylaws that hurt or are considered unrealistic to the poor/vulnerable people.



From Figure 37 above, 59% of respondents strongly agree that local leaders rarely make or implement bylaws that hurt the poor or vulnerable people or those considered unrealistic. While this is consistent with other related indicators, it contradicts some of the findings in FGDs where for instance some citizens in Jali sector, Gasabo district complained about building regulations² and incidences where some local leaders unilaterally diverted the funds raised by households for electricity connection to pay one year *mutuelles de santé* subscription fees for them. In the sectors of Rwimbogo (Gasabo district), Kanombe and Masaka (Kicukiro district), some residents complained about building regulations where they had been told by local authorities to wait for approved plans for a long time. Some youth met in these areas linked high unemployment rates to apparent inactivity in the construction sector in their areas due to stringent building regulations. By and large, however, many local leaders appear to advocate for their citizens especially regarding policies they consider unrealistic.

Another aspect of LG responsiveness relates to the extent to which citizens' interests are protected or preserved by LG authorities in case of conflict with public projects. Figure 38 below shows that 64% of respondents strongly agree that local authorities ensure that the project affected persons (PAPs) or communities are promptly compensated or given alternatives whenever their interests are affected by public projects. Only 2.7% disagree.

Figure 38: Whenever a public project affects the interests of an individual or community (e.g. destroy crops, water source, etc.), local authorities ensure that the affected persons/areas are promptly compensated or given alternatives.



It is observed, nonetheless, that while the responses in Figure 38 seems to present the dominant view that ordinary people who get affected by public projects are compensated, the assessment encountered some situations where citizens take long to be compensated and where local authorities seemed powerless to follow-up or make effective decisions regarding compensation, especially for Central Government executed projects. Typical examples are large-scale water supply projects implemented by Water and Sanitation Corporation

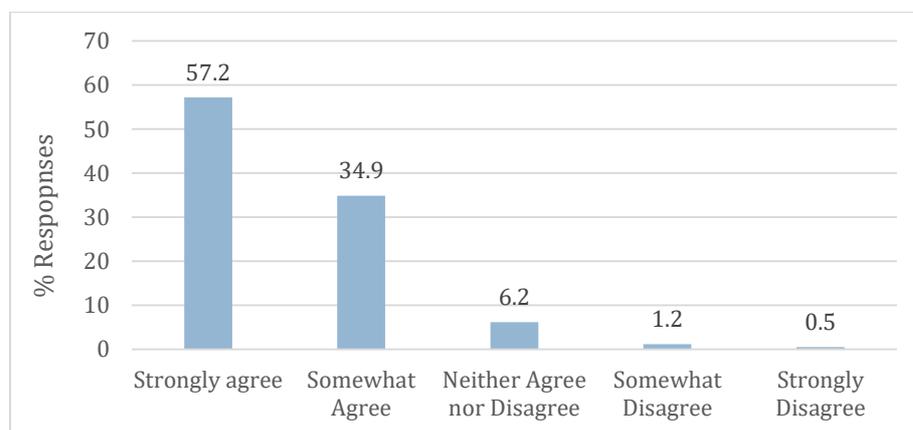
² Citizens claimed in FGDs that they claimed that they are denied permission to build simple kitchens and latrine facilities because of stringent regulations.

(WASAC) and large-scale transport infrastructure projects implemented by Rwanda Transport Development Agency (RTDA), among others. It appears, in many instances, that LGs lack capacity for project cycle management, including managing compensation processes where expropriations are involved. Another important issue of concern is that large-scale projects tend to be implemented by CG agencies while LG authorities play a secondary role of mobilization, in which case they are often unable to address compensation issues that are beyond them. This seemed to be a sensitive issue that requires a specific policy intervention. Joint planning would help improve institutional capacity to address such project management issues.

Willingness by local authorities to review their decisions in case of grievances from citizens is another key indicator of leadership sensitivity and/ responsiveness.

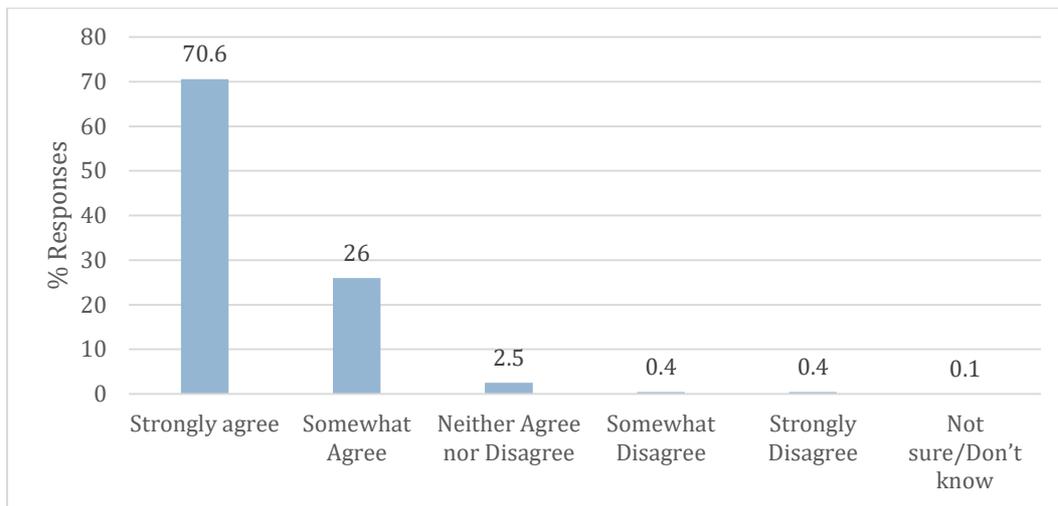
Figure 39 below shows that 58% strongly agree that local authorities often review their decisions or actions as a result of or in consideration of grievances raised by citizens.

Figure 39: Local authorities often review their decisions as a result of or in consideration of grievances raised by ordinary citizens.



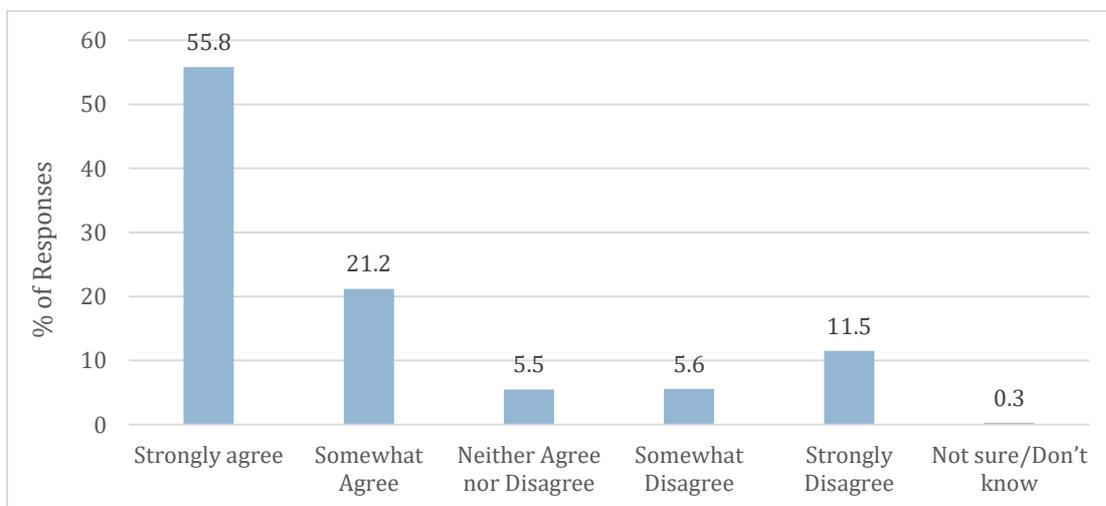
Ordinary citizens also seem to believe that local leaders are more motivated to solve their problems under decentralization than they were (or would be) under centralized governance system as shown in Figure 40.

Figure 40: Would you say local leaders (village, cell and/or sector leaders) are more motivated to solve citizens' problems than they were (or would be) under Centralised Government system?



From Figure 40 above, 70.6% of respondents strongly agree that local leaders are more motivated to solve citizens' problems or issues under decentralization than they would be under the centralized government system. Less than 1% disagreed. This could suggest that the good governance initiatives implemented under decentralization are bearing fruit. A key issue of concern, however, is that most citizens still trust CG more than LG leaders in solving their problems, as shown in Figure 41.

Figure 41: Would you say national leaders (e.g. President or Minister) are more likely to listen to citizens' complaints than local leaders (e.g. Mayor, Sector/Cell Executive Secretary)?

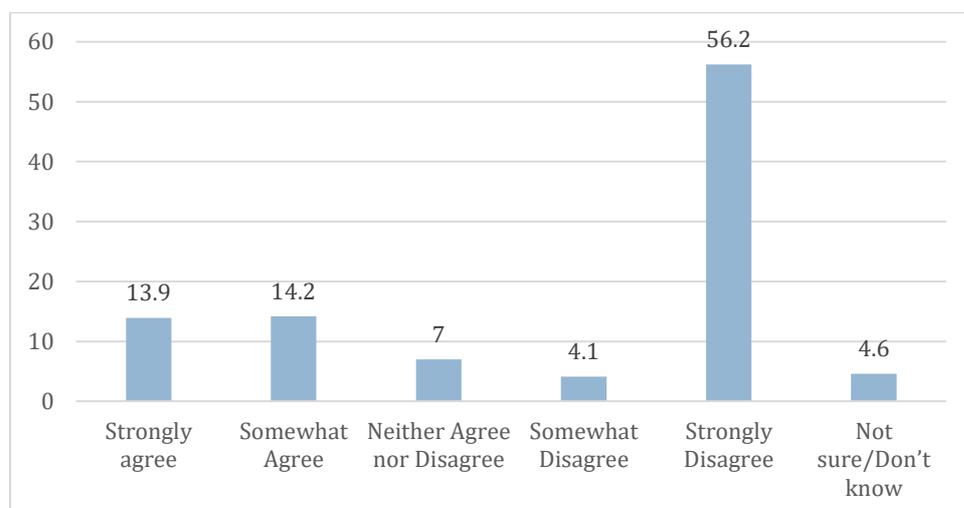


From Figure 41 above, 56% of respondents strongly agree that national leaders are more likely to listen to citizens' complaints than local leaders, while only 17.1% disagree. This explains why many citizens continue to take complaints to CG authorities despite appreciation that LG leaders have powers to solve their problems. There is, therefore, need to build citizens' trust in local leaders by implementing confidence-building interventions and clarifying roles and responsibilities to ensure that LG leaders address citizens' problems. This concern might also be to the tendency for frontline implementers of public policies to be unpopular with citizens especially where such policies are sometimes not well perceived and/or appreciated like planned settlement, improved hygiene or land consolidation. This underscores the need

to enhance the participation of citizens and local government actors in the conception and formulation of public policies.

One of the most sensitive issues for which decentralization was considered a panacea was building social cohesion and reconstructing national identity, as Rwandans struggled to overcome the effects of the 1994 genocide against Tutsi. Figure 42 below shows that 60.3% disagree that some LG leaders are more likely to discriminate on the basis of perceived ethnic identity, while 28.1% agree. This finding reflects progress in the unity and reconciliation process but also reflects some gaps in the process of establishing social cohesion.

Figure 42: Would you say some Local Government leaders (e.g. Mayor, Councilor, Cell or Village leader) are more likely to discriminate citizens on the basis of their perceived ethnic identity?



The findings in Figure 42 above, however, reveal that a significant 28.1% of respondents agree that LG leaders are more likely to discriminate citizens on the basis of their perceived ethnic identity. It is also noted that these findings corroborate those of the Third Rwanda Reconciliation Barometer, which revealed, among others, that 27.9% viewed themselves through the lenses of ethnic groups and 25% said they still see divisions and genocide ideology among their compatriots (National Unity and Reconciliation Commission, 2015). This raises a red flag, and underscores the need to deepen reconciliation and social cohesion including such programs as *Ndi Umunyarwanda*.

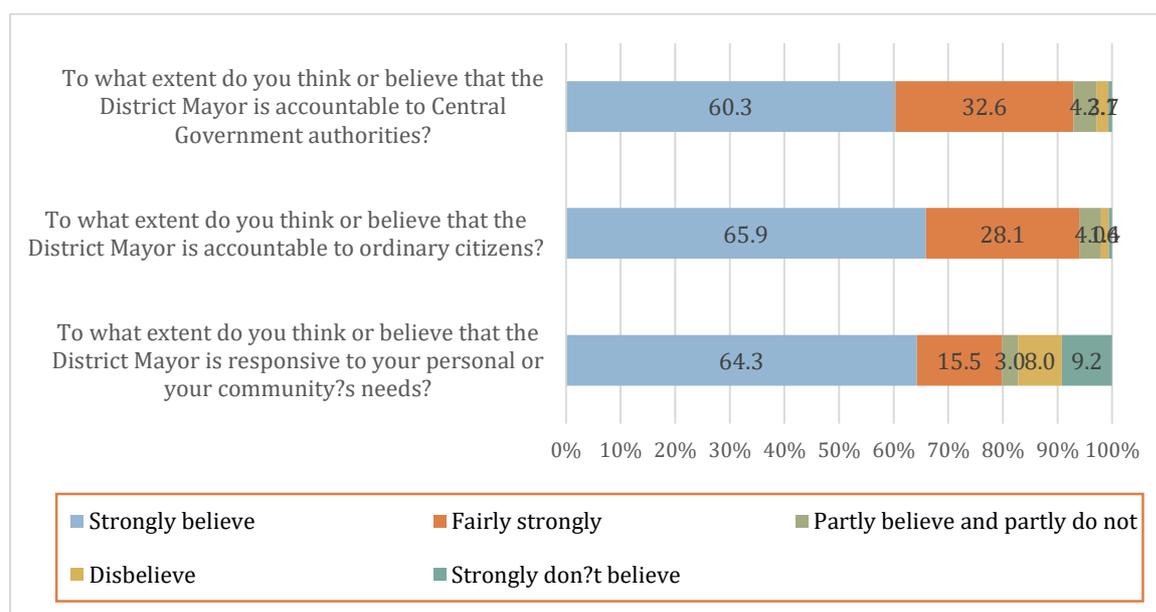
It is observed that although the responsiveness of local leaders to citizens' issues has increased, there remain situations where leaders continue to demonstrate insensitivity to citizens' issues. Citizens in parts of Kigali city complained that their land is expropriated but authorities take too long to compensate them, and their local leaders seem to be unable to follow-up (as indeed some local leaders were among the claimants). Such circumstances disrupt their livelihoods and by the time they get compensated, the money has significantly lost value. The major problem with delayed compensation, especially in urban areas where property prices rise very fast, is that difficulty for affected persons to find affordable alternatives. Secondly, it was noted, that compensation-related complaints often take too long to be addressed. The local

leaders interviewed mentioned inadequate resources and unpredictable flow of funds as the main constraints to prompt compensation of expropriated citizens. It was also noted that there are situations where LGs are compelled to deal with issues beyond their ability, authority or mandate (e.g. delayed expropriation for a large scale national project). It was revealed that LG leaders tend to keep quiet or offer inappropriate responses instead of referring the complex issues to concerned authorities or advising affected persons appropriately. This reflects lack of clarity of roles and gaps in coordination between central and local authorities especially in managing complex issues like compensation for expropriated properties associated with large-scale Central Government projects.

3.8. Accountability and Transparency in Local Government

Accountable leadership and entrenching a culture of transparency in public decision-making is a critical results area under decentralization. Figure 43 below shows citizens' perceptions on the extent to which they consider the District Leadership (Mayor) accountable to citizens and Central Government authorities.

Figure 43: Citizens' Perception of the Extent to which District Mayor is Accountable



From Figure 43 above, 60.3% of respondents strongly believe that their District Mayor is accountable to CG authorities, 66% strongly believe that their Mayor is accountable to ordinary citizens, while 64.3% strongly believe that their Mayor is responsive to their needs. Only 9.2% did not believe that the Mayor is accountable to ordinary citizens.

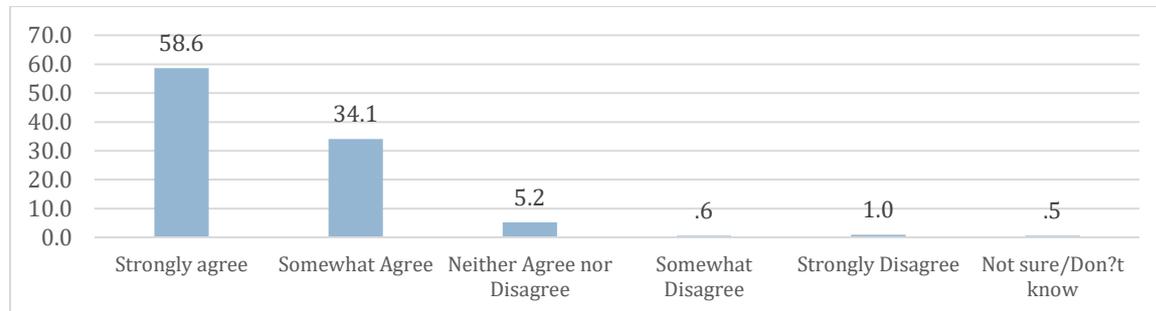
An interesting balance between up and downward accountability may be attributed to the recent reforms in *Imihigo* where LG authorities consult citizens in identifying priorities, and provide feedback on the projects that have been implemented and the evaluation results.

Other initiatives include the *Inteko z'abaturatione* (citizens' accountability days) where ordinary citizens' issues are addressed, and increased transparency in critical decisions like selection of beneficiaries for social protection programs (notably *Girinka*, VUP, housing for poor households, etc.).

The comparatively stronger belief in upward accountability can be viewed from different perspectives– one is that District Mayors tend to act when ordinary citizens complain to CG authorities and this creates a tendency where ordinary citizens prefer to raise their concerns with CG authorities for decisions that are ordinarily the mandate and responsibility of local leaders. Upward accountability is also perceived to be important to prevent autocratic local leadership and corruption in LG service delivery, as citizens always believe there are options for recourse should they not be satisfied with decisions made at local levels. The consultants' considered view is that appropriate mechanisms should be put in place to promote local accountability including addressing the tendencies of some CG authorities acting in ways that undermine the ability and confidence of authorities to make effective decisions.

Further on LG transparency, Figure 44 below shows that 58.6% of respondents strongly agree that procedures, rules and regulations for accessing public services are usually openly communicated or publicly displayed.

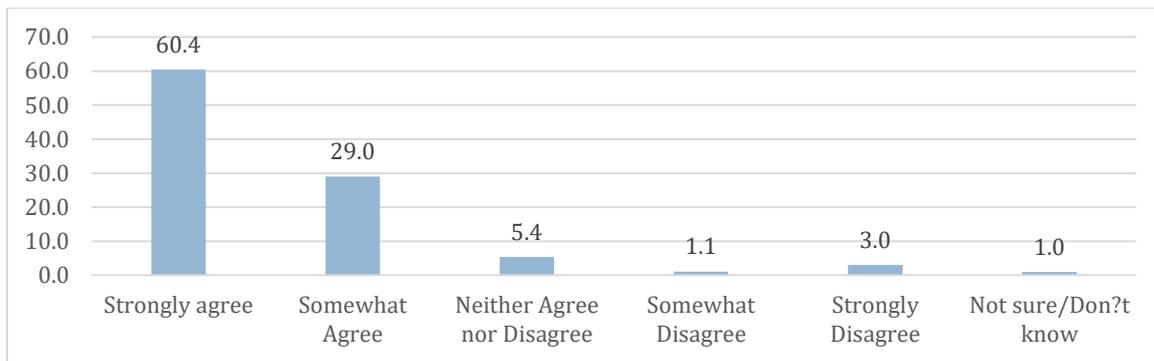
Figure 44: Procedures, Rules and regulations for accessing public services (e.g. user fees, other requirements) are usually openly communicated or publicly displayed.



This agrees with the field observations in some sector offices, where service delivery requirements including fees payable and time it takes to get a service, are displayed on service charters. However, the 7.3% who do not agree (Figure 44) may be missing services. There is, therefore, need for other appropriate ways to communicate service delivery information for all citizens to access services in a transparent way.

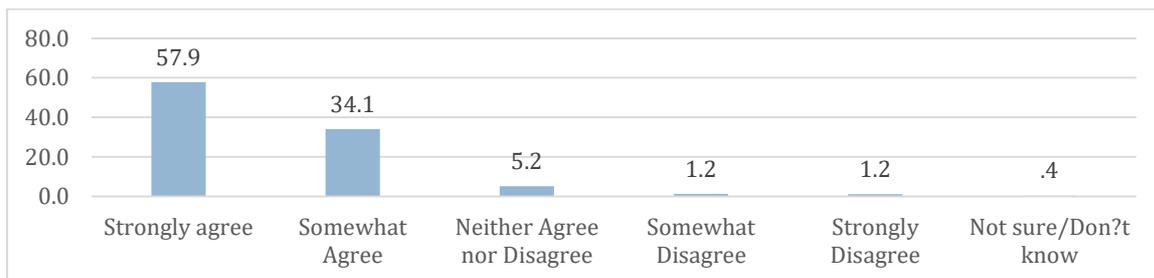
Another important area where LG transparency is tested is in selection of beneficiaries for social protection programs like *Girinka*. From Figure 45 below, 89.4% of respondents agreed (60.4% strongly) that beneficiaries of *Girinka* and other social protection programs are selected in open and transparent manner.

Figure 45: Beneficiaries of social protection projects like *Girinka*, food relief or free mosquito nets are usually selected in open and transparent manner.



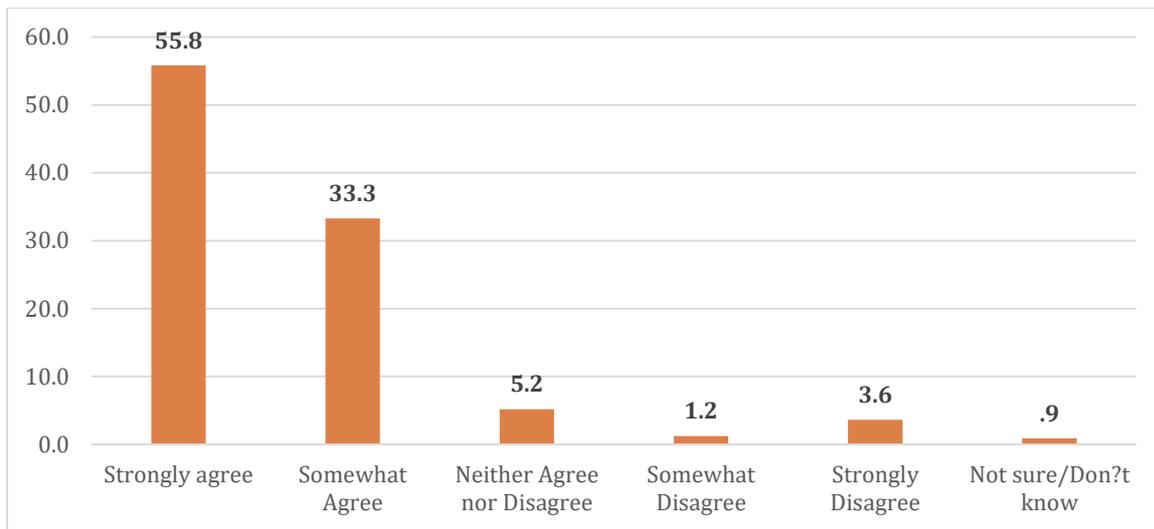
Only 4.1% disagreed. This finding corroborates the results of other recent studies like Transparency Rwanda, which indicated that *Girinka* (One Cow for every poor household) program beneficiaries are transparently selected. In addition, as shown in Figure 46 below, most citizens (58% strongly) agree that local leaders and LG service providers behave or act in ways that encourage them from complaining or seeking assistance from higher levels if they are not satisfied. Only 2.4% disagree.

Figure 46: The behaviors and/or attitudes of leaders and public service providers usually encourage one to seek assistance from higher levels if not satisfied.



The trend in Figure 46 was confirmed in FGDs and observations where in most LG offices, identification particulars for office holders are visibly displayed. What makes this information more useful is perhaps the belief by ordinary citizens that action can be taken if they report to higher authorities. Figure 47 below shows that 55.8% of respondents strongly agree that leaders or service providers who deny citizens services or otherwise violate their rights are usually held to account.

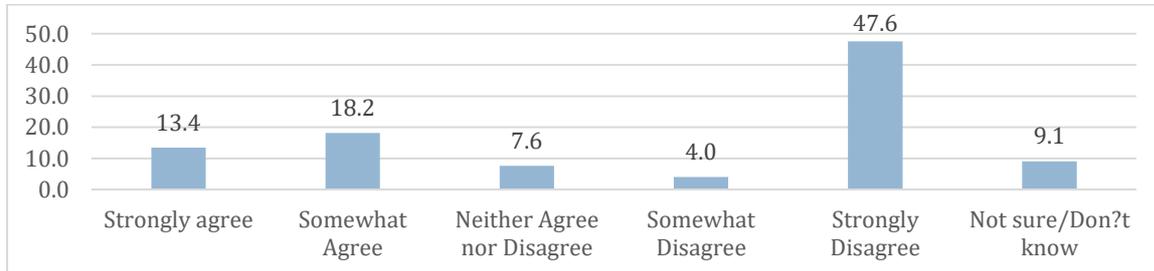
Figure 47: Leaders or service providers who deny citizens' services or otherwise violate their rights are usually questioned or otherwise held to account



Only 3.8% disagreed, suggesting that there are effective accountability mechanisms within the LG service delivery systems. The challenge is to raise awareness and build the confidence of citizens to effectively utilize such accountability mechanisms.

The findings in Figure 47 are further confirmed by Figure 48 below which shows that more than half (51.6%) of respondents disagree that there are high cases of nepotism or favouritism in LG personnel recruitment.

Figure 48: Cases of nepotism or favouritism in LG personnel recruitment is high.



However, Figure 48 above also shows that a third (31.6%) of respondents disagree. The fairly large proportion of citizens expressing this view raises concerns that many citizens may be having grievances that go unaddressed. There is, therefore, need for more stringent monitoring of LG personnel recruitment processes and their outcomes.

A key indicator of downward accountability is the level of confidence that ordinary citizens have in their ability to take action if commitments to them are not met. Figure 49 below shows that more than half of respondents are very confident that they can do something about it if local authorities fail to meet commitments to them. This ranges from 63.4% for village or cell level authorities, to 59.2% for sector level authorities and to 56.7% for district level authorities.

Figure 49: If authorities at different levels of LG fail to fulfill their commitments to you or to any other ordinary citizen, how confident are you that there is something you can do about it?

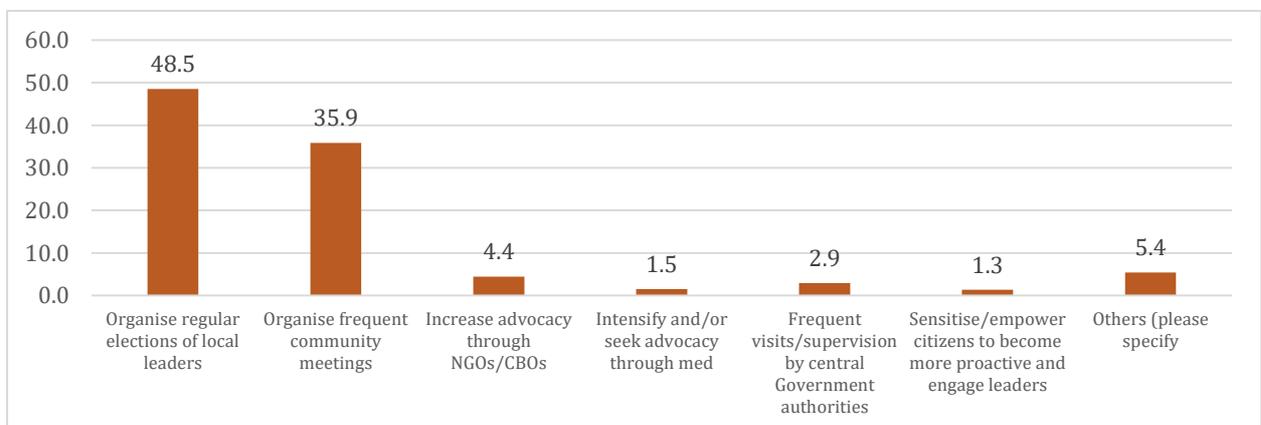


It appears, from Figure 49 that citizens' level of confidence that they can hold authorities accountable increases, albeit slightly, the closer the authorities are to citizens. While 63.4% of respondents were very confident that they could do something about authorities at village or cell level, this reduced to 59.2% at sector and 56.7% at district level. Conversely, the proportion of citizens who express total lack of confidence that they can do anything increases from 3.8% at village/cell level, to 5.8% at sector and to 7.8% for district level authorities.

Overall, however, the main message is that citizens' confidence to hold local leaders and service providers accountable is strongly high at 57% for district level, 59.2% for sector authorities and 64% for cell or village level. This suggests that transferring more decision-making processes to lower levels of LG will enhance downward accountability and improve service delivery. Most decisions that affect ordinary citizens should be made at levels that are closer citizens i.e. cell and village levels.

A key indicator of local accountability is the extent to which ordinary citizens believe in their participation and democratic power to hold local leaders accountable. Figure 50 below shows the actions that citizens believe would address challenges of responsiveness and accountability of local leaders.

Figure 50: Which of the following would address the problem of cell, sector or district leaders who fail, refuse, delay or are reluctant to solve or address ordinary citizens' problems?

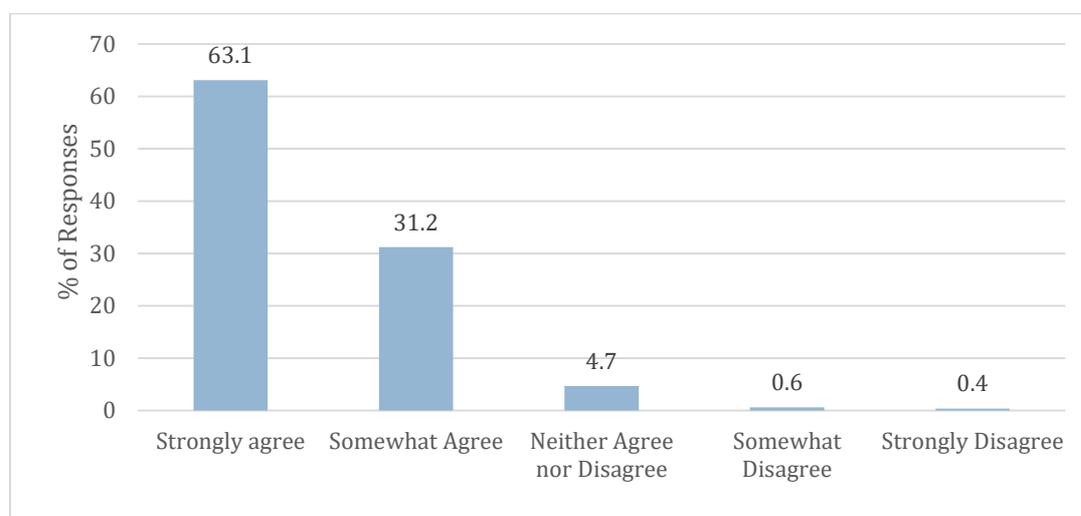


From Figure 50 above, most citizens believe regular elections for local leaders (48.5%) and frequent community meetings (35.9%) would be the most effective ways of dealing with local leaders who do not address citizens' issues.

A key indicator in enhancing accountability is the capacity of democratic local institutions to hold decision-makers accountable on behalf of citizens.

As the voice of citizens, the District Councils (DCs) have been empowered by legislation, to exercise authority on behalf of citizens. From Figure 51 below, 63.1% of respondents strongly agree that the DC can sanction the Mayor or his Executive if she/or he makes mistakes, refuses or otherwise fail to implement Council decisions. Only 1% disagrees.

Figure 51: District Council can sanction the Mayor or Executive if he or they make mistakes or fail/refuse to implement council resolutions/decisions.

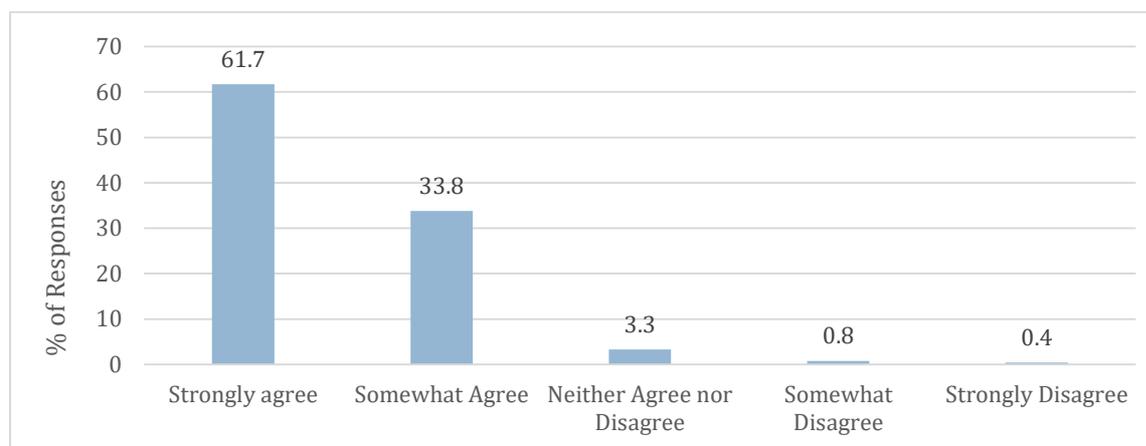


The findings in Figure 51 above suggest that most citizens have confidence in the DCs. The apparent confidence of most citizens in the power of their DC, however, may not be reflected in the reality of DCs' activities, and tends to contradict the view of some stakeholders. A review of the performance of DCs (Chapter 4 and elsewhere in the report) concludes that there are gaps in information and knowledge among citizens, which distort their judgment on the performance of the institutions that represent them. This raises another dimension of local accountability concerns especially with respect to the role and performance of elected representatives. *The paradox that must urgently be addressed is why citizens have more confidence in councils than the councilors themselves.* Citizens' views may have been informed by the logic that District Mayors are elected by Councilors and the practical experiences in the way many Mayors in some districts lost power, often without completing their terms. Indeed, no mayor in all districts involved in this survey had ever completed two full terms.

Important progress towards downward accountability is the level of citizens' confidence in their ability to question the decision of local authorities.

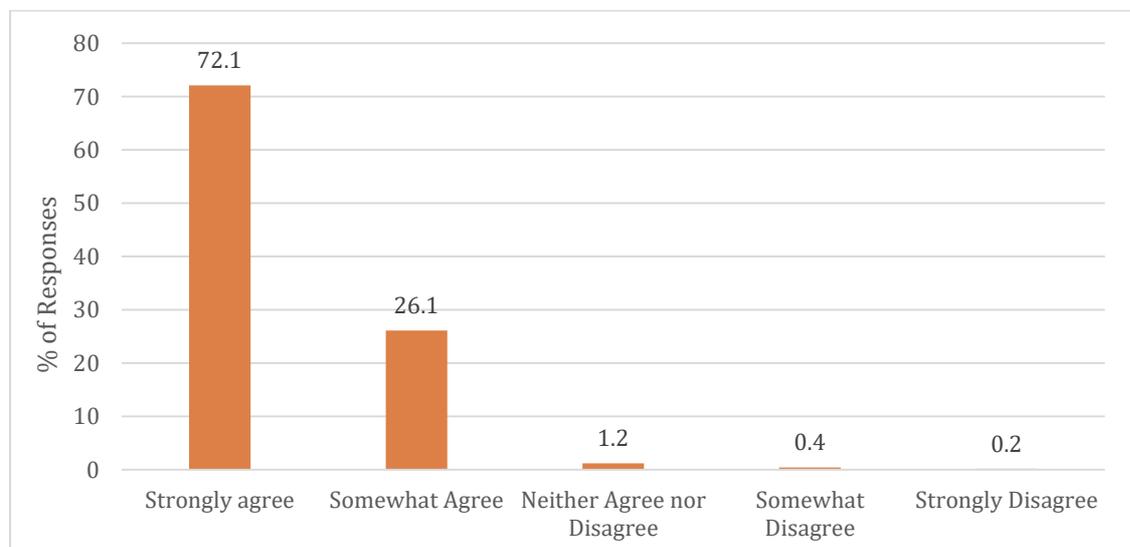
Figure 52 below shows that 62% of respondents strongly agree that ordinary citizens can challenge the decision made by local authorities without fear of retribution.

Figure 52: Citizens can challenge decisions made by local authorities without fear of retribution.



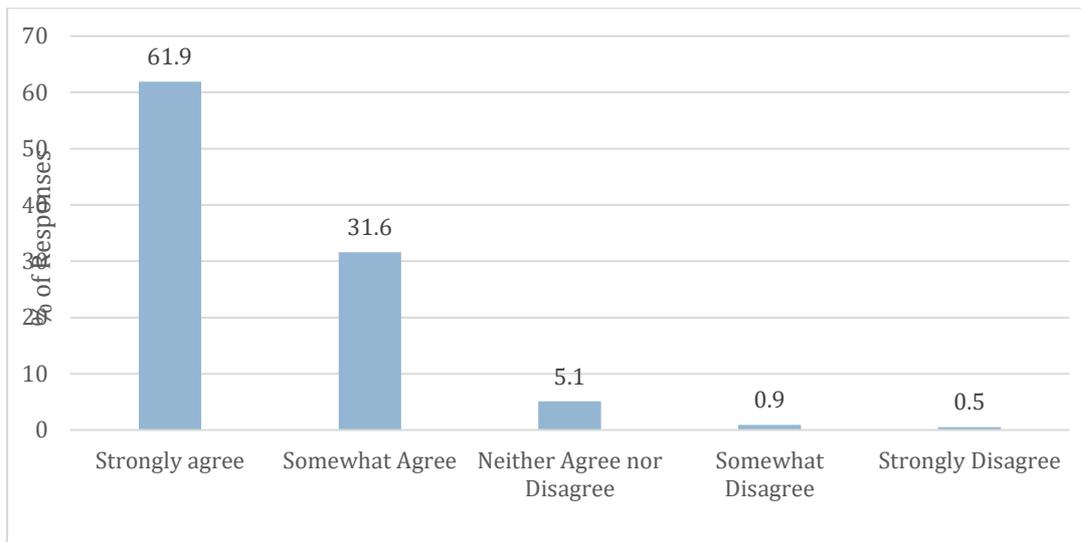
A key question is the extent to which the achievements in LG responsiveness and local accountability are attributed to decentralization. Figure 53 below shows that 72% of respondents strongly believe that transparency among LG officials has increased as a result of decentralization.

Figure 53: Transparency among Local Government officials has increased as a result of the decentralization policy implementation



Ordinary citizens also attribute increased accountable leadership to decentralization. As Figure 54 below shows, 62% of respondents strongly agree that LG officials are more accountable for their work as a result of decentralization.

Figure 54: Local Government officials are more accountable for their work as a result of the decentralization policy.



It is further observed from Figure 54 above that 1.4% disagree.

The views of ordinary citizens in Figure 53 and Figure 54 are corroborated by the findings from FGDs and interviews at local and national level, that decentralization has promoted accountability in local government and local service delivery.

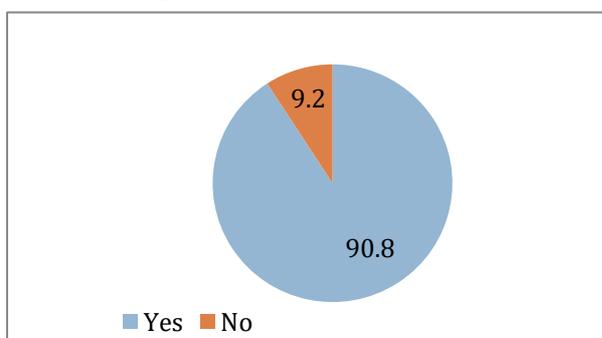
3.9. Citizens' access to information

3.9.1. Level of Access to Information

Access to information is considered to be one of the most important tools in citizens' empowerment. It, *inter alia*, facilitates effective participation, enhances citizens' ability and confidence to demand quality services and hold leaders and service providers accountable. Access to information also enables citizens to enjoy and protect their rights, elect quality leaders and contribute productively to local economic development.

Figure 55 below shows that 90.8% of respondents have access to information on decisions made by local authorities on local development and service delivery.

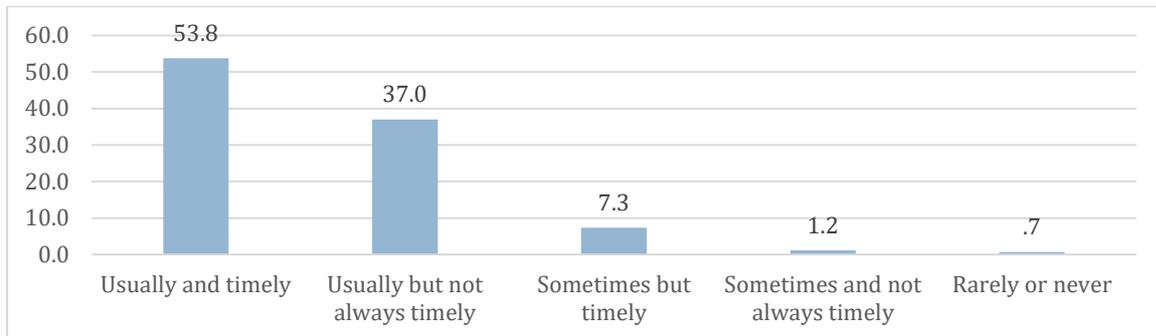
Figure 55: Do you have access to information on decisions made by local authorities concerning local development and/or service delivery?



Only 9.2% indicated that they had no access to information on decisions made by local authorities. A key explanation for the apparently high level of access to information by

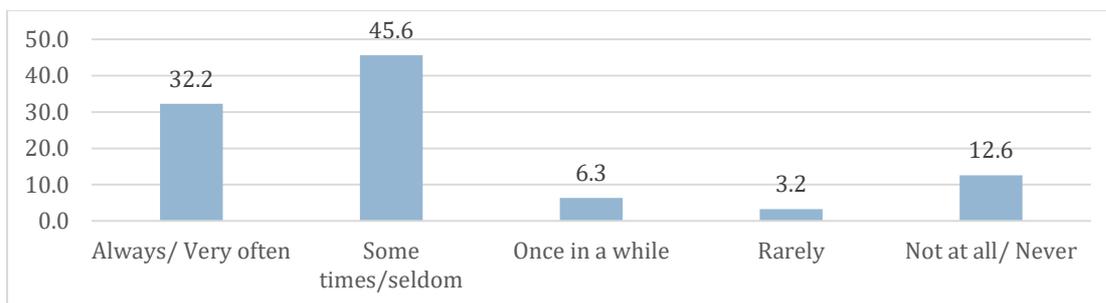
ordinary citizens is the practice of local authorities to regularly communicate decisions and resolutions made as shown in Figure 56 below.

Figure 56: How often and to what extent are decisions made at different levels of Local Government made public or otherwise communicated?



As Figure 56 above shows, 53.4% of respondents strongly believe that the decisions made by LG authorities are usually made public or otherwise communicated to citizens. These findings are further corroborated by the findings in Figure 57 below on resolutions of DCs and Figure 58 on the resolutions of Sector Councils.

Figure 57: How often do you get information about the resolutions passed by the District Council?



As shown in Figure 57 above, 77.8% of respondents agreed that they always or sometimes get information about the resolutions passed by their DCs, while Figure 58 below shows that 88.6% always or sometimes get information on resolutions passed by their Sector Councils.

Figure 58: How often do you get information about the resolutions passed by the Sector Council?

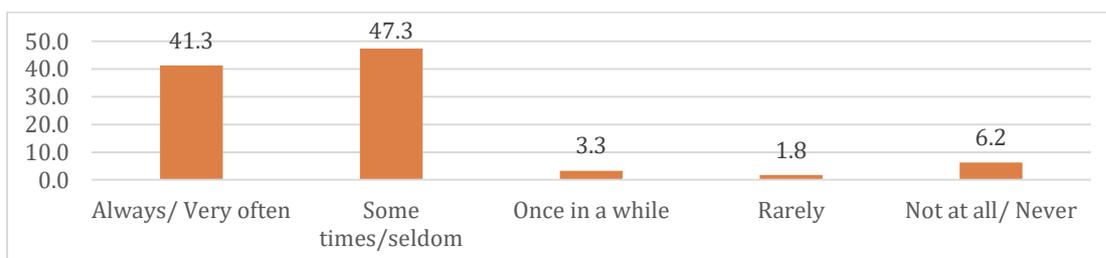
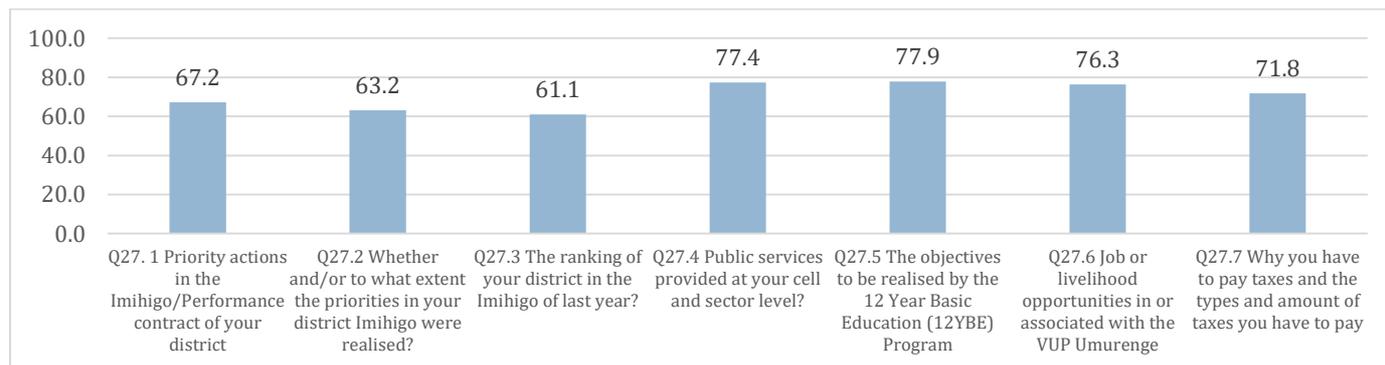


Figure 57 and Figure 58 above further show that only 16% of respondents claimed they rarely or never get information on the resolutions of DCs and even fewer (8%) rarely or never get information on Sector Council resolutions.

Most citizens also have access to information on key service delivery issues.

Figure 59 below shows the responses on access to information regarding different governance and service delivery issues.

Figure 59: During the last year, did you get any information pertaining to the following?



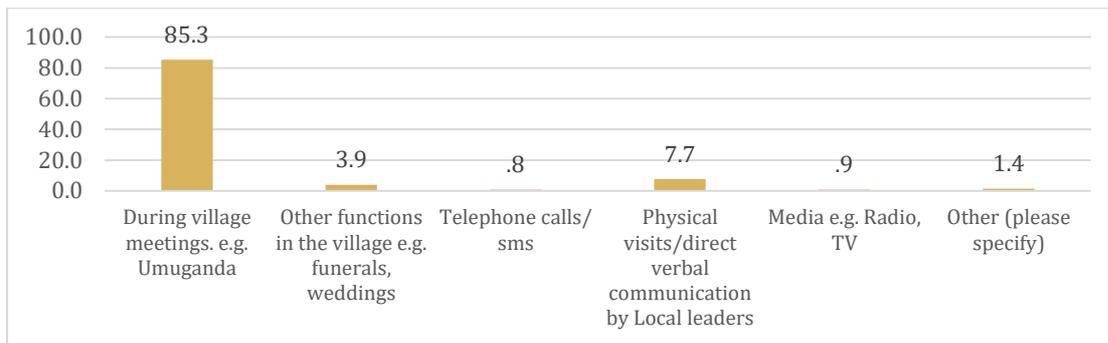
From Figure 59 above, 77.4% of respondents indicated that they got information on services provided at their cell and sector level, 77.9% got information on the objectives to be realized by the 12 Year Basic Education (12YBE) Program, 76.3% on job or livelihood opportunities under VUP Umurenge. It is further observed that 67.2% get information on the priorities in their District Imihigo, 63.2% got information on the extent to which priorities in their district Imihigo were realized, while 61.1% got information on the ranking of their district in Imihigo. The observation about Imihigo is that about two in three citizens have access to information, and about one in three citizens do not get information. Secondly, citizens are not only consulted when identifying the priorities but also receive feedback on outcomes.

Figure 59 also shows that 72% of respondents got information on why and what taxes they have to pay. This is particularly important for local tax revenue generation, although the same results also revealed that more than a quarter of citizens do not know why they have to pay taxes or the types of taxes they have to pay.

3.9.2 Main mechanisms for access to information

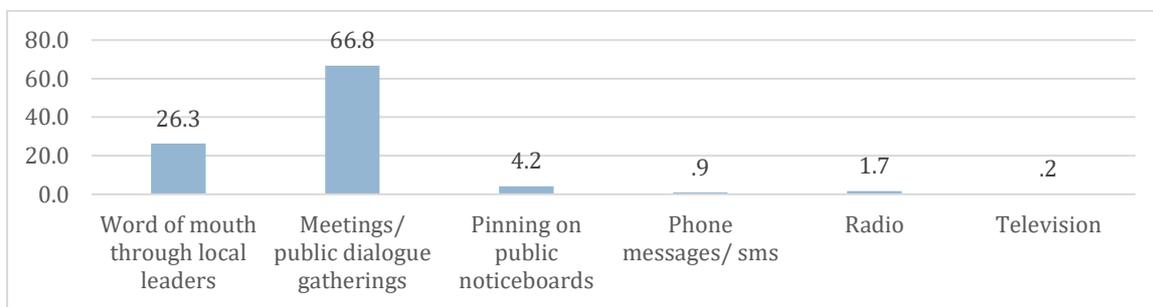
The assessment revealed that the main sources of information for ordinary citizens on service delivery and local development are local leaders and meetings. As shown in Figure 60 below, 85.3% of respondents said they get information from meetings.

Figure 60: How do you normally get information on decisions made by LG leaders on issues concerning local development and/or service delivery in your area?



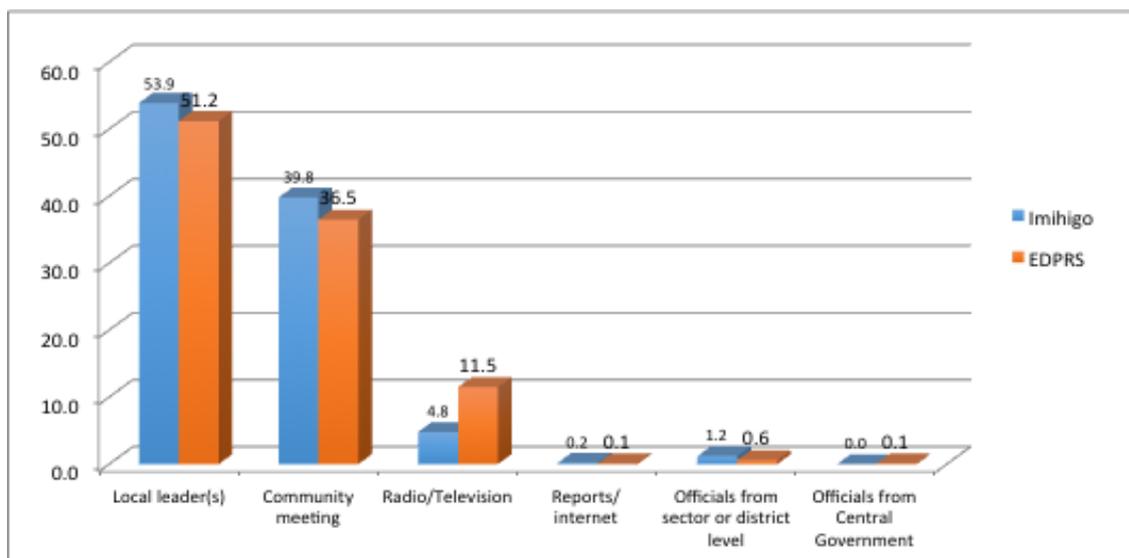
From Figure 61 below, 66.8% of respondents mentioned meetings/public gatherings as the most commonly used media/platform in which decisions are communicated.

Figure 61: What is the most commonly used media /platform in which Government decisions are communicated?



The findings in Figures 60 and Figure 61 above, are further validated by Figure 62 below, which shows the main sources of information on Imihigo (local development action plans) and EDPRS (national medium-term development program) respectively.

Figure 62: Citizens' source of Information about Imihigo and EDPRS.

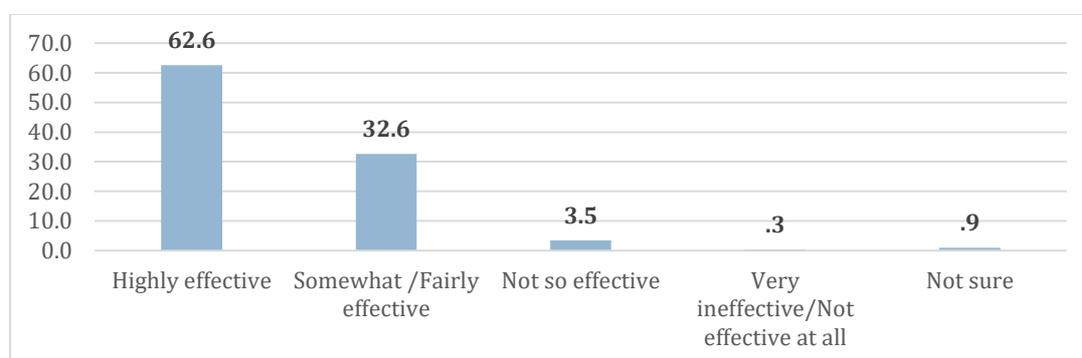


As shown in Figure 62 above, more than half of respondents (53.9% and 51.2% for Imihigo and EDPRS respectively) get information from local leaders and another 39.8% and 36.5%

respectively from community meetings. This contrasts sharply with 1% who got information from district and sector leaders, and zero from Central Government officials. It is also noted that the main communication platforms for local leaders is meetings. This makes community meetings a very important mechanism for development communication and underscores the need to strengthen LG structures and actors that are close to citizens (i.e. cell and village levels).

Most citizens believe the mechanisms for communication and access to information are effective. In fact, as shown in Figure 63 below, 62.6% of respondents believe they are highly effective.

Figure 63: How effective are the mechanisms for accessing information on decisions of local authorities?



From Figure 63 above, 63% of respondents strongly believe the mechanisms for accessing information on decisions made by local authorities are effective, and only 5% are not.

The fact that most citizens get information from local leaders and community meetings highlight the need to empower local leaders and structures with the skills and institutional systems for effective engagement of all citizens. The assessment observed that information infrastructure at cell and village levels is weak, notwithstanding the perception that the mechanisms of information access are adequate or appropriate (Figure 63).

It was observed that areas with more proactive leaders (especially at village and cell level) tend to be more empowered and ready to take up social and economic opportunities whenever they come. To ensure equitable development, there is need for tailor-made capacity building interventions for lower LG structures and leaders.

3.10. Social Inclusion and Empowerment of Women, Youth and PWDs

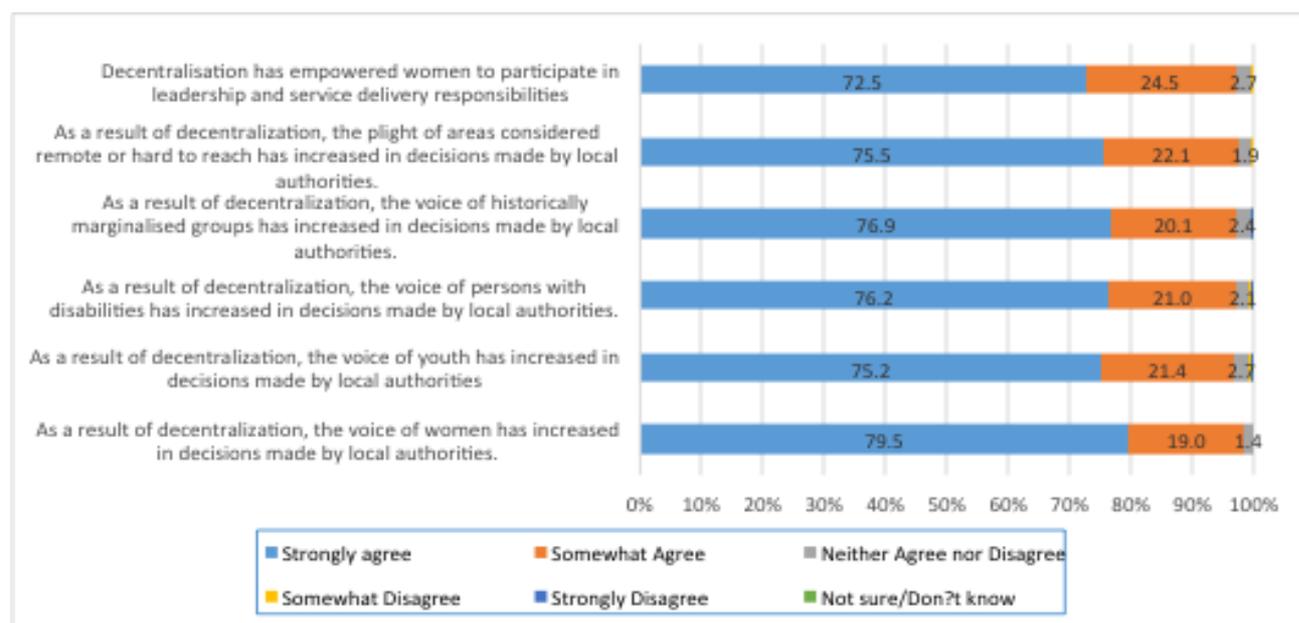
Social inclusion, particularly attention to the welfare of needy citizens (needy genocide survivors, persons with disabilities (PWDs), the elderly, historically marginalized groups and other vulnerable groups) is clearly stipulated in the Constitution especially Article 50. The right of these groups to education and health are enshrined in the Constitution. Thus, in giving priority to the participation of representatives of these groups in decision-making, and in establishing

strategies to address their welfare, the Decentralisation policy has helped to implement the constitutional provisions relating to equity and dignity of citizens.

The findings indicate that decentralisation has empowered women, youth, PWDs and other historically marginalized groups. It has empowered them through affirmative action, sensitization and awareness creation, programs and regulatory instruments that guarantee equity and voice, as well as other confidence-building measures.

Figure 64 below shows the different domains citizens believe decentralization has empowered women, youth and PWDs.

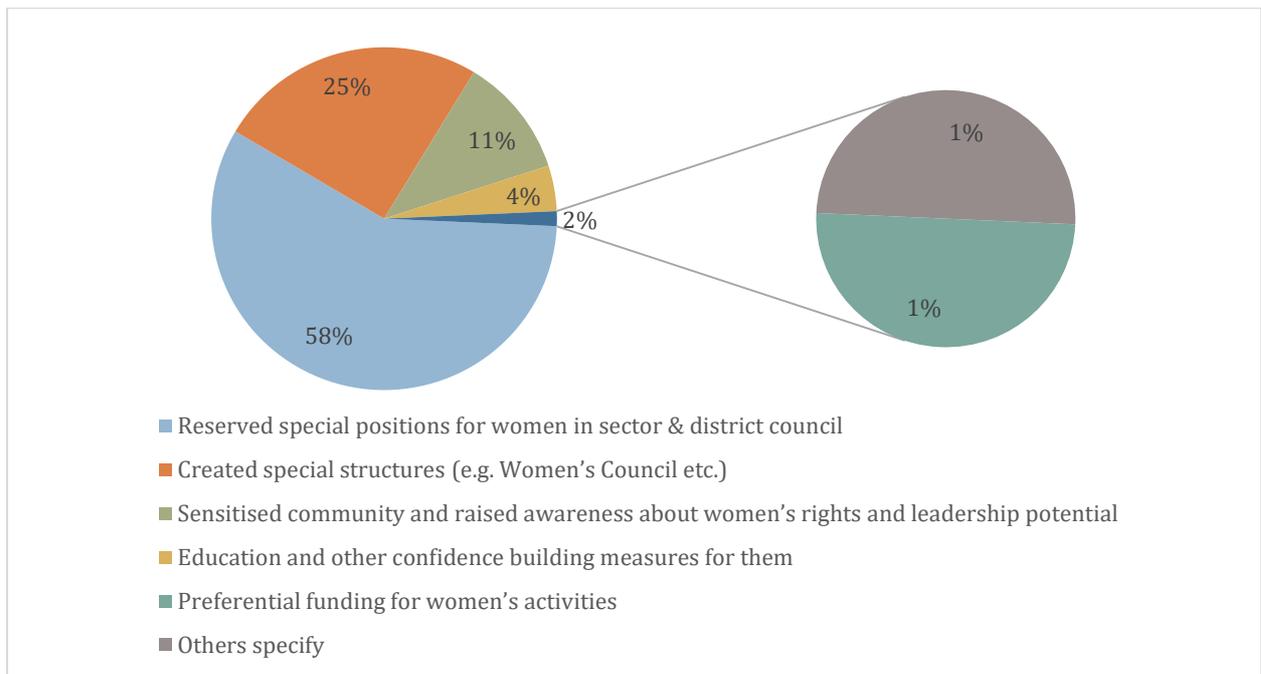
Figure 64: How has decentralization empowered women, youth and PWDs?



As shown in Figure 64 above, most respondents believe that decentralization has empowered women to participate in leadership and service delivery (72.5%), enabled the plight of areas hitherto considered remote to be given attention in decision-making (75.5%), raised the voices of historically marginalized groups (76.9%), the voice of youth (75.2%) and women (79.5%) in decision-making.

Figure 65 below shows the citizens' views on the greatest mechanisms in which decentralization have empowered women.

Figure 65: What do you consider to be the greatest mechanism in which decentralization has empowered women?



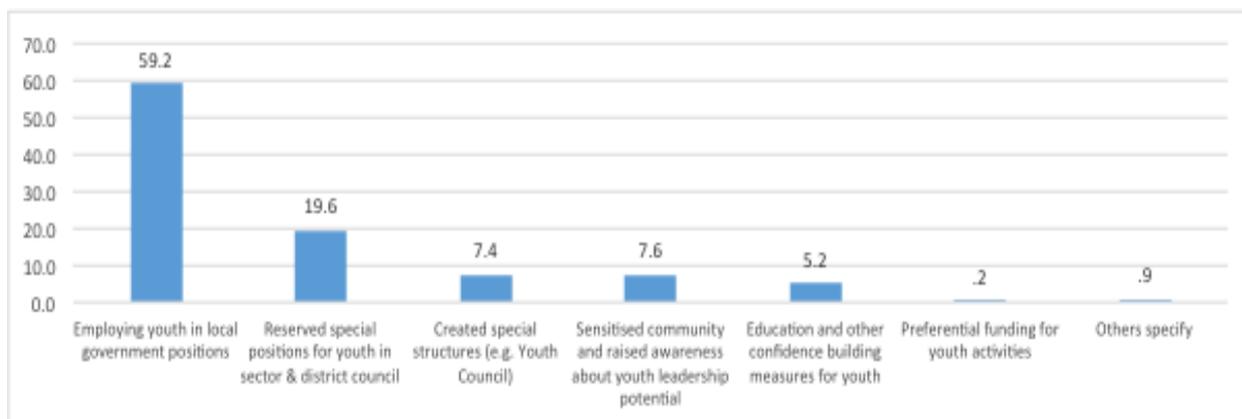
As shows in Figure 65 above, the main areas in which decentralization has empowered women are reserving special positions for women in sector and district council (57.9%) and special structures e.g. National Women's Council (25.1%).

The views expressed above confirms that decentralization has helped GoR to realize its' affirmative action policy (where 30% of positions are reserved for women) in political empowerment. Indeed, in the current DCs (elected in 2016), women constitute 43.6% of councilors, and half or more in 4 districts of Kicukiro (60.9%), Nyanza (52.2%), Kamonyi (50%) and Rubavu (50%). *This is a significant positive change from the situation in 2001-2003 where it was difficult to even fill the 30% reserved under affirmative action laws.*

It is important to appreciate, as noted by (Powley, 2008) that local government in a decentralized governance setting like Rwanda, is a powerful force in the transformation of women's livelihoods and participation in leadership and the economy. By bringing services closer to citizens and ensuring equitable access, particularly in areas that are critical to women (agriculture, water, land, social protection, basic education), decentralization has empowered Rwandan women beyond political participation. There is potential to improve women's well-being and the livelihoods of women-headed households, if the structures, systems and a culture of governance that, appreciate, protect, encourage and facilitate women's participation can be leveraged and their effectiveness enhanced.

For youth empowerment, Figure 66 below shows that most citizens consider employment in LG positions as the main mechanism in which decentralization has empowered youth (59%), followed by reservation of special positions in sector and District Councils (20%). Only 5.1% consider education as the greatest empowerment measure under decentralization.

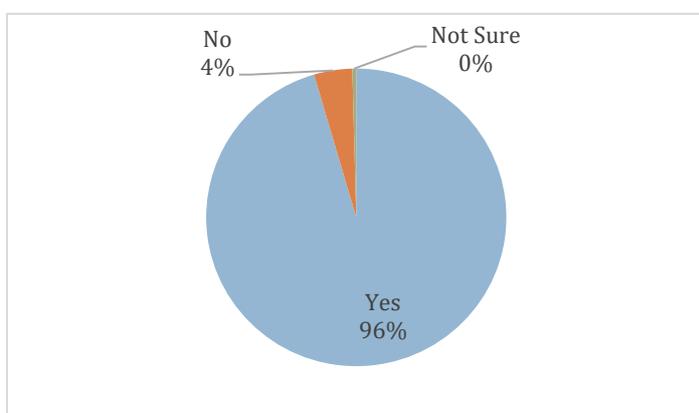
Figure 66: What do you consider to be the greatest mechanism in which decentralization has empowered the youth?



A key observation from Figure 66 above is that economic empowerment initiatives for youth have not yet tricked down to the majority of young people. Indeed, during FGDs with youth groups, unemployment was raised as a major challenge in socioeconomic transformation, and the youth interviewed did not seem to have confident that LG leaders could address their problems. Instead, they felt that it was the President that was in position to create jobs for them. This calls for multi-stakeholder engagement to find innovative ways to address youth unemployment and integrating youth employment approaches in Local governance and local development strategies.

Further, with respect to women and youth empowerment, Figure 67 below shows that 96% of respondents indicated that platforms for women participation are adequate and/or appropriate, and only 4% indicated no. From the interviews and FGDs with ordinary people, it would appear, however, that these mostly relate to political participation, as economic empowerment opportunities were considered still inadequate.

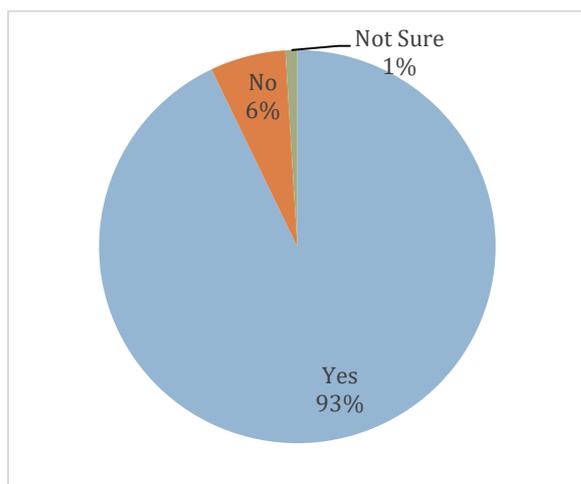
Figure 67: Would you say the platforms or mechanisms for women participation are adequate or appropriate?



participation are adequate and/or appropriate.

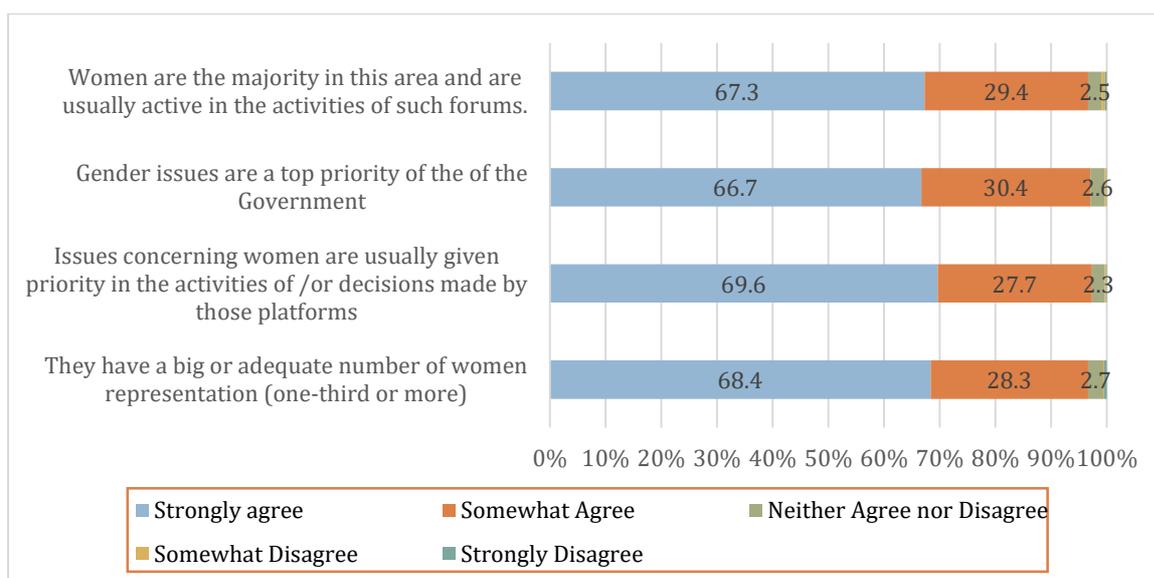
Figure 68 shows that 93% of respondents indicated that the platforms or mechanisms put in place for youth

Figure 68: Would you say the platforms or mechanisms for youth participation are adequate or appropriate?



The evidence that women have been empowered through decentralization is shown in Figure 69 where two in three respondents strongly agree and another one-third agrees somewhat that women are now active in local activities, that gender issues are usually top of the Government agenda, and that women’s issues usually receive attention.

Figure 69: Indicators of Women’s Empowerment under decentralization



It appears, as shown in Figure 69 above, that this relates to political participation, as there remain gaps in the domain of economic empowerment. Many women in urban and rural areas raised concern that they do not benefit from the economic empowerment opportunities set aside for women.

There is, therefore, need to put more effort in economic empowerment of women and youth in future decentralization activities especially under LED.

4.0 DECENTRALISATION PROCESS AND MAIN ACHIEVEMENTS

4.1 Overview

This chapter analyses the key reforms and achievements under decentralization to realize the impact discussed in chapter 3. It covers political, fiscal and financial, administrative and human resources, and planning.

4.2 Political Decentralisation, Participation and Local Accountability

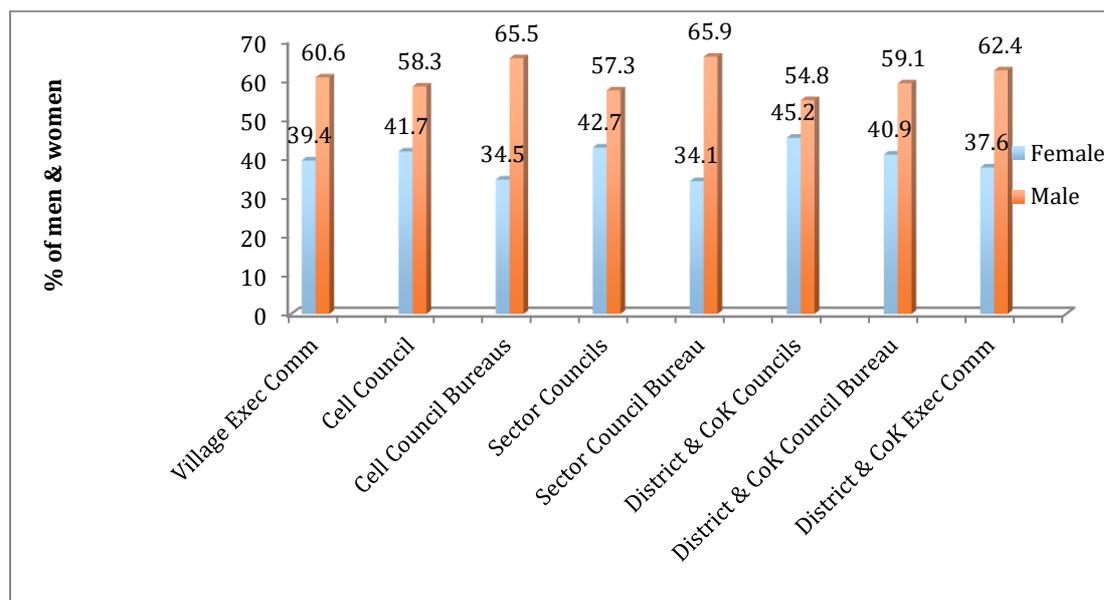
4.2.1 Overview

Political decentralization was aimed at transferring power by replacing appointed local leaders with elected leaders. The aim is to increase citizens' voice in decision-making at all levels by using the vote (democratically deciding who governs or represents them). An important aspect of political participation is the quality of representation in decision-making processes. This demonstrates the extent to which citizens' voice is amplified through the vote power. *Voice* means effectively participating in decision-making processes directly or through representatives (cell, sector and district council). The quality of participation is measured by the extent to which decisions reflect their needs, aspirations and views, the quality of services they receive, and the extent to which their leaders are accountable to them. The assessment of political decentralization reforms focuses on these and the impact on the quality of services and accountability.

4.2.2 Local Elections and Leadership Accountability

Rwanda's Local Government system comprises of 131,030 elected leaders at 9 levels. The current batch of councilors and executives were democratically elected in April 2016 for a term of 5 years. These elected leaders include 52,516 women (40.1%) and 78,514 (59.9%). Figure 70 below shows the composition of elected local leaders at different levels.

Figure 70: Composition of Elected LG Leaders (2016-2021)



Data source: National Electoral Commission (April 2016).

Analysis of the present batch of elected LG leaders indicate that there is improvement in the quality of citizens' representatives in councils (atleast in terms of formal education and experience, diversity in terms gender and youth representation as well as socioeconomic background and experience), compared to previous councils.

4.2.3 Executive Power and Local Decision Making

The Executive Authority is vested in the Mayor who is elected by and reports to District Council (DC). At the start of the Decentralisation reform, 535 elected leaders occupied LG Executive leadership positions. Each of the 107 Mayors had 4 Vice Mayors in-charge of social, economic, gender and youth affairs respectively. Although these structures were generally ineffective (due largely to limited funding and capacity), they facilitated political inclusion and democratization by creating platforms for formerly disenfranchised citizens to exercise their democratic rights as voters and aspirants to elective leadership positions. Since 2006, the District Executive is comprised of the Mayor and 2 Vice Mayors (one in-charge of social affairs and the other in charge of Finance and Economic Development). The Vice Mayors have clearly designated functions relating to economic affairs and the other responsible for social affairs. They are, however, responsible to and report to the Mayor. This reflects positive change from the previous situation where deployment and performance of Vice Mayors depended on the Mayor's attitude and ability to delegate to them. There are also clear linkages between the political leadership and technical personnel. This approach has improved accountability among leaders and streamlined work relations between the technical and political leadership in LGs.

Regular LG elections are held every 5 years since 2006. The current Local Councils, in which 93 Executives run the 31 LGs (30 districts and 1 City) were elected in 2016. The practice of

citizens electing their own leaders has become part of the evolving democratic and citizens-focused political culture in Rwanda.

Recent reforms have also enhanced separation of powers and responsibilities between the District Council (DC) and District Executive Committee (DEC). The Mayor initially headed both the Executive and the Council a situation that compromised accountability. The separation of powers and strengthening of powers of Council have potentially improved local accountability and further raised the powers of citizens' representatives.

4.2.4 Functioning and Performance of Local Councils

DCs are important organs and a central pillar of decentralization. The present LG law has empowered Councils with considerable powers to exercise oversight and ensure that citizens' priorities are reflected in the LG planning and implementation. DCs have 3 Commissions and a Bureau coordinated by an Officer who serves as Clerk to Council. They are expected to be symbols of representative democracy and local accountability. Legislative reforms over the last 15 years have indeed progressively increased their powers particularly of oversight and citizens' representation and accountability. They, however, remain ineffective in playing these roles. It appears, from this review, that Councils in all districts are insufficiently utilizing their powers of oversight over technical, administrative and financial activities in the district. They have not formulated effective bylaws and local regulations to enhance decentralized service delivery, and there remains huge unutilized space in fostering accountability, especially in view of Article 11 of the law on State Finances and Property³ which states that "*The Council of the decentralized entity shall have the authority to require members of the Executive Committee and Chief Budget Manager to appear before it and explain policies, programs and utilization of the budget of the concerned decentralized entity.*"

The Office of the Auditor General (OAG) has raised accountability concerns in a number of districts but existing records do not seem to indicate or suggest that DCs are taking action on such serious issues as abandoned investments, delayed or stalled projects and misappropriated funds. It was noted that action on accountability concerns in the districts mostly happens when CG intervenes. There are very few incidences where Councils seek support or make use of existing accountability institutions such as the office of the Auditor General (OAG) or Ombudsman.

It would seem that Local Councils face severe limitations in exercising their statutory functions. Most District councils (DCs) have no clear action plans and agendas are not planned in an organized way. They have very limited budgets and the functioning of Council Bureaus

³ Official Gazette n° Special of 05/11/2013 p20.

which are expected to facilitate councilors are small and ineffective (e.g. many councilors complained that they receive information on council meetings late and the documents they are supposed to discuss tend to be distributed at the time of the meetings leaving them no time to read or internalize the subject of debate). Moreover, councilors generally work as volunteers and not full time political leaders.

There are no regular orientations for LG leaders to induct them in various issues including their roles and responsibilities, relationships, code of conduct, etc. There are no tools (e.g. Council Regulations and Handbooks) to guide councils and LG officials. This makes it difficult for Councils to work according to established or expected standards.

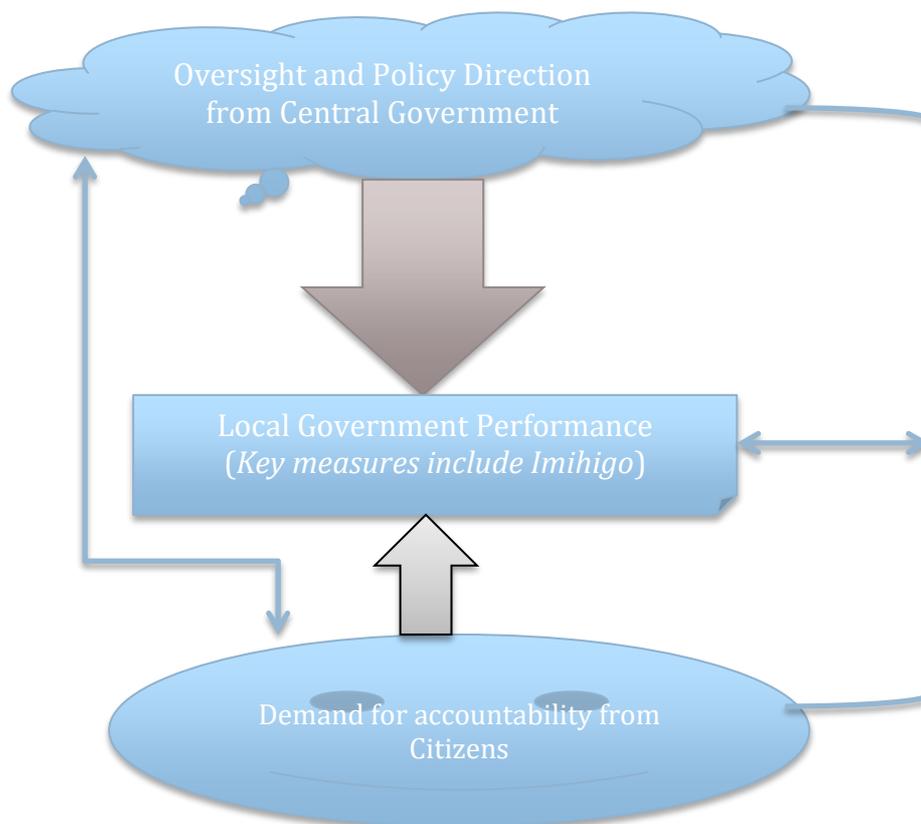
The composition of some DCs was also considered a constraining factor in their effectiveness. In most districts, most councilors work as teachers, health workers, lecturers, local business operators, etc. In some districts, some councilors who are civil servants are actually employees of the DCs that they serve, which may create a situation of conflict of interest. In such circumstances, Councilors may have divided loyalty between the citizens they represent and their employers (district authorities), and the (employer-employee) power relations may compromise their ability to hold District Executives and service providers to account. This undermines efforts in strengthening local accountability and improving service delivery, and point to the need to review the eligibility of certain cadres of people to serve as councilors.

4.2.5 Local Accountability and Inter-governmental relations

A key observation from citizens' perspective, interaction with other stakeholders is that while local accountability has improved, it remains skewed and heavily dependent on CG oversight. LG performance has been significantly strengthened and a governance culture of accountability and citizen-centred service delivery has evolved over a short time in contrast to the situation during the first phase (2001-2005).

It appears, however, that the performance and continuous improvement of the LG system is more incentivized by oversight from CG actors than by internal accountability from Councils or pressure from citizens or citizens' groups. This is despite increased awareness of rights and confidence of citizens, presence of multiple platforms for citizen-state interaction, increased media presence and interest in local governance issues, and increasing proliferation of organized groups e.g. cooperatives and community based organisations. Figure 71 illustrates the skewed accountability structure.

Figure 71: Graphical Illustration of Rwanda's Local Accountability Demand Structure



There are concerns, nonetheless, that this cannot be sustained without the continued political will from the CG, neither can it be strengthened merely by local elections (a common measure of the level of political decentralization) as lessons elsewhere suggest⁴. What will guarantee stronger and sustained local accountability is an empowered citizenry and strong internally incentivized citizen-LG linkages. A lot of what needs to be done relates to building a culture of accountability through awareness creation, a committed cadre of professionals, and building a critical mass of creative leaders right from the bottom upwards. It is also important for local leaders to build trust and good will among the citizens they service, and put in place strong linkages with citizens including a system of quality assurance for excellent service delivery. In addition, there is need to review the local accountability structures and their composition, enhance awareness and foster attitude change among LG leaders to create a sustainable culture of values-based leadership and citizen-centred service delivery.

4.3 Local Administration and Human Resources Management

⁴ Despite regular local elections in multiple layers of LG that are often deemed competitive and fairly free, citizens in Uganda, South Africa and more recently Kenya, remain too powerless and disengaged to demand accountability and better services from their LGs (which they frequently change). Indeed, citizens' satisfaction with local government services in these countries is consistently lower than that of Rwandans.

Since 2006, districts are in-charge of their own personnel recruitment and remuneration, as well as deployment and sanctioning. The personnel are recruited and remunerated within the framework of the organizational structure set up by the ministry responsible for public service and labour (MIFOTRA), while the decision to hire personnel is subject to the needs and budgetary capacity of the districts. Most districts depend entirely on the block grant (unconditional equalization grant) transfers from the CG to meet operational budgets including salaries and wages. However, the 3 urban districts within Kigali city do not receive these block grants and depend on their own local revenue to meet administrative and human resources related expenditure.

Human resource capacity in LGs has increased significantly - in terms of numbers and quality, in all districts up to cell level, as a result of administrative and legislative reforms. The most significant change happened during 2010-2017.

The progressive transfer of administrative and human resources management functions to LGs, including a more flexible administrative structure and the powers and resources to hire and remunerate their own personnel, was considered by most stakeholders, as one of the most important reforms that have contributed to increased service delivery. The administrative structure of districts now has 84 personnel positions for districts categorised as rural (double the 44 positions provided for in 2010) while for urban districts, permanent staff positions are 94 (from 45 in 2010)⁵. LGs are also empowered by law to increase the staffing up to 100 if they can meet the salary and wage obligations. Overall, staffing levels currently stand at an average of 68% of established positions, with some districts having less than half (e.g. Gicumbi at 48%). Only 6 districts have more than 75% of approved staffing level. The main challenges that LGs face in regard to human resources are inadequate funding and limited skills. LGs have raised concerns that despite the conditional grants (earmarked for a range of devolved service delivery obligations) having increased significantly, block grants are still too little to support the district operations. This puts a lot of pressure on LGs to do more with resource-constrained budgets, which consequently affects their ability to implement planned projects. The local political and administrative leaders met raised concern that while they have power to make decisions, they are constrained by lack of resources to exercise those powers. They suggested that such resources were still held up in the Central Government.

Sector level personnel have increased from 6 in 2010 to a minimum of 11 in 2015 with urban sectors having as many as 18 personnel. This has contributed significantly, to service delivery, especially in land administration and agricultural sectors. Most districts have at least one Veterinary Officer for each sector, while nearly all urban sectors have at least one Lands Officer and/or Public Notary. As a result, livestock farmers including *Girinka* beneficiaries, have access to better services than previously. In urban sectors, the clearest change resulting from human resource improvement is in land services. Citizens consulted during FGDs cited

⁵ Records from Districts and MINALOC.

presence of land officers and public notary and willingness to provide timely services at sector level unlike previously when it was reportedly hard and more costly to get services of Public Notaries.

The cell level now has 2 permanent staff from none 16 years ago when the Cell Coordinator was a volunteer. Most citizens in FGDs and interviews linked improved service delivery at cell level to increased staffing. The following statement from an ordinary citizen summarises this view:

“You would come and find the Executive Secretary busy and in a blink of an eye, he or she would close the office and disappear allegedly to the field. These days, however, everybody gets served even if Gitifu is not around. The office is always open. I think they should bring more people here.” Remarked a middle-aged woman at Busanza cell, Kanombe sector, Kicukiro district.

Ordinary citizens also claim that sector levels now have more qualified personnel who can solve problems compared to the period 10 years ago. Cell and Village officials, however, argued that they are overworked and need more power to make decisions locally and communicate to higher authorities whenever some issues are beyond them.

Despite the progress, many citizens raised concerns that cell offices are still inadequately staffed, under-equipped and too under-funded to effectively serve citizens. Lower LG structures (cell and village levels) also complained that they are not facilitated to undertake the responsibilities given, which seemed to be increasing. For example, some cell offices have a budget of as low as Rwf 20,000 per month, while Village Coordinators are not facilitated at all⁶. Relying on administrative units that are not adequately facilitated for sensitive reports and other tasks exposes service delivery systems to inefficiency and integrity risks.

It would seem that most LG personnel and administrative issues emanate, at least partially, from the “One-size-fits-all” nature of the District organisational structure, which, it appears, was developed by MIFOTRA without adequate consultations and due consideration of the unique needs of each district, as well as key governance issues like urbanisation, modernisation and rising citizens’ expectations. The unique needs of urban councils make them the most affected by structural constraints including ability to attract skilled personnel in adequate numbers.

In this respect, there is need to align administrative and HR reforms with the decentralization principles, especially the one of “structure follows function”. *Understanding the core functions to be performed by local entities at different levels and the main service delivery responsibilities each level should be the main basis for determining the administrative structure and human resource deployment.*

Another area of concern for decentralized HR is to clarify roles between central and local government entities, the ambiguity of which has been partly blamed for many of the

⁶ Personal interviews with some cell and village leaders.

challenges in decentralized service delivery. This includes the way service delivery projects are planned, financed and implemented. In the health sector, for example, LG authorities claimed to have encountered difficulties in supervising health personnel and monitoring how services are provided at health centres, as the personnel at those facilities are directly recruited and supervised by the parent ministry to which they are also entirely accountable. It was noted that even Community Health Workers (CHWs) who are local volunteers often report directly to the Ministry of Health (MoH). In other domains – notably gender and labour, line ministries (MIFOTRA & MIGEPROFE) have recruited and seconded staff to the districts without even clear modalities for performance management yet they are expected to work with them and in the framework of decentralized governance.

Overall, however, administrative decentralization reforms have enabled the expansion of the human resources function in districts, and this, to a considerable extent, accounts for the improvements in local service delivery. The main enabling factors for this frequently pointed out were:

- i) LG structure and staffing was expanded and made more flexible in terms of hiring and deployment;
- ii) LG wages increased although they remain insufficiently attractive for districts to recruit and retain the cadre of personnel desired skills and experience; and
- iii) Increased fiscal capacity of LGs, particularly the block grants from which LGs get funds to hire and remunerate staff, in addition to other operations. These grants have increased progressively from Rwf 2.4 billion in 2007 to Rwf 52.1 billion in the 2017/18.

Despite the remarkable progress, HRM gaps exist particularly in critical areas of planning raising concerns about weak HRM. While most districts have filled up positions well up to two-thirds of their establishment, many districts do not have personnel in critical areas. For instance, out of 22 districts analysed, only 3 have at least one Economist (Gisagara, Musanze, Gicumbi,) and fewer than 7 districts have qualified statisticians.). Although all districts have accountants deployed even at sector level, none has professional training and only 5 districts have a Procurement Officer. As a result, the quality of project management and financial reporting from LGs remains low. This is also reflected in the fact that none of the 31 LG entities has received unqualified opinion in all OAG reports since they became budget entities. In contrast, CG budget entities have improved their accountabilities.

Strategic human resource recruitment is weak and varied across districts.

LGs have discretion and considerable autonomy on who, when and how to recruit and deploy at different levels subject to approved establishments. Although most districts have hired personnel in strategic areas like Agriculture, Education, Accounting and Audit, there are obvious disparities (as shown in Annex 2). For instance, the districts of Kicukiro, Nyarugenge,

Rwamagana, Nyagatare, Kayonza, Kamonyi, Nyamasheke, Karongi and Rutsiro do not have a single Hydrologist or Water Engineer, yet they have water challenges. Such problems could persist because without appropriate personnel, the authorities are unlikely to appreciate the challenges and be able to technically address the water access problems. Secondly, although districts like Nyarugenge, Kicukiro and Ruhango have each deployed 9-10 professionals at sector level in the domains of Sanitation, Hygiene and Public/Environmental Health, nearly all other districts not have such personnel (perhaps except Musanze 3, Bugesera 1, and Muhanga 1). Yet many of these districts were struggling with public health challenges related to poor sanitation and hygiene practices. Local stakeholders in the sectors of Masaka, Niboye, Gikondo (Kicukiro district) and Gisozi and Remera of Gasabo district applauded the initiative of improved hygiene campaigns and inspections. The implementation of these initiatives has been enabled by availability of relevant expertise at sector level. Thus strategic HRM by local authorities, including deployment according to specific needs and strategic priorities of districts, remains a big challenge.

HR deployment and productivity improvement plans in LGs are weak and largely unfunded. Most personnel are deployed on fire-fighting basis, and functional linkages with line ministries are weak. Senior managers in some line ministries raised concerns that they do not get reports from districts, especially from technical personnel who are expected to work with respective line ministries. The linkages between districts and specific line ministries are weak largely as a result of inadequate clarity of roles and responsibilities, and slow progress in sectoral decentralization. As a result, some line ministries often bypass the LG system in designing and implementing sectoral projects. There is therefore need to review the sectoral decentralization process and ensure effectiveness.

4.4 Fiscal Decentralisation and Public Financial Management

4.4.1 Overview of the framework

Fiscal decentralization is pivotal to effective service delivery, participatory and accountable governance from three perspectives:

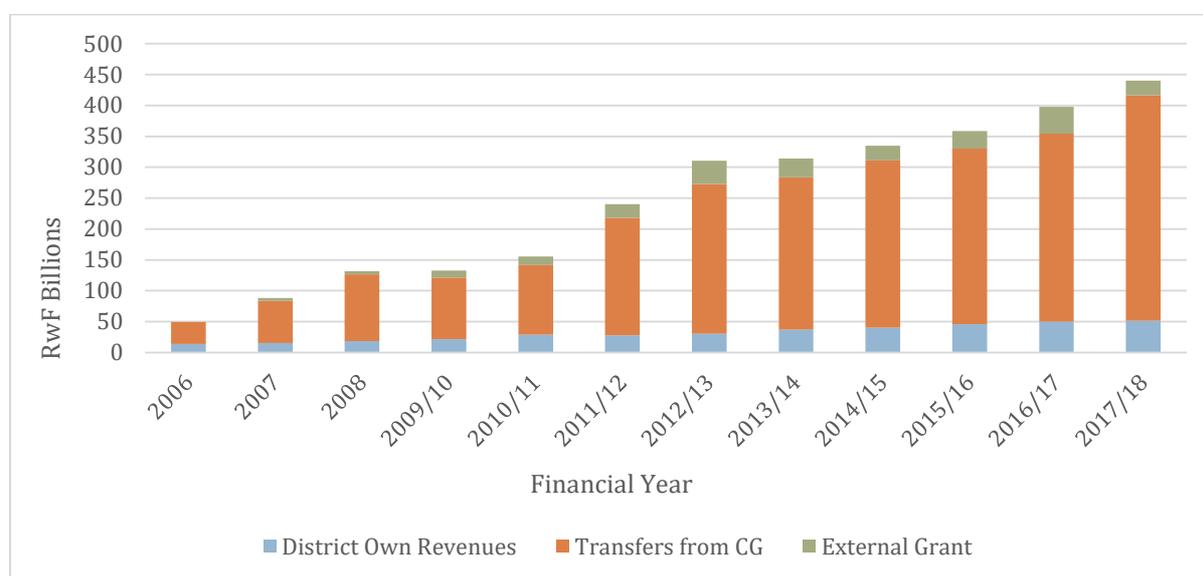
- i) *Local authorities require resources to deliver on the functions transferred to them. Thus, transferring resources and the discretion to decide expenditure priorities is critical for autonomy and local accountability.*
- ii) *Local authorities must demonstrate better and effective use of public resources devolved to them, so the robustness of public financial management (PFM) in LGs to demonstrate effectiveness and efficiency is critical to establishing trust; and*
- iii) *Local authorities must generate their own revenue and finance a considerable proportion of their budgets. This is critical for enhancing local government effectiveness and establishing healthy inter-governmental relations and progress towards local autonomy.*

4.4.2 Local Government Budgets and Revenue by Source

Local fiscal and financial autonomy is usually measured by the degree (or latitude) to which LGs can exercise freedom to mobilise revenue and decide what to spend public funds on (discretionary powers) within nationally defined fiscal and public financial management framework. Two critical indicators of the performance of fiscal decentralization are the proportion of LG budget funded from own sources; and the proportion of budgets transferred to or managed by LG entities.

A review of the fiscal decentralization process in Rwanda is that there has been considerable progress in both the amount of own source revenue (OSR) and inter-governmental fiscal transfers. As shown in Figure 72 below, LG revenue has increased considerably over the 10 years, from RwF. 49.7 in 2006 to RwF 440.3 billion in 2017/18.

Figure 72: Local Government Revenue by Source

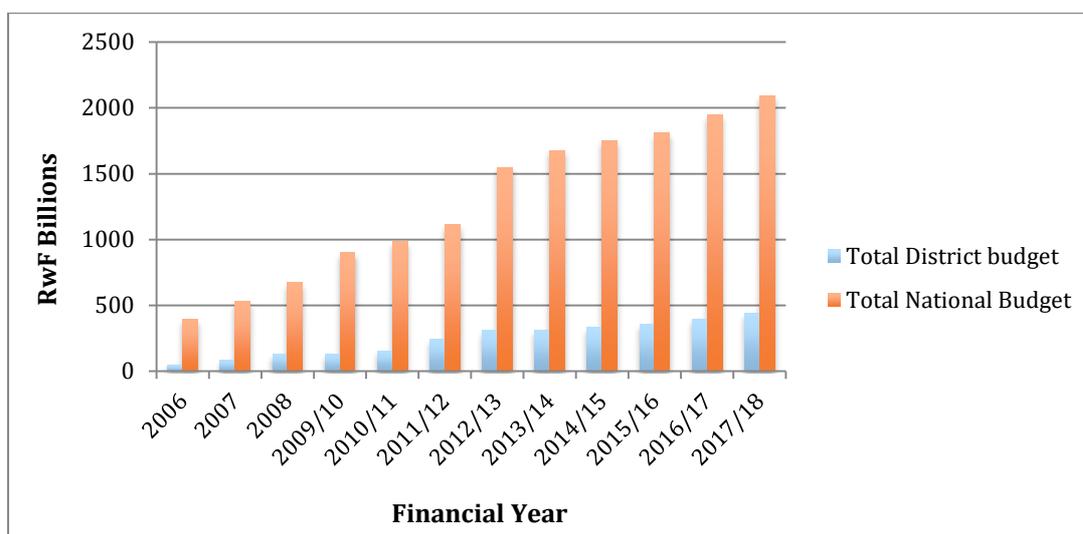


Source: Ministry of Finance & Economic Planning Records (June 2017)

From Figure 72 above, the increase in LG revenue has been a result of increase in inter-governmental fiscal transfers from RwF 36 billion in 2006 to RwF 365 billion in 2017/18, and OSR from RwF 13.9 billion in 2006 to Rwf 51.7 billion. This significant expansion in LG's fiscal capacity explains the increased level of service delivery.

It is, however, observed that OSR has performed much lower than national local revenue collection. Indeed, whereas domestic tax collection more than doubled from Rwf. 501.4 billion to Rwf 1,200.3 billion between 2011/12 and 2017/18, local revenues increased only marginally and have remained at around 12%. Correspondingly, despite the national budget more than doubling over the last 5 years from Frw 1,117 billion to Rwf 2,095 billion in the present financial year (2017/18), the share of the national budget allocated to districts has remained around 17%, as Figure 73 shows.

Figure 73: District Budget in Relation to National Budget.



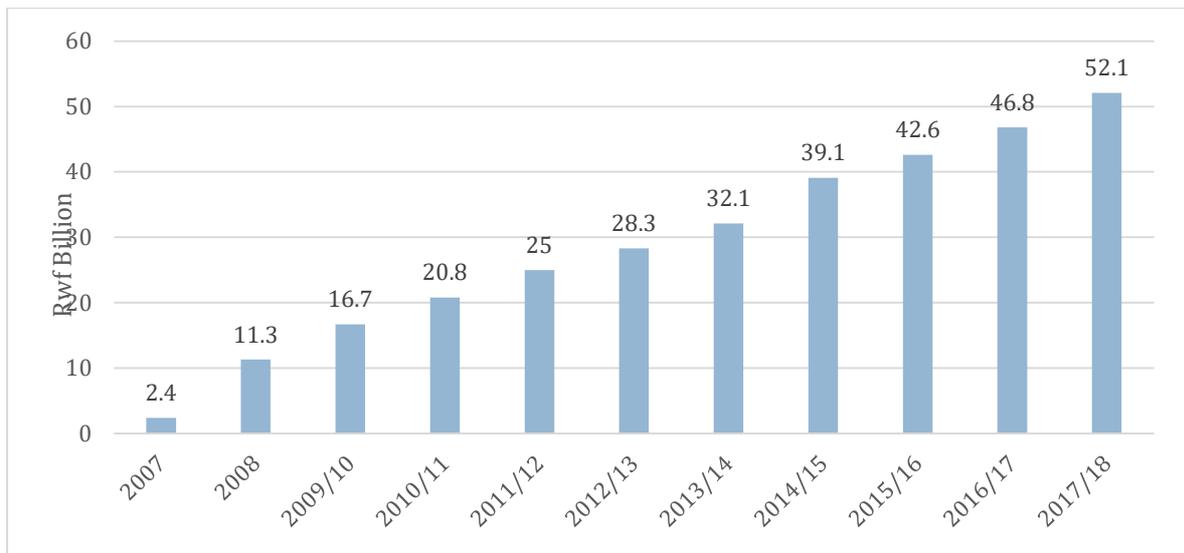
This is largely due to the fact that a big proportion of potentially devolved budget remains under the control of some line ministries and other CG agencies.

4.4.2 Intergovernmental Fiscal Transfers

Inter-governmental transfers constitute a significant proportion of LG budgets, the biggest proportion of which is conditional (earmarked transfers). This means that LGs have very limited discretionary power to determine their own expenditure priorities. Ultimately, LGs have control over only own revenue (which accounts for just 12% of their budget) and block grants that were described by LG leaders as hardly enough to meet basic operational expenditure. This has been raised as a serious issue of concern for LGs. Indeed, many LGs are concerned that funds from sectoral budgets (line ministries) tend to be earmarked to activity level leaving no room for local priority adjustment. Moreover, decentralized planning and budgeting processes, which LGs should be using to set local priorities, plays a limited role in influencing sectoral budgets. It is noted that lack of effective joint planning undermines decentralized service delivery.

Despite the challenges, the block grant transfers have significantly increased in the last 10 years (from Rwf 2.4 b to Rwf 52.1b) as shown in Figure 74 below.

Figure 74: Block Grants transfers to Districts Over the 10 year period

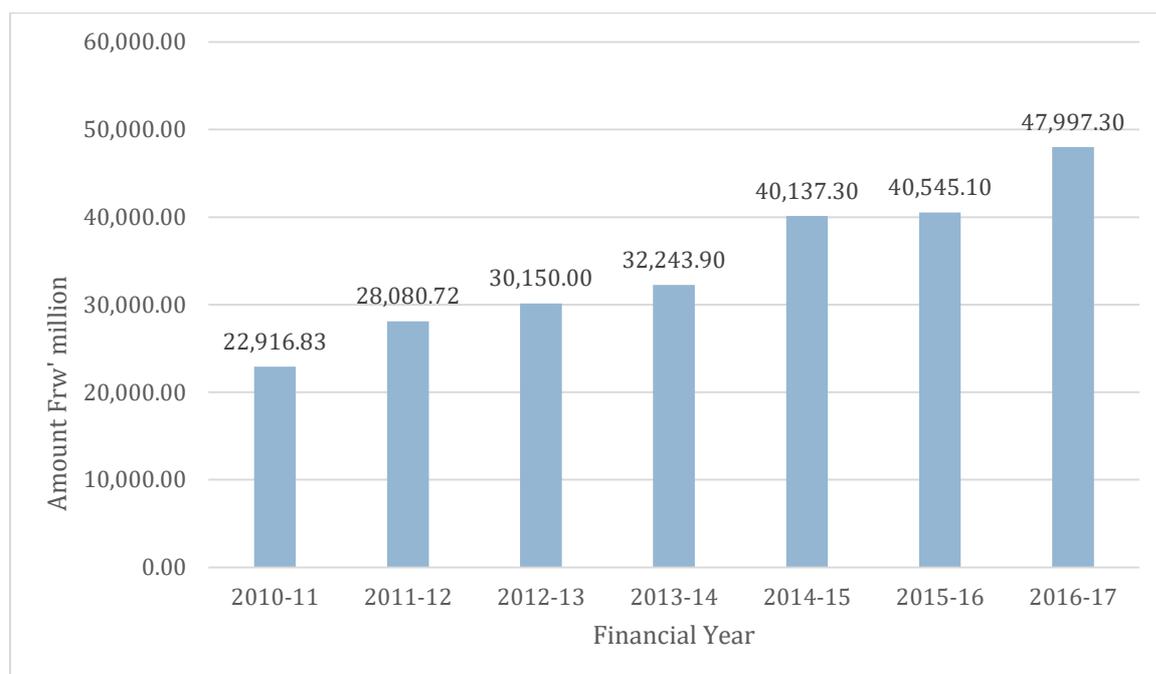


This increase has been associated with increase in discretionary powers of LGs, which has, among others, enabled LGs to recruit and pay more personnel as needed. Although Figure 74 shows progressive increase in block grants, LG leaders complained that the block transfers are too meager to meet their operational expenditure obligations. This affects mostly poor rural districts where OSR are very low and where the equalization formulae used to guide allocations has not and cannot address the underlying economic challenges of low tax base. There is need for special and long-term consideration of economically disadvantaged districts) in determining fiscal transfers.

4.4.2 Local Revenue Performance

LG authorities have, since decentralization started, struggled with low levels of own source revenue (OSR) generation. OSR has increased from Rwf 14 billion in 2006 to Rwf 48 billion in 2016/17. Figure 75 below shows the trends in total ORS for the last 7 years.

Figure 75: Total LG Tax Collections (Rwf millions) by Financial Year



Source: Rwanda Revenue Authority Database, July 2017.

The positive trend in local revenue collection depicted in Figure 75 above, however, seems to mask two key realities that must be confronted: 1) OSR remains low covering no more than 12-13% of the district budget; and 2) there is significant difference in OSR among districts. Table 5 below shows a comparative analysis of the share of total OSR by the top 20% of the districts compared to the bottom 20% in terms of revenue collection for Financial Year 2016/17.

Table 5: Local Government Revenue Collection Performance (FY 2016/17)

	Top 5 Districts	Amount (RwF ' million)	Percentage of Total
1	Gasabo	10,122.02	21.1
2	Nyarugenge	7,551.09	15.7
3	Kicukiro	5,292.98	11.0
4	Bugesera	1,992.12	4.2
5	Rusizi	1,935.78	4.0
6	Rubavu	1,934.02	4.0
	Total	28828.01	60.1
	Bottom 5 Districts	Amount (RwF' million)	Percentage of Total
1	Gisagara	332.73	0.7
2	Nyaruguru	477.95	1.0
3	Rutsiro	490.39	1.0
4	Ngororero	596.07	1.2
5	Gakenke	608.36	1.3
6	Rulindo	681.79	1.4
	Total	3187.29	6.6

Source: Rwanda Revenue Authority (RRA) Records, 2017.

Table 5 above shows that the top 20% of the LGs (6 top districts) account for 60% of the total LG revenue collected, while the least 20% account for just under 7% of the total LG revenue collected. Besides limited revenue collection, there is gross imbalance in the districts fiscal performance. Revenue collection imbalance appears to be consistent for all types of taxes, as Table 6 below shows.

Table 6: Revenue Performance for selected Districts by Revenue Type FY 2015/2016

District	Local Revenue by Source (Rwf Million)					Total	% Contribution of largest source
	Trade Licence	Property Tax	Rental tax	Fees	Other		
Gasabo	649.69	233.93	3,660.35	3,327.42	2,646.15	10,517.54	35
Nyarugenge	809.35	287	2,038.68	2,800.08	675.06	6,610.17	42
Kicukiro	414.12	67.41	1,119.03	2,403.27	236.74	4,240.57	57
Gisagara	30.4	5.71	56.02	203.37	-	295.50	69
Nyaruguru	97.13	0.32	7.34	191.43	-	296.22	65
Rutsiro	113.7	-	1.59	199.69	42.63	357.61	56

Source: Rwanda Revenue Authority (RRA) Records, 2017.

From Table 6 above, fees constitute one of the main sources of revenue accounting for as high as 69% and 65% in the districts of Gisagara and Nyaruguru, and slightly over half in Kicukiro district. The districts with the most diversified revenue sources are Gasabo where the main revenue driver (rental fees) contributes 35% and Nyarugenge where fees contribute 42%. Among the least diversified are Nyaruguru and Gisagara where a single source (fees) accounts for 69% and 65% respectively.

Table 6 above also shows that property tax is significant only in urban areas and even then its contribution to overall tax and non-tax revenue is comparatively low (2% in Gasabo and Kicukiro and 4% in Nyarugenge district).

All LGs, including urban districts (the 3 districts of Kigali city) have limited local fiscal base although the urban ones are significantly better off than the rural ones. It was established that the main constraints to OSR are:

- i) *Limited scope of taxation* – only 3 types of taxes are devolved and for most districts, these sources are undeveloped.
- ii) *Economic activities in most districts are limited*, and are constrained by under-developed private sector and high levels of poverty. Hence the tax base is narrow;
- iii) *Limited institutional capacity for local revenue planning, assessment and tax administration*. As a result, a lot of potential for tax collection remains inadequately assessed and even those assessed are not fully collected.

Since 2014, the Rwanda Revenue Authority (RRA) has been collecting decentralized taxes and fees on behalf of the LGs, and remitting to the district treasury their dues after deducting the agreed commission. The instrument used is the memorandum of understanding (MoU) that

the RRA Commissioner General signed in March 2014 with respective District Mayors under the auspices of Rwanda Association of Local Government Authorities (RALGA).

The decision to contract RRA for local revenue collection was reportedly triggered by consistently low revenue performance across all districts due to lack of adequate capacity for local revenue administration. It appears, however, that this may have ignored the complex multiple factors that underpin local OSR performance including structure of local economies, institutional capacity and incentives within the LG and taxpayer communities, which cannot be addressed by merely outsourcing collection. Indeed, the performance audit carried out by the OAG in 2015 for selected districts, revealed a number of irregularities in implementing these changes: First, the MoU with RRA was not based on any feasibility study or cost-benefit analysis and so it was not clear, from the very beginning, how the LGs would benefit in comparison to their own tax administration system. Secondly, the MoU itself was considered to be in contravention of the law and had no implementation and monitoring plan consequent to which they cannot easily determine whether they are on track or not.

This assessment places more weight on how capacity building is integrated in the RRA-LGs' implementation plan since Rwandan LGs are still fairly young. The emphasis should be on building LG capacity for OSR planning and administration but RRA is not doing this, neither is it clearly stipulated in the MoUs.

The transactions between RRA and LGs were described by OAG as recentralization of decentralized taxes. A number of senior district officials met argued that there were unmet expectations in the RRA LG tax collection. A key concern, however, is that the RRA interventions addressing the capacity gaps in decentralized revenue planning and administration and there is no clear strategy for capacity building either in the short or long-term. There appears to be inadequate incentives for LGs and taxpayers to undertake their roles, such as mapping of potential revenue sources (including establishing proper taxpayer databases), appropriate budgeting, etc. Concerns have also been raised about equity in local tax assessments. Small business owners in the rural sector of Masaka (Kicukiro district), for example, complained that they pay the same amount in trading licenses (Frw 40,000) as bigger businesses in more prime locations. This raises concerns for equity and fairness and the need to develop capacity for proper tax assessment and tax administration.

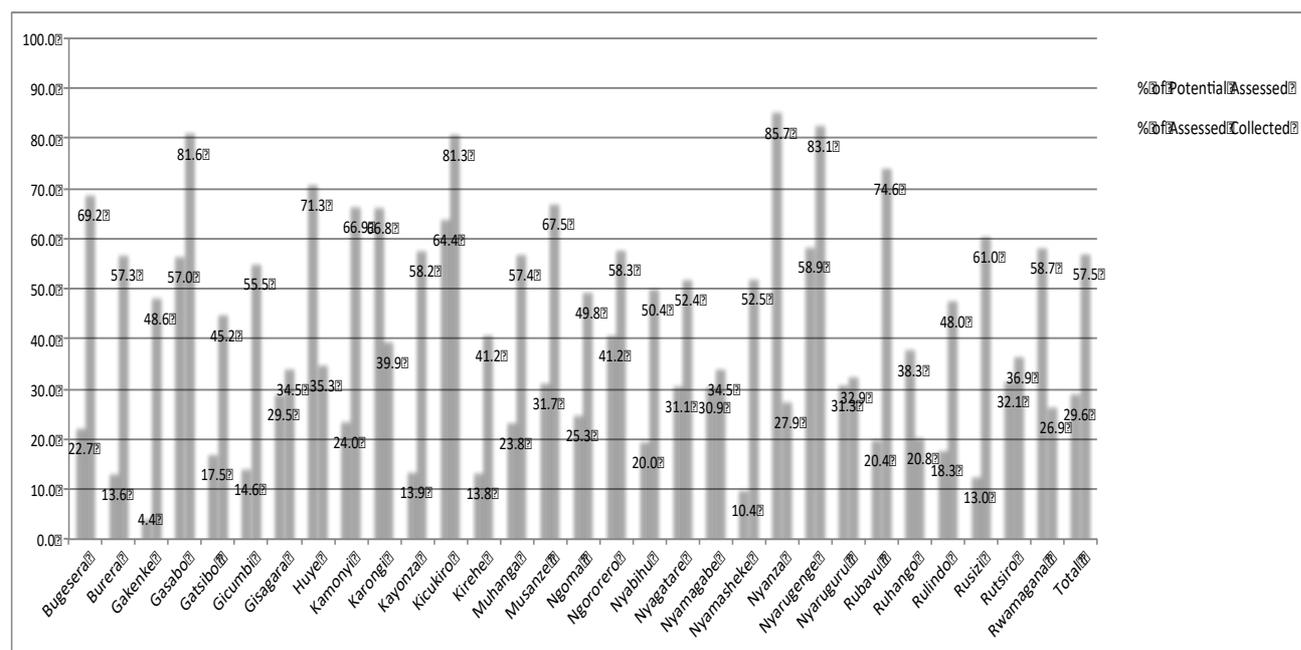
It is also noted that the OAG findings⁷ are still inherent in the system. Inadequate budgeting for local tax revenue, tax forecasting and lack of adequate mechanisms for tracking tax defaulters, were some of the main weaknesses that remain. There is need to review the MoU

⁷ Office of the Auditor General of State Finances. Performance Audit of Decentralised Tax/Fee Administration System. A case study of Gasabo, Nyanza and Rubavu districts. April 2015.

with RRA to provide adequate mechanisms for performance evaluation and capacity building in local revenue planning and enforcement.

Overall, however, the citizens’ attitude towards tax payment is positive, and the connection between the taxes paid by citizens and the services they receive is clear to most respondents. A key area of concern in tax collection, however, is low assessment of potential revenue sources and low efficiency in the collection of assessed revenue. Figure 76 below shows the assessed potential and actual revenue realization.

Figure 76: Performance in Assessment and Collection of Property tax/land lease fees



From Figure 76 above, only a third (29.6%) of potential properties (number of plots) in all districts are assessed, and just over a half (57.5%) of the assessed properties actually pay (assessed revenue is collected). The assessment of the potential is highest in the districts of Nyanza (86%), Huye (71%), Karongi (67%) and Kicukiro (64%). It is lowest in the districts of Gakenke (4%), Nyamasheke (10%), Rusizi (13%), Kirehe (14%), Burera (14%), Gatsibo (18%), Rulindo (18%) and Nyabihu (20%).

Further, from Figure 76 above, efficiency in terms of actual collection of assessed property tax is highest in the districts of Nyarugenge (83.1%), Gasabo (81.4%), Kicukiro (81.3%) and Rubavu (75%). It is lowest in Ruhango (21%), Rwamagana (27%) and Nyanza (28%).

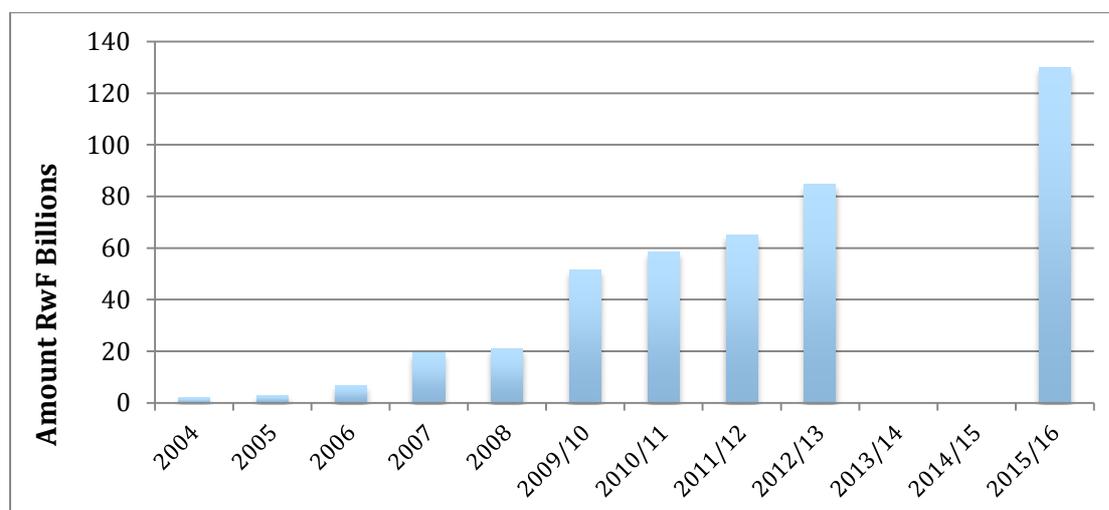
A key message from this analysis is that property tax is most collected in (and therefore most important for) urban and urbanizing districts. Although Figure 76 reveals a high proportion of potential land revenue sources that are not assessed and low collection rates from assessed property, it’s predominantly small plots of rural agricultural land that have low or no tax value. This suggests that the property tax is underdeveloped and its potential as a revenue

source for LGs may be grossly overrated. Moreover, even in urban areas, most properties are residential owner-occupied with limited commercial or income generating potential. A more appropriate approach to property assessment for purposes of local government tax should be designed.

4.4.3 Resource mobilization for Local Development

One of the early innovations that enabled fairly reliable funding for decentralized service delivery was the establishment of the Common Development Fund (CDF) in October 2002, as a mechanism to mobilise funding for local development. Initially, only a proportion of Government revenue was committed but soon after some Development Partners came on board. It was observed that by the end of the first 5 years of CDF operations (2002-2007), more than RwF 27.37 billion had been disbursed to districts to implement 876 local development projects. Local development funding through CDF (now LODA) has since increased more than five-fold, enabling the portfolio of local development projects to be expanded and diversified. Figure 77 below shows the amount of funds disbursed annually to LGs through CDF/LODA.

Figure 77: Trends in Disbursements through CDF/LODA for Local Development



Data Source: CDF/LODA Annual Reports.

The establishment of CDF (now LODA) provided opportunity for local development priorities to be brought to the fore of public expenditure decision-making, and to create exclusive financing opportunities in light of the challenges of mobilizing and allocating few resources to a multiplicity of competing development priorities. It has succeeded to a considerable extent, that it could be considered a good practice. It should be noted that the projects funded by CDF directly contribute to and are effective in addressing local poverty reduction and service delivery challenges. They range from agriculture and livestock development, local markets, renewable energy, clean water supply and sanitation, environmental protection, transport and administrative infrastructure, as well as direct social protection interventions.

In addition to prioritizing local development, the CDF/LODA funding mechanism has enabled promotion of more integrated development advocated under decentralization, as opposed to sectoral approach where line ministries make priorities that often do not take into consideration unique local development needs.

Although CDF/LODA has fairly succeeded in mobilizing funds for local development that LGs would not have managed on their own, the crucial function of building LG capacity for resource mobilization remains largely unaddressed. A positive development towards this, however, is that LODA has been restructured from a funds basket to a resource mobilization and institutional capacity building agency. LODA is, however, yet to develop own capacity to effectively undertake such responsibilities.

4.4.4 Public Financial Management practices in LGs

The progressive increase in the proportion of public budget managed by LGs from less than Rwf 50 billion in 2007 to Rwf 440 billion in 2017 is understood from 2 perspectives. One, it demonstrates the GoR's commitment to devolution. Secondly, it reflects considerable increase in the confidence that LGs can prudently manage national resources, which itself is a testament that decentralization is working for Rwanda's governance and development aspirations. Slow progress is, however, observed in sectoral decentralization and fiscal and PFM regime particularly with regard to OSR.

PFM practices in LGs remain weak but improvements are being registered

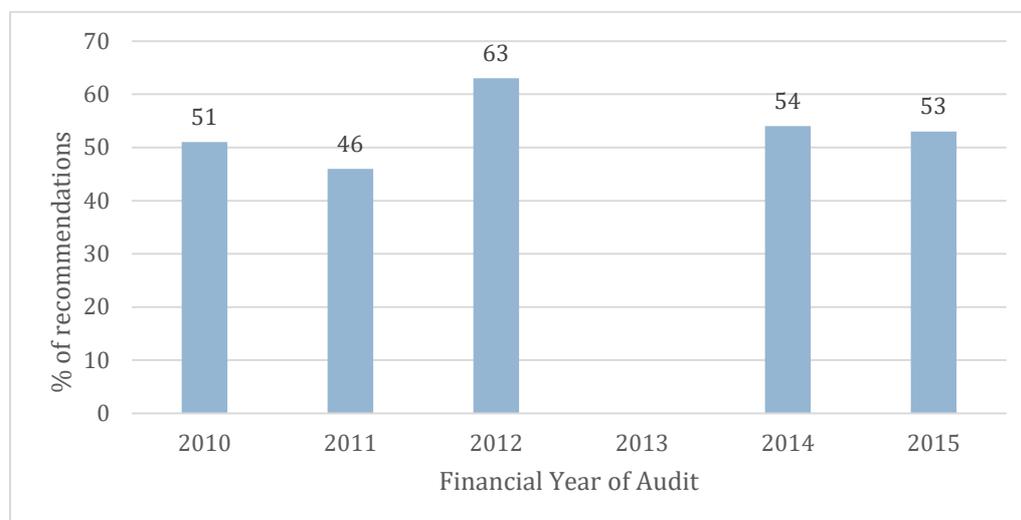
A key indicator that budget entities are embracing appropriate PFM practices is the number of entities obtaining unqualified audit opinion on financial statements. Recent OAG reports indicate that none of the 31 LGs has received unqualified opinions on their Financial Statements, indicating that weaknesses remain in LG accounting and financial management practices. Nonetheless, progressive improvement in PFM systems and practices of LGs has been observed (OAG, 2016; OAG, 2015; OAG, 2014). The impressive opinion of the OAG in his 2014 report below illustrates this:

“ Many Districts made notable improvements when compared to previous years and this resulted in three (3) of the District reports (Kamonyi, Gakenke and Ruhango) obtaining an “Except for” audit opinion, mainly because of inadequate follow up and accountability for funds managed by Non Budget Agencies. This is the first time such opinion is being issued on financial statements of Districts and is a commendable step which shows that Districts are on track to ensuring full accountability for decentralised resources” Auditor General's Report 2013/14.

Some districts like Gakenke have been commended by OAG for progressive improvement of their financial management practices by implementing the OAG recommendations. Figure 78

below shows the percentage of OAG recommendations on LG Financial Statements that have been implemented.

Figure 78: Proportion of OAG Recommendations fully implemented by LGs



Data Source: OAG Reports to Parliament (2012, 2013, 2014 and 2015)

From Figure 78 above, slightly more than half of the OAG recommendations have been fully implemented in subsequent years. The significant increase in Good PFM practices has been associated with improvements in administrative and HR capacities. The quality of accounting reports from LGs has improved, although intra-district financial reporting continues to be a major concern. This mainly relates to non-budget entities (e.g. schools, hospitals, and lower administrative entities designated as revenue collection and spending entities (e.g. sectors).

The absorption capacity of LGs has improved but unpredictable funding flow, which discourages prudent planning and budgeting and undermines good local PFM practices, remains a challenge. Inadequate funding and delayed disbursements, for example, have been raised by LGs entities as major impediments to efficient project implementation and effective contracts management under Imihigo. The other issue of concern is the fact that most funding is still held up in sector ministries, which creates another layer of conditional grants and undermines LGs' ability to identify and finance local priorities.

Despite improvements, there remain serious challenges with PFM in LGs, particularly procurement, contracts and public investment management. In 2015, the OAG reported that 12 contracts worth Rwf 4.37 billion had been abandoned out of which 10 contracts (83.3%) worth Rwf 3 billion were from districts. The OAG also reported 58 delayed contracts out of which 38 (65.5%) worth Rwf 6.78 billion were in districts. Of the 38 delayed district contracts, Rutsiro (9), Nyanza (5), Nyaruguru (5), Huye (2), Kicukiro (2), Gicumbi (2) and Kigali city (2) were the most affected. Abandoned contracts were in Nyabihu (2) and Rutsiro (2) as well as Gicumbi, Muhanga, Nyaruguru and Gisagara districts with 1 each. In 2014, another 38 delayed contracts were reported, 50% of these in Bugesera (19), other districts

being Rusizi (6), Huye (3), Karongi (3) and Rwamagana (2.). Abandoned contracts were also reported in Rusizi (3) and Karongi (2). These public investment failures indicate that a significant proportion of public resources do not generate the anticipated results, and therefore limited impact on job creation, poverty reduction and local development.

The assessment noted that poor projects management not only constrains decentralized service delivery, it also undermines stakeholders' confidence in decentralization particularly fiscal and PFM processes. This underscores the need to strengthen LG capacity for project management beyond the on-going support from agencies like LODA.

With respect to public investment management, inefficiencies manifest in many areas, especially where LGs have attempted to engage in economic ventures. For example, the OAG found that Nkombo Guest House, a Rwf 285.6 million investment, was redundant, while a cassava processing factory established by Ngororero district with Rwf 768 billion, was abandoned after the Rwanda Standards Board (RSB) found that authorities had procured and installed substandard equipment worth Rwf 200 million, among other issues. These incidences not only demonstrate the lack of capacity in LGs, but also gaps in inter-governmental cooperation as well as CG oversight. For instance, it is not clear why RDB, RSB and the funding entity LODA did not proactively support the LGs to develop appropriate project concepts, provide due diligence and ensure that such projects are designed and executed in ways that are efficient and assure the investment entities of good economic and social returns on investment. It is, understood, however, that the new national investment strategy has imposed stringent measures including requiring all projects to undergo feasibility studies, which could improve the quality of local public investments. The assessment considers this a good starting point and that the appropriate way forward is to strengthen LG capacity for public investment management, including project cycle management. Nonetheless, CG oversight and inter-governmental cooperation in public investment management needs to be strengthened.

One of the most challenging aspects of decentralized PFM is procurement and contract management. The assessment observed that most of the delayed or abandoned projects reported by the OAG are in LGs. Moreover, some districts consistently appear in the OAG reports for the same PFM issues, suggesting that there are inadequate interventions to fix PFM challenges annually pointed out by the OAG. It also suggests a level of ineffectiveness in internal audit and other accountability mechanisms.

It is the considered view of the consultant that most challenges in procurement, contract management and investment planning frequently manifest in districts because of institutional and HR capacity constraints. Many districts, for example, do not have qualified procurement experts and economists, yet procurement is a specialized function that requires specific knowledge and skills. Nearly all accounting and audit personnel in districts lack the professional training needed to implement the required PFM practices including proper book keeping and financial reporting. Indeed, none of the districts had qualified professional

accountants certified by any internationally recognized accounting body. A much bigger challenge, however, is the LGs' inability to attract and retain skilled professionals in key areas like PFM and public investment planning. This affects the districts' ability to mobilise and absorb funding.

4.4.5 Local Public financial management capacity and practice

The assessment observed that despite the gaps, PFM capacity in LGs has progressively increased. This was attributed to increased numbers of personnel as well as robustness of PFM systems. Information Technology (IT)-based financial management and reporting architecture has been established across the 30 districts, and human resource capacity developed to operationalize it. The largest cadre of personnel in the districts is now Finance and Accounting. Both the CG and LGs use the Integrated Financial Management Information System (IFMIS) that integrates local and central PFM processes. Constraints usually associated with IFMIS such as unreliable power and frequently breakdowns were not mentioned as serious constraints. Secondly, the internal audit function has been integrated across LGs, a situation that has enhanced PFM in LGs. The main gaps lie with the District Councils (DCs)' capacity or motivation to utilize this audit function in exercising their core mandates of oversight and citizens' representation in resources allocation (local budget appropriation) and use (public expenditure).

It is observed, nonetheless, that while CG entities have improved their PFM practices, LGs appear to be slow in adopting good PFM practices. In 2007, only 1 CG entity and no LG entity received unqualified audit opinion of the OAG. In 2015, however, the number of CG entities receiving unqualified audit opinion had increased to 50% with the number of LGs receiving unqualified opinion still zero. There is, therefore, need for tailored capacity development interventions to enhance PFM capacity in LGs.

MINECOFIN has, under the PFM Reform Program, initiated professional training for PFM personnel in LGs. However, the approach of simply sponsoring candidates for professional examinations has not been and is unlikely to be effective, especially considering the conditions in which LG personnel work. Capacity building interventions also need to consider the issues of deployment and retention. To this end, effective capacity development interventions for LGs will be those that embed improved incentives and remuneration mechanisms for critical personnel in LGs.

4.5 Decentralised Planning and Sectoral Decentralisation

Planning is a decentralized function under Rwanda's decentralization and Local Government System. The DC, the highest organ of LG is responsible for LG Planning and approving budgets prepared by the District Executive Committee. The main outputs from decentralized planning are: (1) Five-year District Development Plan (DDPs); 2) Annual action plans; 3) Imihigo which

are high-level and high impact priority actions undertaken to foster transformational local development and leadership accountability. Other planning products are mainly sectoral or thematic and include LG capacity building plans and human resource plans.

1. *District Development plans (DDPs)* are five-year development strategies that outline in fairly sufficient detail, the main medium-term priorities for the district. As a tool for integrated development planning, it should provide a platform for all development actors to participate under the leadership of the District Council and District Executive. The practice is, however, different. DDPs are presently formulated on regular basis by use of external agents (Consultants) who are generally commissioned by MINECOFIN without much input from LG authorities. Moreover, they are often allocated very little (as short as 2 months). This makes DDP processes more of a rapid undertaking to generate documents rather than a participatory strategic process that engages stakeholders in identifying what they want to achieve for their areas, identify opportunities and limitations to generate priorities and carefully formulate implementation and monitoring plans with clear targets, performance indicators and responsible actors. Local participation and ownership are critical ingredients lacking in the present DDP processes.

2. *District Annual Action Plans:* these are one-year plans that reflect the priorities of the district for a given financial year, and therefore form the basis for the annual district budget. They are divided into quarterly action plans, which ideally correspond to quarterly budget releases. They should ideally be extracted from the DDPs.

The LG planning cycle however, seems to be *ad hoc*, peripheral and generally driven by the Central Government Planning Ministry (MINECOFIN), with LGs having little influence over whether, when, how and with what inputs (resources) to undertake planning. The LGs annual planning cycle, however, appears to be shifting focus to Imihigo, probably because they involve the highest office (signature of the Presidency), and are the only ones that are regularly evaluated (moreover in a process led by the Prime Minister's Office). Imihigo is presently the most engaging plan with comparatively better-funded activities, with the most effectively evaluated targets and perhaps most widely publicized local governance events.

Decentralised planning is characterized by lack of coherence between central and local planning processes, misalignment between DDP priorities and sectoral plans yet sectoral plans are the basis for sector budgets. This perhaps explains why DDP priorities hardly get attention and funding, except when such priorities are translated into project proposals and submitted to LODA or are extracted and considered under Imihigo.

A major weakness of the LG planning framework is absence of functioning district statistical offices and M&E capabilities. It is difficult to get reliable administrative data in almost all districts, and this is reflected in the quality of DDPs. As a result, LG plans are compiled without sound up-to-date detailed local statistical data. This also affects project designs and could

increasingly become challenging as LG projects submitted to LODA require sound feasibility and cost-benefit analysis.

It is noted that CG entities are increasingly engaging LGs to align their priorities with local development needs. While this is good progress towards effective decentralized planning and service delivery, LG officials raised concerns that CG entities often influence their priorities using their power over earmarked budget allocations. Line ministries and parastatal agencies have significant leverage over sectoral budgets due to slow progress in sectoral decentralization.

There are opportunities through DDPs to engage local development actors in medium term planning, galvanise diverse development efforts, and generate development outcomes that are inclusive, widely owned and more sustainable. The process can serve as a mobilization and engagement tool for LGs and stakeholders to work together, identify potential interventions that have the highest potential to transform their district and collectively identify cost-effective strategies for implementing them, including realistic resource requirements. This requires MINECOFIN and MINALOC to reform and improve the framework for planning, allocate sufficient resources for DDPs to be undertaken as a process rather than a 2-months rapid assessment to compile a document without in-depth input from most local stakeholders. Joint local planning should also be promoted with active involvement of sector ministries and non-state development actors (NGOs, Faith-based organisations, private sector organisations, etc.).

Under decentralization, local planning processes should be steered by local authorities and the planning cycle synchronized with the national planning framework. This appears not to be the case in all districts. For instance, the present DDP process was commissioned by MINECOFIN when the EDPRS 3 (National Strategy for Transformation /NST) formulation process was already in advanced stages. Yet the concept of bottom-up planning requires strategic and national level plans to be informed by local priorities within the broader national priorities and resource projections. It's not clear how the present DDPs will be funded or connected to the NST or even budget when they are completed after the first quarter of the budget year and when NST could have been finalised. The scope of DDPs and District Annual Action Plans to influence resource allocation for local development is currently limited, which makes the local planning process less of a priority.

Another key area of concern for local planning is unpredictable funding and inadequate mechanisms to mitigate it. Senior LG officials argued that their district action plans are not effectively implemented as funds are usually released late. Indeed, many projects under *Imihigo* tend to be rushed and finalized a few weeks to the end of the Financial Year when funds are released. Moreover, the PFM framework does not provide LGs with appropriate instruments to mitigate delayed resource flows, which results in delays in project implementation. Such instruments would, for instance, enable LG leaders to flexibly engage suppliers and contractors or mobilise short-term financing guarantees.

Slow progress in sectoral decentralization has negative implications for effective decentralized planning, especially in health, education, agriculture, water and sanitation sectors, which have direct effect on citizens' wellbeing and poverty reduction. Box 1 below illustrates the accountability effects of slow progress of sectoral decentralization.

Box 1: Sectoral decentralization and Accountability issues

It is observed that service delivery domains where significant decision making remains in the hands of CG agencies and where LG roles are diminished tend to be associated with serious performance and accountability queries as well as avoidable inefficiencies. In the 2013/14 Report, the OAG identified many inappropriate practices in the distribution of improved seeds to farmers. From beneficiaries not acknowledging receipt, to delivery of poor quality and less amounts of seed to farmers, concerns have been raised that point to inadequate coordination between Central and Local Government agencies, private service providers and Farmers' institutions. The entire system depended on the private distributors who also kept the farmers' distribution lists. There was neither follow-up from the Rwanda Agricultural Board (RAB) nor LGs. District authorities appear to have been reduced to agents for mobilization of farmers and played no role in decision-making. Yet their performance contracts are affected when flaws in inputs distribution happen because agricultural production targets are reflected in every district's Imihigo every year.

In the education sector, the Rwanda Education Board (REB) procures and transfers construction materials to different districts, under the school construction program, while communities are expected to mobilise and contribute other materials (usually local materials and labour through *Umuganda*). The OAG reports found, among others, cases where some districts received excess materials while others received less than they needed. In one incidence, 586 excess bags of cement were sent by REB for school construction in Muganza sector, Rusizi district when they had not requested them, according to the 2014 OAG Report. A lot of such materials were exposed to poor storage and theft. There were also cases of incomplete and abandoned infrastructure, and school facilities set up in high-risk zones where people had even been relocated. In many schools, latrine stances were not constructed. The district authorities appeared to have little involvement in the planning, budgeting and implementation of such projects.

In health care delivery, cases of expired drugs and medical consumables are regularly reported in the financial reports of Rwanda Biomedical Centre (RBC), yet many citizens complain that districts frequently ask them to buy drugs from private pharmacies due to stock-outs. District authorities seem to have no role in medical procurement or management of health units within their districts. Yet in all situations, LG authorities are usually asked to explain and account in case of challenges. Such accountability issues manifest due to stalled or slow sectoral decentralization, as CG entities continue to perform functions that belong to LG authorities. In such circumstances, service delivery and accountability are undermined.

4.5.2 Mainstreaming Cross-cutting Issues in local development planning

Decentralised planning processes are an important mechanism for mainstreaming gender and environmental sustainability into national development priorities and values.

- *Gender mainstreaming:* The Gender Monitoring Office (GMO) has supported interventions to develop district gender profiles for districts. Gender budgeting initiatives have also been implemented in partnership with MINECOFIN, under which gender audits with tools developed and a number of LG planners trained. However, in discussion with senior LG officials, this important process seems to have been undertaken as a rapid short term activity yet capacity for gender mainstreaming in

planning and budgeting processes requires time and in-depth engagement with actors, as well as developing a critical mass of technical officers. Hence there is scope for more to be done in engendering LG plans and budgets.

- *Environmental sustainability and green development:* A review of DDPs reflected significant and consistent attention to environmental issues over the last 10 years. A large proportion of local development projects funded by LODA address environmental issues, including green energy (solar, biogas, micro-hydro), soil and water conservation (terracing and restoration of vegetation cover on river banks and lake shores) and afforestation. Analysis of the DDPs and Imihigo of all 30 districts indicates consistent inclusion of key environmental and green development targets particularly in the last 10 years. There have been significant improvements in addressing key environment challenges that affect development, largely as a result of the public investments made by LGs in terracing, tree planting, forest protection, mining regulation and wetlands protection, among other sustainable land management practices. Senior officials at Rwanda Environment Management Authority (REMA) confirmed that the environmental conservation achievements, for which Rwanda has been globally recognized, are largely due to the partnership and efforts of local authorities.
- *Diffusion of Information and Communication Technologies (ICTs):* LGs must be at the centre of operationalizing ICT diffusion in order for ICTs to transform governance and service delivery. There have been commendable innovations such as use of mobile phone services (voice, text) mechanisms to mobilise citizens and communicate government agenda, video conferencing facilities, electronic information exchange (particularly use of e-mail services) and more recently the introduction of online service delivery platforms such as *Irembo* and *umucyo*. It is expected that ICT services will be extended to a range of service delivery domains (such as land administration, agricultural markets, civil registration, weather information, etc.). However, there remains wide scope for ICTs application in the planning and delivery of services, as well as citizens' monitoring of public services. Scale-up of these initiatives to enhance service delivery will require significant investments in ICT infrastructure, awareness creation and knowledge to target users, among others.

4.5.3 Joint Imihigo – From Innovative Accountability to Local Planning

Joint Imihigo has emerged as an innovative platform for engaging CG and LG actors around high impact local development priorities. It is, however, perceived by many LG leaders as a mechanism for CG entities to get their priorities implemented in districts.

Imihigo evolved as local innovations to identify and deliver high impact results in a short time through unconventional ways. They are tied to the local leadership vision. More recently, however, they seem to be drifting towards normal activities. The LG leaders appear to have stretched their priorities too widely and concerned were raised that they may be losing

control over their Imihigo through the influence of CG entities. The other aspect is inadequate and unpredictable funding. The pressure on LGs to deliver Imihigo results tends to increase with delayed release of funds. Budget allocations are frequently released late resulting in incomplete or late completion of many planned activities. Thus, while Imihigo evaluation may be based on actual activities undertaken, project execution and sustainability of project outcomes (e.g. quality of infrastructure) many be compromised. This needs to be addressed. The influence of CG agencies has already impacted Imihigo. Most districts have many Imihigo targets that often do not reflect the weight and innovative value of Imihigo (high impact actions that have significant potential for local transformation). The pressure imposed by line ministries and agencies on LGs to consider activities of low local priority for Imihigo, is premised on their perception of the attention that Imihigo has compared to other planning frameworks. The GoR appears to have come up with a concept of Joint Imihigo to address challenges in implementation. It is, however, the view of the consultant and many stakeholders consulted that the concept of Joint Imihigo is unlikely to address the gaps in Imihigo planning and implementation. Most challenges in Imihigo relate to gaps and deficiencies in planning and budgeting. It is therefore important to improve other planning processes to make them more effective if the pressure on Imihigo is to be reduced.

A likely risk with the Joint Imihigo concept is the potential to derail sectoral decentralization and reshape Imihigo. The immediate effect already observed is that Joint Imihigo have increased the influence of CG entities on the Imihigo priorities, a situation that could affect local ownership and motivation. Moreover, even with Joint Imihigo, LG entities argue that while both CG and LGs are evaluated, the CG performance is not evaluated and ranked.

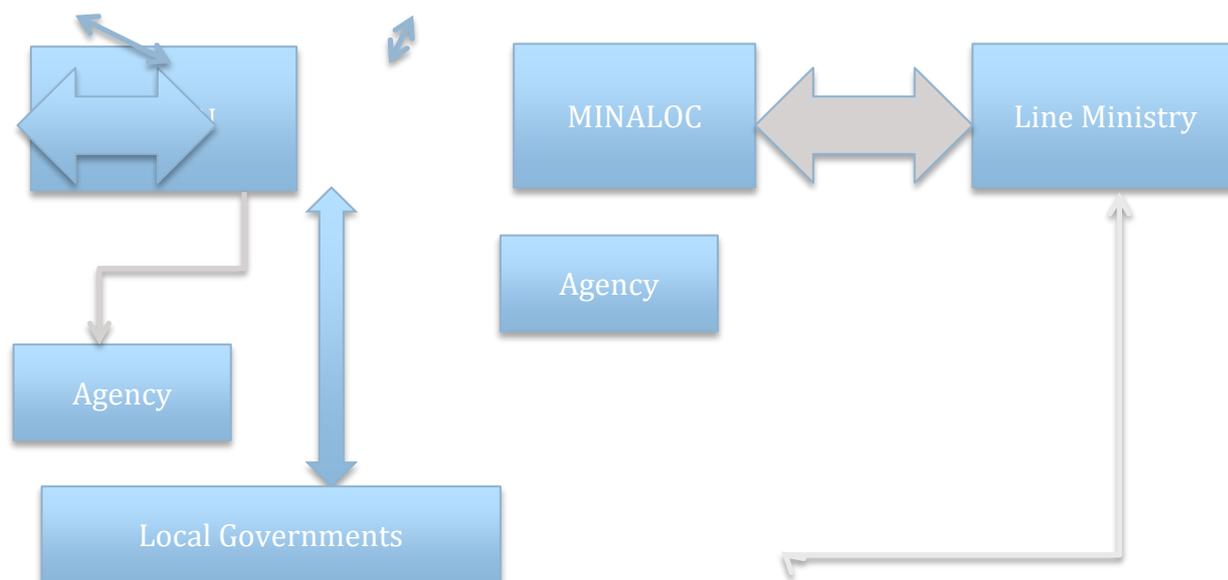
The concept of “Joint” in political innovations like *Imihigo*, has the effect of reducing its efficacy and leaders’ motivation because accountability in a joint framework will be difficult. There is, therefore, need to find alternative and more appropriate ways of addressing the challenges for which the “joint *Imihigo*” were adopted. The solution, in the view of the assessment, largely lies in strengthening joint planning and deepening sectoral decentralization.

4.6 Inter- and Intra-governmental relations

MINALOC has a central role to popularize the decentralization policy by engaging ministries, departments and agencies (MDAs) and other stakeholders in the implementation process. It appears that the success of decentralization to-date has depended on proactive engagement of MINECOFIN especially in relation to inter-governmental fiscal relations; the Ministry of Public Service (MIFOTRA) in the execution of administrative decentralization, specifically systems, structures and procedures for management of human resource functions. There has been limited proactive engagement of sector ministries and this has affected the progress

especially in sectoral decentralisation. Engaging leadership of core MDAs to appreciate the need to devolve functions, personnel and resources, and the linkages with service delivery is a critical success factor for decentralization. It will enhance clarity of functions and effective intra- and inter-governmental relations, as graphically illustrated in Figure 79 below.

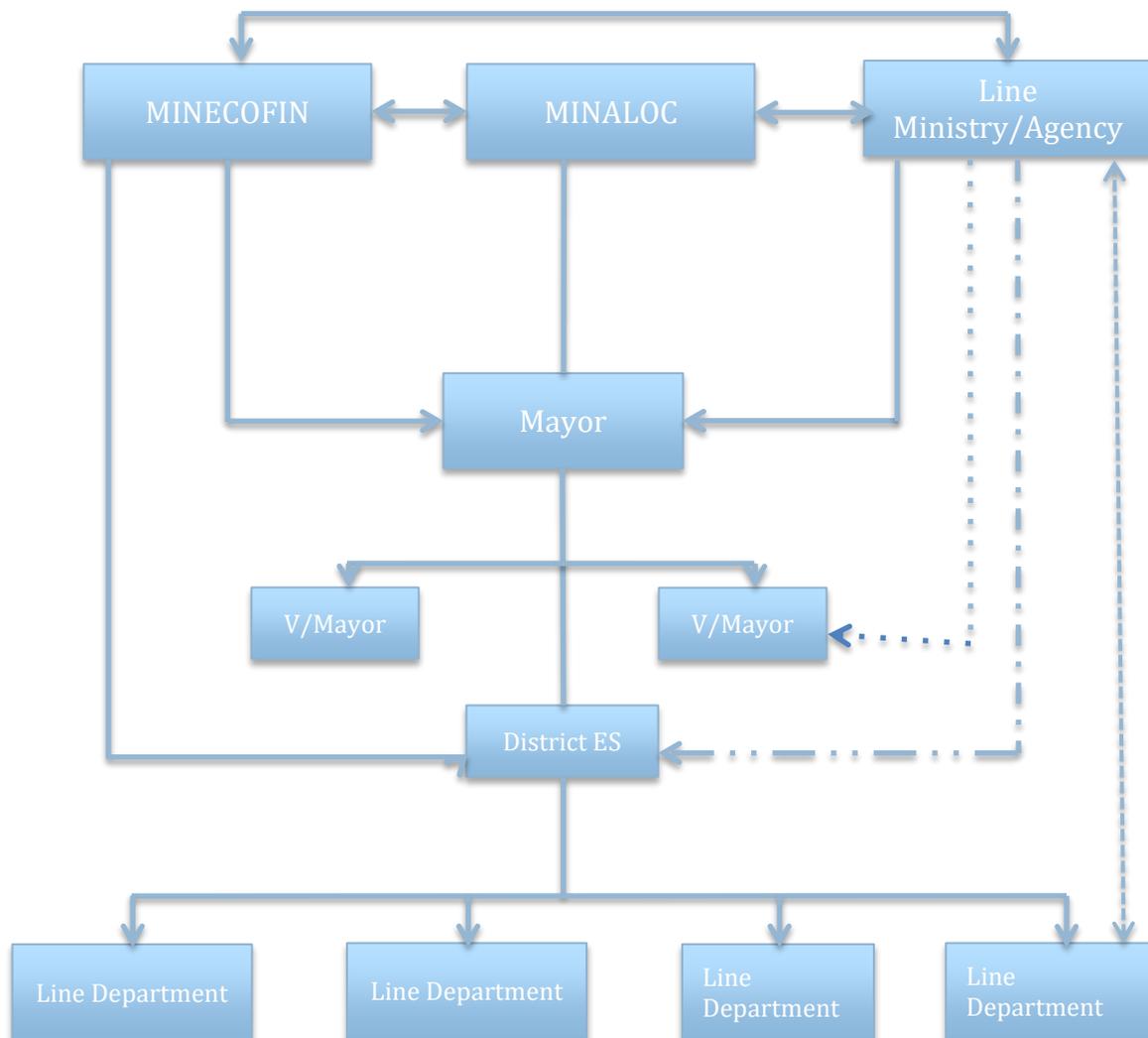
Figure 79: Decentralisation Progress - Structure of Inter-governmental relations



There appears to be limited engagement between MINALOC, as the lead ministry for decentralization, with sector ministries yet this is critical for effective sectoral decentralisation. Also, decentralized planning, which should be the basis for resource allocation and inter-governmental fiscal transfers, appears to be constrained by inadequate leadership and technical guidance from MINECOFIN. As a result, the quality of inter-governmental relations is weak. It should be emphasized that MINECOFIN has a range of incentives that can effectively enforce sectoral decentralization especially in developing supportive linkages between line ministries and districts through the budget.

It is important to appreciate, as illustrated in Figure 80 below, that multiple levels of engagement are expected between CG and LG entities at political, policy, administrative and technical levels. These multiple relationships need to be effectively coordinated.

Figure 80: Inter-governmental Linkages and Information flow in the framework of decentralized service delivery



There are coordination challenges due to absence of appropriate institutional mechanisms to manage the multiple relationships illustrated in Figure 80 above. Indeed, the recent practice of line ministries having to go through MINALOC to connect with LGs may undermine sectoral decentralization and need to be reviewed.

Some line ministries reported that they are constrained in working with their LG counterparts and hardly receive reports on decentralized sectoral activities. They seem to use the narrative of LG personnel being too busy with local activities to appoint or second staff from ministry headquarters. The consultant is of the view that the main underlying issues are gaps in institutional coordination and inadequate clarity and appreciation of roles under decentralisation. Figure 81 below shows the multiple linkages between decision-making and service delivery centres and how inappropriate management of these linkages constitute bottlenecks to service delivery.

Figure 81: Mapping Key Accountability Centres and Inter-linkages

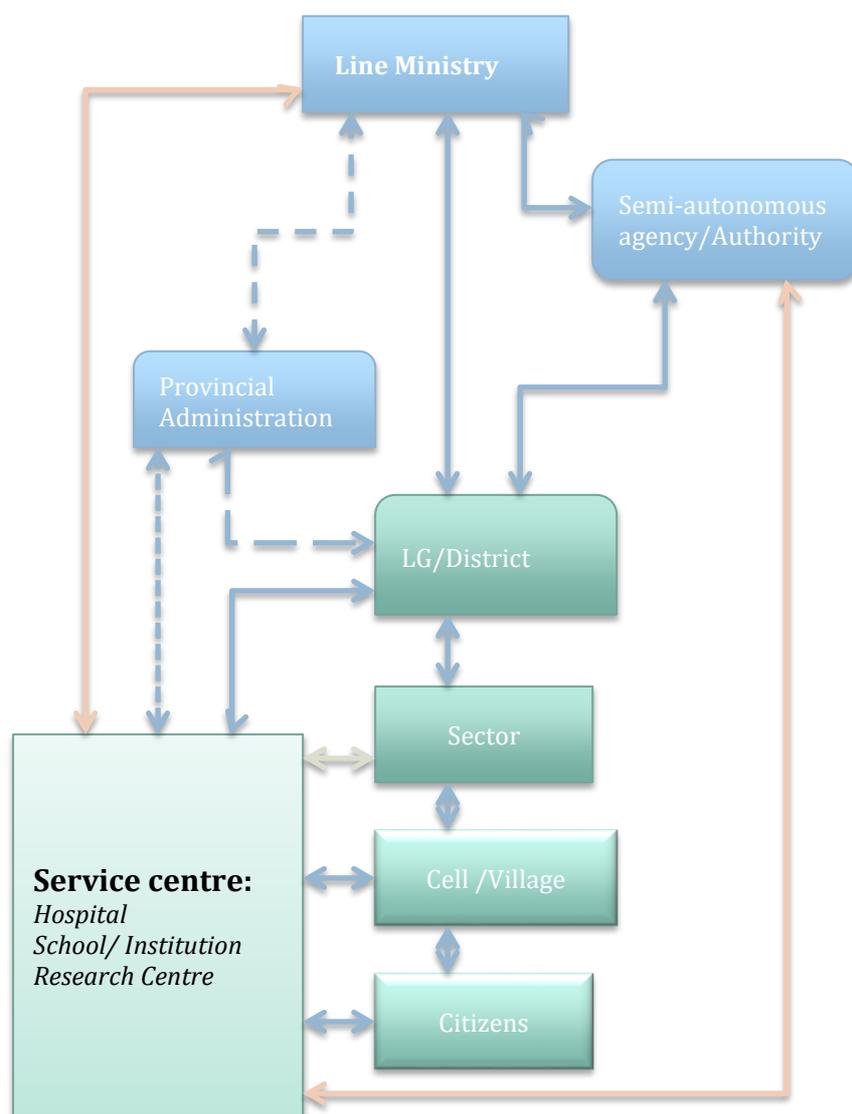


Figure 81 above also shows why LGs have complained that agencies affiliated to line ministries are involved in implementation of activities that should be the domain of LGs. Frequently cited examples were contracts for school construction and/or purchasing of roofing sheets, contract for supply of artificial insemination materials, seed and fertilisers, management of district hospitals, etc. (where MINISANTE, RBC and often a faith-based organization may impose their own directives). LG leaders identified constraints associated with sectoral decentralization including inadequate clarity of roles between levels, as the main causes of challenges facing these institutions. LG leaders are not sufficiently empowered or motivated to supervise such services as health centres and agricultural inputs distribution, including taking corrective action in case accountability questions arise. These challenges cannot, however, be addressed through piecemeal reforms but require holistic interventions, the starting point of which is comprehensive review of the sectoral decentralization strategies.

4.6 Summary of Key Achievements from Policy implementation

The main achievements and impact associated with the implementation of the national decentralization policy are:

1. Mindset shift of citizens and local leaders from powerless and dependent to inter-dependent: Mindsets of citizens and local leaders have been transformed. While they used to look up to external support including from CG and NGOs to solve their problems, which seldom came in adequate and timely manner, they now look from within for solutions as the first point of reference. This has enabled local potential to be unlocked helping to address local poverty, development and governance challenges. As a result, local creativity is being tested through innovations in problem solving that range from community security management (*irondo*) to food security and community health, housing for the poor, and self-help projects involving informal groups, associations and cooperatives.

2. Increased access to affordable, quality and reliable services. Service delivery centres have moved closer to citizens, and there is increased efficiency and effectiveness. This is reflected in the relatively larger proportion of citizens who live within reasonable proximity to (physical distance and walking time to and from) service delivery centres, demand for services, and testimonies of access to affordable and quality services. Overall, citizens' satisfaction with a range of decentralized services is high and increasing.

3. Citizens' empowerment - from beneficiaries to clients: Most citizens are empowered to demand for quality services as a right and not a privilege. Most ordinary citizens complain if they are mistreated or denied services irrespective of who the service provider is or whether they are required to pay for the service or not. Mechanisms like civic participation and instruments like CBHI have helped increase "client power" as have the awareness raising and confidence building efforts of national leadership, and increased media attention to decentralized governance and service delivery issues. Programs implemented to foster local accountability (such as Imihigo and accountability days) have helped increase accountability of leaders and service providers to citizens.

4. Decentralisation has catalyzed home-grown initiatives (HGIs) to address a range of social and political challenges, by empowering citizens and local leaders to do things on their own. Decentralisation has created incentives for leaders and citizens to creatively find solutions to the problems they face rather than looking up or elsewhere. The practice of trying and winning has also triggered progressive shift in attitudes and increased belief among ordinary people that they can solve their own problems and achieve more. A number of HGIs have been implemented to address development challenges that Rwandans faced in different domains. During the formative period of decentralization, *Ubudehe mu kurwanya Ubukene* (community efforts in fighting poverty) was instrumental in understanding multi-dimensional poverty and integrating citizens' perspectives in diagnosing and addressing

poverty challenges through effective targeting of interventions. When the country faced the challenge of delivering reparatory and reconciliatory justice to complex genocide cases that conventional criminal justice systems had no capacity to address, Rwandans looked back inside and deployed *Gacaca*, a system based on truth-telling and personal integrity as the main qualifications. *Gacaca* also helped to entrench a system of personal accountability necessary to establish a just and fair society, its weaknesses notwithstanding. As *Gacaca* was winding up, a new institution of *Abunzi* (Community mediators) also based on citizens' trust and social capital was established to help sustain the transitional justice and reconciliation benefits that had been realized through *Gacaca*. Innovations like *Gacaca* and *Abunzi* would not have worked without the mobilisational and leadership machinery provided by elected LG structures, and citizens that had learnt, through decentralisation, to appreciate their own ability to solve problems. Thus, decentralization helped establish the cultural and institutional environment that enabled Rwandans to think creatively and implement innovative solutions to their problems. The other visible areas of innovation catalyzed by decentralization are promoting citizens' participation and ownership of development through *Umuganda* (community work) and establishing an effective framework for leadership accountability through *Imihigo* (Performance Contracts).

5. Effective framework for inclusive and equitable development: Decentralisation has created a cultural and institutional framework for promotion of equitable and inclusive development. LG institutions have been and remain pivotal in promoting gender equality and equity, in ensuring vulnerable members of society are protected and assisted to get out of poverty, and for citizens to reconcile and work together with Government to address local development challenges. These institutions have enabled women, youth and PWDs to participate in governance and contribute to local development, raise their voices and live dignified lives. While it was difficult in the early phases of decentralization to fill-up the positions reserved for women in local council elections, women now constitute more than 40% of elected LG leaders surpassing the affirmative action threshold of 30%. Not only have women developed the interest and confidence to stand and take up local elective positions, they have also succeeded in changing societal attitudes towards them. There, however, remain structural limitations to effective participation of women, youth and PWDs in political and economic governance, as well as scope to effectively unlock their potentials.

5. BEST PRACTICES, KEY LESSONS LEARNT AND CHALLENGES

5.1 Best Practices and Enabling Factors

1. Strategic focus on quality service delivery to ordinary citizens: Rwanda's decentralization has primarily focused on increasing access to quality service delivery, and directed all efforts and resources around systems, structures, processes of service delivery, with citizens as clients. All efforts in public investments and local accountability are focused on citizens' wellbeing and participation. This is in sharp contrast to many decentralization initiatives around the world, where the greatest emphasis has been put on democratic representation (regular local elections). By placing greater premium on citizen-centred service delivery and leadership accountability as opposed to electoral politics (although citizens democratically elect their leaders), the Rwandan decentralization model is less exposed to risks of elite capture and has fostered genuine participation and ownership.

2. Investment in and applications of E-government infrastructure: The establishment of E-government (e-gov) infrastructure and support systems have expanded and contributed to cost-effective service delivery. There has been progressive expansion of infrastructure, knowledge and skills for e-government services as well as the use of e-gov facilities in service delivery. E-gov infrastructure has been extended to most administrative centres. All district headquarters now have video conferencing facilities with backbone internet infrastructure, as a result of which internet-based service provision has been enhanced. A recent assessment by MINALOC (Table 7 below) revealed that more 96% of sector premises are connected to electricity while 85% have internet connection.

Table 7: Status of key basic ICT Infrastructure in sector premises

	Status of ICT Infrastructure	Total Number of Sectors	Percentage coverage
1	Sectors with electricity	399	96%
2	Sectors connected to internet	353	85%
3	No electricity and no Internet	401	96%

MINALOC Records (August 2017)

This has enabled some aspects of service delivery e.g. payments for LG services to be digitized although they are not yet integrated across the entire district system. The use of e-government facilities has particularly enhanced service delivery in land registration/administration and civil registration services. The main concern however, is that use of e-gov is still limited to simple activities and a lot of potential for e-gov in LG administration and decentralized service delivery remains unexploited. For instance, there is scope for e-gov application in integrated HRM, public service performance monitoring, as well as public investment management, where all LGs are struggling. All districts have websites but they are not used to share useful information (e.g. showcasing investment opportunities

in their respective districts, communicating progress in implementation of public-interest projects, etc.). LODA has developed a Management Information system (MIS) for local development projects and trained LG personnel in using them. It is hoped that these digital initiatives will be scaled up and adapted to improve public investment management. A comprehensive LG M&E system should be developed and linked to the PFM system to enhance local projects management. In addition, despite high levels of electricity and internet connection, reliability remains a major constraint.

3. Emphasis on local innovation – with Imihigo (Performance contracts) and Umuganda (community work) as flagship initiatives: As part of policy implementation, the GoR has created incentives for leadership innovation to build a culture of leadership accountability and excellence in service delivery. Innovations such as Imihigo have already demonstrated potential as an effective public sector performance management mechanism.

Another innovative initiative that has been established in all districts to solve such problems is the weekly citizens' platforms (*Inteko z'abaturage*), which in most districts is held every Tuesday to increase interaction with service users and respond to citizens' requests and complaints.

Initially, most ordinary citizens feared leaders and many still do. Indeed some local leaders tended to take advantage of citizens' ignorance and entrenched fear to intimidate them, a situation that initially made fighting corruption and local injustice difficult. This, however, seems to be increasingly changing as a result of such initiatives as citizens' platforms and other regular ones like post-Umuganda village meetings.

4. Stakeholder coordination through JADFs: Many development partners closely work together with districts, and there is some degree of coherence and collaboration between LGs and local development actors. NGOs align their priorities and development plans to the needs of the areas where they plan their interventions. Secondly, mutual accountability has increased, as all actors now know which organization is working where, they plan together and even evaluate each other's plans. This has resulted in more tangible results from interventions of non-state actors (NSAs). The main area of achievement is improved coordination and transparency of local actors. It should be noted that the leadership of JADF has been restructured so that the platform becomes a more independent space. JADF Leadership is now rotational and inclusive, a situation that has helped foster mutual trust. A more important change, however, is the incentive for NSAs to work cordially with districts since their license renewal depends largely on the certificate of good conduct and working relationship with the district. Many CSOs value their relationship with local authorities and are motivated to participate actively and contribute resources to JADF operations. This sharply contrasts the situation 15 years ago when local authorities hardly knew the programs and budgets of their non-state partners. JADF has become more institutionalised with a fairly active national coordination desk at RGB.

5. Initiative and active participation of media in promoting local accountability: In the initial phases of decentralization, the media was not engaged and the media programs on decentralization, accountable leadership and service delivery were usually sponsored programs. Rwandan media was also small and less creative. Over the last 10-years, however, the media has taken a leadership role in amplifying citizens' voice on issues of service delivery, human rights and leadership accountability, despite the fact that it remains underfunded and professionally limited. Many media houses have given space and platforms for citizens to air their views, and are investing in investigation and documentation of governance issues across the country. Rwandan media has expanded considerably in terms of numbers, and improved the content on local governance and service delivery.

It was observed, however, that there is a lot of unexploited potential for partnership with media to empower citizens with information and platforms to air their views, as well as for LG leaders to effectively engage citizens and stakeholders. Despite the existence of at least one community radio in or close to each district, LG leaders have yet to exploit such platforms to engage citizens on issues of governance and service delivery. This constitutes an important area of intervention in the next phase of decentralization.

6. Research and documentation of decentralisation initiatives: RGB has established a system of documenting innovative initiatives and best practices under decentralization. It also regularly commissions research on key aspects of decentralised governance and service delivery. A dedicated unit on HGIs and another one to specifically coordinate and follow-up actions of JADF has also been set up. RGB has also initiated strategic partnerships with stakeholders (including RALGA, UNDP and other partners) to document and disseminate information and organize stakeholder dialogue activities around key governance policies and strategies related to decentralisation. While its not yet clear to what extent these initiatives have influenced the policy and local development processes, it is an important step in building local knowledge-bases that is critical to evidence-based policy formulation and planning. This requires localisation of policy dialogue processes including building local information and knowledge databases.

7. Local Governance Institute, potential engine for innovative and sustainable solutions to local governance capacity challenges: A key challenge in building institutional capacity for effective decentralization in Rwanda is the ability of existing institutions and capacity building initiatives to effectively address the needs of decentralized institutions. In many areas (including performance indicators and monitoring tools, institutional structures and relations, etc.), off-the shelf solutions and tools that have been used for a long time, do not work. This is partly because LG actors tend to work in ways that are incompatible with traditionally structured capacity development programs, tools and institutions. The recent establishment of the Local Governance Institute (LGI) at the Rwanda Association Local Government Authorities (RALGA) provides opportunities for LGs and other sub-national institutions to define their own capacity needs and for the supply side to respond appropriately. This means that local decentralization actors will have opportunity to ensure

that the kind of capacity development support (training, systems, tools, knowledge, etc.) they receive from capacity development institutions is tailored to their unique needs and circumstances. The recently established LGI appears to have started on the right footing by designing relevant content and using flexible delivery approaches that are compatible with the needs and circumstances of decentralized entities and other local actors. The success of LGI will thus depend on its ability to deliver solutions that are practical, realistic and based on the needs, and deliver them in ways that are adaptable to the environment of individual LG actors/localities. It must also be able to continuously innovate as new challenges evolve, and should be able to document their experiences and lessons for the benefit of others and for future posterity.

5.2 Key Observations and Emerging Issues

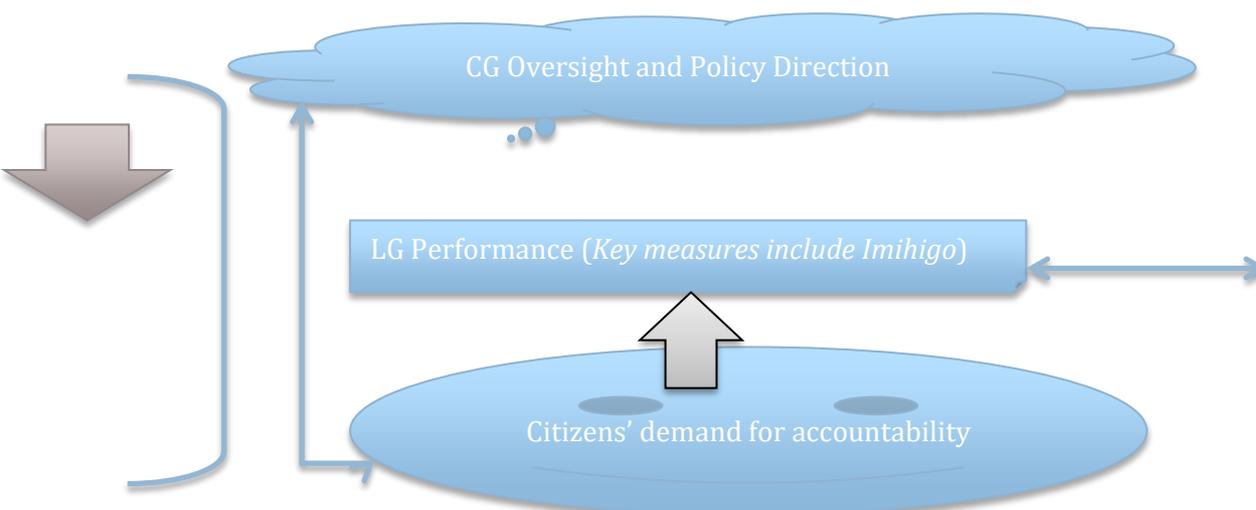
A number of issues have emerged from the assessment that require serious reflection and policy action:

1. Local leaders are the main source of public policy information for ordinary citizens:

This is mostly in community meetings, physical interaction or phone messages. Local leaders should be equipped with adequate knowledge and information otherwise citizens will be inadequately informed if their leaders are not sufficiently informed, equipped and motivated to appropriately deliver or transmit the right information on timely basis.

2. Local accountability still dependent on CG oversight: A culture of accountable governance and citizen-centred service delivery is evolving but most citizens still trust the CG more than local leadership. The main reason is the fact that too frequently, LG authorities tend to act on their responsibilities at the intervention of CG leadership. There is still reluctance, inadequate self-initiative and limited confidence for some LG leaders levels to address citizens' issues even when they are politically and legally empowered and have the means to do so. Many citizens surveyed believed it is the President who can address some problems yet most of them fall within the domain of local authorities. While the assessment has shown high level of citizens' trust in their local leaders, there appears to be limited belief that local leaders can solve ordinary citizens' problems without CG interventions. It appears that the performance and continuous improvement in accountability of the LG system is still largely driven by CG oversight, and less influenced by accountability demand from citizens or citizens' groups. Figure 82 below illustrates the present nature of accountability.

Figure 82: Simplified Structure of Local Accountability Demand System



There are concerns that this cannot be sustained without the continued political will from top political leadership, neither can it be strengthened by local elections (a common measure of the level of political decentralization) as lessons elsewhere suggest⁸. A situation where citizens believe more strongly in CG actors than in their own local leaders contradicts the spirit of decentralization and raises concerns for local accountability. It is the considered view of the assessment team that local accountability will be realised and sustained through citizens' empowerment and effective institutional systems. It appears that part of what needs to be done relates to building a culture of accountability through awareness creation, a committed cadre of professionals, and building a critical mass of creative leaders right from the bottom upwards.

3. Leadership capacity remains a concern for accountable local governance and effective citizen-centred service delivery. The seriousness of the challenge is not only reflected in the observation of Leadership guru John Maxwell that *"everything rises and falls on leadership"* (Maxwell, 2007), it is also clearly observed in Rwanda's LG performance. At all levels from village to district level, it is observed that service delivery is clearly associated with creative, visionary and hardworking leaders.

It is noted that since the 2005/06 reforms, there has been high turnover of political leaders in virtually all districts. Within one term, some districts have had as many as 3 Mayors and/or Council Chairpersons. Although district Mayors are eligible for re-election, only 2 Mayors (Rulindo and Gisagara) served two full terms. Too often, mayors are forced to leave office for reasons of non-performance and corruption after serving as short as less than one year to as long as 6 months to the end of their five-year terms. There is inadequate orientation of leaders at all levels leading to insufficient preparation for leadership pressures. RALGA and MINALOC

⁸ Despite regular local elections in multiple layers of Local Government that are often deemed competitive and fairly free, citizens in Uganda, South Africa and more recently Kenya, remain too powerless and disengaged to demand accountability and better services from their Local Governments (which they frequently change). Indeed, citizens' satisfaction with local government services in these countries is consistently lower than that of Rwandans.

need to implement leadership development programs tailored to local circumstances of each region, district or locality, ensure mandatory induction of new leaders, and regular performance appraisal and retooling of all leaders from Village to district level.

4. Existing platforms and spaces for inter-governmental relations appear to be structured and managed in ways that do not reflect sufficient dialogue between Central and Local Government actors. It needs to be emphasized that skewed inter-governmental relations undermine decentralization and effective LG performance. LG leaders (particularly Mayors and Executive Secretaries) have argued that they are compelled to spend more time explaining themselves even for issues that they have no control over, and there are inadequate opportunities in the existing dialogue platforms for them to engage proactively and productively contribute ideas to policy processes. Yet, as frontline managers in policy implementation, they encounter issues, learn lessons and accumulate unique experiences that would be useful in shaping effective policies and designing appropriate strategic interventions for local development. LG leaders cited situations where some line ministries develop policies and rollout unrealistic policies without adequate engagement with LGs. It should be emphasized that LG actors have local-specific, relevant and diverse experiences that they can use to contribute in the formulation of evidence-based and citizen-centred policies.

There appears to be wide gaps in communication and institutional engagement between CG and LG entities, a situation that has contributed to slow progress in sectoral decentralisation. Yet effective decentralization is largely a result of active, functional and constant two-way inter-governmental engagement, guided, *inter alia*, by the subsidiarity principle. *There is need to enhance inter-governmental coordination and collaboration in all stages of policy development. In this regard, all policies that directly affect ordinary citizens' wellbeing and require the involvement of LG leadership in implementation should typically involve active participation of a wide range of stakeholders, key of which are LG leadership and technical personnel.*

5. Community institutions have become the clearest symbols of citizens' creativity and civic participation, and could potentially become the new loci of citizen-centred service delivery. The GoR has recognized the power of local organization – from community health workers (CHWs) to community mediators (Abunzi), community security (neighborhood watch), community agricultural advisors (*Abajyanama b'ubuhinzi*), etc., and tried to harness it by creating a supportive environment for such community power through linkages with and integration into formal sectoral service delivery structures. Progressively, the GoR has also introduced incentives, through appropriate policy and legal instruments,⁹ to enhance the performance and contribution of certain categories of volunteer community-based volunteer groups. For some initiatives such as neighborhood security (*Irondo*) and hygiene (*Isuku*), households contribute funds to employ, deploy, remunerate and facilitate security patrols;

⁹ For instance, the State pays community health insurance subscriptions for CHWs and their families, as well as for members of the *Abunzi* (Community Mediators).

recruit, pay fees to garbage collectors, an initiative that has created jobs for young people and helped improve security and sanitation in many especially urban localities.

Most citizens appear to be satisfied with such initiatives, as a testimony from a middle-aged lady resident of Niboye sector, Kicukiro district shows:

“Although some people have complained that these community security guards are the same thieves who break into people’s homes whenever they have opportunity, not all of them behave the same way. Moreover, the neighbourhood patrol occupation keeps them too busy to engage in petty thefts, which they would be tempted to do if they were redundant and hungry. Rampant thefts in our community have been severely reduced”. Observed a middle-aged lady in Nyakabanda cell, Niboye sector, Kicukiro district.

In intensifying the activities of National Itorero (a national agency responsible for civic education and patriotism promotion), the GoR appears to be developing a large cadre of patriotic community volunteers. However, it is not clear to what extent the *Itorero* trainings are structured, planned and evaluated in relation promoting good governance and a cohesive society. In addition, follow-up and sustaining the large pool of diverse volunteers will require a stronger institutional framework to facilitate mobilization, sustained training and motivation as well as coordination of their activities. The cell office would be the most suitable structure for this role because of its proximity to communities but its organizationally constrained and unfunded.

6. The framework for private sector involvement in the provision of essential services required by citizens is unclear and ineffective. LG capacity to manage public-private partnerships is limited, a situation that compromises service delivery and limits the evolution of potential local innovations requiring PPPs. In the provision of water services, for example, many citizens in peri-urban sectors of Bumbogo in Gasabo district complained that they have no access to clean water despite existence of a functioning supply network. The water operators (private entrepreneurs contracted to manage public water supply system) had defaulted to remit funds to the Water and Sanitation Corporation (WASAC) despite water users paying for all water consumed. WASAC subsequently cut off the water service, which inevitably punished the thousands of citizens. At the time of the assessment, residents were using unprotected sources despite having a clean water supply network. Neither the local authorities nor WASAC had attempted to address their concerns. The Ministry of Infrastructure (MININFRA) has started working with districts to set up Water and Sanitation Committees that are expected to oversee and regularly manage the operations of the water, sanitation and hygiene (WASH) network systems, including supervision of private operators where they are engaged. While this initiative is still in very preliminary stages, the establishment of such a structure itself is an innovative attempt to address institutional gaps in decentralised water service delivery. Another example relates to agricultural services. In the distribution of improved seed, essential components of this sensitive process seem to have

been entrusted with private dealers without a clear monitoring and accountability system, leading to ineffectiveness, as discussed in Box 1.

7. There is a growing interest among many citizens to live in integrated planned settlements (*referred to as Imidugudu y'ikitegererezo*), yet it, appears, that the strategy and roadmap to rollout these model villages is slow and not well communicated to citizens and other local stakeholders. The number of model settlements established under the settlement re-organisation program has increased, and many citizens appreciate the vision and benefits of living in organized settlements where it's easier to access services such as infrastructure and security. The proportion of citizens exposed to disasters as a result of living in high-risk zones has reduced. It must be appreciated, however, that the IDP settlement concept is a very expensive venture and for it to work, citizens must be mobilized to participate more meaningfully and not as mere beneficiaries without contribution (many citizens claimed they were waiting to be resettled and get good houses). Most citizens and local leaders seemed not to have adequate and accurate information about their roles. There is need for clarification and appropriate mechanisms to manage the expectations.

Beyond integration the IDP concept, there is need for more attention to the plight of vulnerable groups to enhance social integration. There appears to be a perceived sense of exclusion and marginalization among some special interest groups. The community of genocide widows/orphans, Disabled Ex-combatants and some historically marginalised groups expressed a sense of frustration, bitterness and disillusionment. More effort should be made to integrate these groups in the on-going rapid socioeconomic transformation process. This will deflate the level of perceived isolation, enhance healing and reconciliation, and alleviate the psychological stress and social pressures suffered by some members of these groups.

8. The cell and Umudugudu are now important centres of service delivery, problem solving and community mobilization. They are, however, understaffed, underequipped and inadequately facilitated to carryout this function. In the first phase of decentralization, the cell was identified and piloted as a centre of participatory community-driven development. The successful pilot demonstration of Ubudehe with a budget of € 1,000 per cell (supported by the European Union) enabled them to successfully pilot community driven development (CDD) initiatives, which, it seems, were discontinued. It is observed, however, that as the cell increasingly become important for effective and accountable service delivery for citizens, it needs to be strengthened in terms of working space, adequate competent personnel and equipment. There is also need to strengthen the cell as a unit of planning, coordination, monitoring and evaluation of service delivery. This will entail developing capabilities for data collection management, customer relations to effectively provide interface between service providers (both private and public) and users (citizens), and as the fulcrum of community-driven development.

9. The recent Ubudehe classification process has been criticized by citizens and the data may have integrity and reliability issues. This raises concerns for the reliability of some processes used to collect essential and sensitive data for development planning and policy decision-making. It also raises questions about the integrity of local leaders to make just and fair decisions, and underscores the need to strengthen oversight over the actions of local leaders and other LG functionaries. In almost 100% of the cells visited, citizens complained that the recent Ubudehe classification exercise was unfair, unjust, highly subjective and riddled with integrity issues. Incidences where seemingly wealthier people (including some local leaders) have been put in lower categories than poorer people were reported in all districts visited. It would seem that the process relied on the seemingly subjective judgments of local leaders and the information provided was not audited or triangulated to establish their authenticity. Some of the voices below show evidence from ordinary citizens' that the process was subjective and unfair:

"Ni gute naba ndimuciro kimwe na nyirinzu nkodesha" complained a middle-aged lady in Gikondo sector, Kicukiro district.

"Ndi umupagasi, ntanzu ngira ntunzwe nugukorera abandi utirimo twa mace. Bashingiye kuki kunshyira muciro cyagatatu kimwe nabonkorera baba mubipango?" asked a young man who further said that he and his pregnant wife had not got CBHI card as a result of the Ubudehe categorization.

These complaints point to two major concerns: one, the process of classifying citizens in wealth categories is not transparent and appears not to have been adequately communicated. Secondly, platforms for complaining and feedback appear to be ineffective. Citizens were observed complaining to cell leaders who are often unable or reluctant to address their complaints. Third, the reliability of the information collected through such processes is consequently questionable yet it is a basis for critical planning and decision-making activities such as allocating social protection benefits. Despite the demonstrated role LG structures play in planning and implementation of development policies, it is risky to entrust such sensitive information collection with significant social development implications, to lower levels without adequate means of verification.

10. The Provincial Administration is inappropriately structured and inadequately equipped to perform the expected functions of LG coordination, policy guidance, mentorship and capacity building. Its relationship with other CG entities is also weak despite some CG agencies having offices at provincial level. Restructuring, repositioning and appropriately facilitating the provincial structure could help resolve issues related to coordination of regional and local development planning, help fast-track sectoral decentralization, and strengthen local accountability. It could cushion the LGs from the capacity and coordination challenges at the CG level.

11. There is inadequate capacity for local revenue generation in all districts. Many districts don't have regularly updated taxpayer registers, don't put in demonstrable efforts in identifying and documenting taxable items or even collect sufficient data to enable them make reliable revenue forecasts and budgets. This inevitably makes revenue projections low and actual realization even lower because of inadequate tools for tax planning and administration. The agency approach where RRA was contracted to collect revenue on behalf of district authorities seems to be ineffective, largely because the arrangement does not cover other systemic issues in LG revenue administration including lack of institutional capacity among districts for revenue planning and the fact that decentralized taxes are few and underdeveloped in all districts. Local OSR is an important indicator of progress towards fiscal autonomy as well as ownership by citizens and local authorities over their economic governance. Thus, there is need for effective mechanisms to address low local revenue generation, including decentralization of more taxes to enhance OSR in especially rural districts.

12. Imihigo success may be undermined: It appears that CG entities are now using their fiscal and budgetary power to influence LGs to adopt some of their priorities into Imihigo instead of addressing them through normal planning. This has bloated Imihigo to as many as 80 targets and tendency of many districts to have similar and often low impact targets, many of which would ordinarily fall under normal action plans.

13. Local economic management institutions (e.g. Umurenge SACCO) have been established with active mobilization or leadership of LG authorities. However, the capacity of LG leadership to inspire and lead economic management institutions and position them as instruments for local economic transformation is very limited. As a result, Umurenge SACCO and similar institutions have yet to take advantage of opportunities (e.g. partnership with national programs like Business Development Fund) to deliver affordable financial services to empower ordinary citizens. There is also inadequate supervision of such institutions to effectively perform their roles in managing national programs like National Employment Program (NEP/ *Kora wigire*).

14. A culture and practice of measuring results and using them to improve policy implementation and performance management, is evolving, albeit slowly.

There are, however, concerns for the adequacy and appropriateness of tools, scope and capacity to transform results into evidence-based policy reform. There are no functioning statistical offices in districts, and it's difficult to find comprehensive information on district profiles. LGs tend to rely on the results measurement and feedback from the CG entities and have yet to evolve their own solid systems of performance management. A holistic performance improvement mechanism for decentralized governance and service delivery would entail strengthening local capacity for evidence-based planning, program design and resource allocation, which would require establishing a local statistical system. Whilst national level capacity has tremendously improved since NISR was established, there appears

to have been limited effort at developing the requisite capacity at LG level. Sustainable performance improvement will require increased capacity in documentation, record keeping and knowledge management. This should be prioritised in all decentralization programs.

15. Decentralised planning has improved but remains ineffective as the planning process and its outputs can barely be defined as instruments for priority setting, resource allocation (the budget) and public expenditure management. *There is weak connection between the LG plans (action plans, DDPs and sector strategies) and the budget.* The planning and budgeting calendars are not synchronized, key stakeholders appear detached from the planning process, and as a consequence, the plans neither reflect reality nor understanding of key local stakeholders. It is observed that while both MINECOFIN and MINALOC have effectively managed the fiscal decentralization process, they have not sufficiently guided the decentralized planning process, yet it underpins both sectoral and fiscal decentralization.

It appears that these gaps are now being filled up by Imihigo, which were initially an innovative tool for political accountability. The obligation for coordinated decentralized planning (which would bring local and national stakeholders together), and accountability of sector ministries and their partners appears to have been bypassed by the new concept of “Joint Imihigo” (Joint performance contracts between districts and line ministries).

16. There are gaps in skills of LGs yet public sector capacity building interventions do not adequately and appropriately address unique LG needs. Capacity building support should be provided on the basis of specific needs of districts and other LG entities, which should be reflected in clearly articulated district capacity building plans. Some senior officials at the Capacity Development and Employment Services Board (CEBS)¹⁰ admitted that LGs had not sufficiently benefitted from the national capacity building programs compared to their CG counterparts. District capacity building plans are not funded due to lack of funding and inappropriate capacity building policies.

17. There is increasing focus of LGs on local economic development (LED) although opportunities remain inadequately exploited. *Recent LED initiatives appear to be more comprehensive and focused but their effectiveness will depend on committed and capable leadership from LGs.* Many economic opportunities are unexploited partly due to limited focus and inadequate capacity of local authorities to creatively turn them into opportunities for livelihood security, employment and local economic growth. Recent attempts to explore and develop economic potentialities have involved expansion of support infrastructure (notably local road networks), markets and tourism facilities (many districts established hotels and Guest houses) with support from LODA. The exercise of mapping local development potentialities was externally undertaken (through LODA) with very limited engagement of local actors. It appears that the approach used by local authorities is to exploit these

¹⁰ CEBS is a newly established institution that was created by merging the labour and employment directorate of MIFOTRA with the former National Capacity Building Secretariat (NCBS).

potentialities themselves rather than identifying and facilitating private investors. LGs are investing rather than looking for investors. It is the view of this assessment that this approach runs contrary to the national strategy of pursuing private sector driven growth where the public sector provides the incentives and establishes enabling environment for the private sector. There is also inadequate engagement and partnership between LGs and Rwanda Development Board (RDB), the national body responsible for and with a track record of investment promotion. The establishment of Business Development and Employment (BDE) Units in all districts is an important step towards establishing local capacity for private sector development.

The assessment, however, observes that recent initiatives under the auspices of LODA/BTC, are attempting to address LED issues more comprehensively and in a fundamentally different way. This provides opportunity and capabilities for LGs to focus on building local economies. New LED strategies for all LGs have been formulated through highly participatory and district-led processes. Stakeholder engagement activities have been undertaken, including workshops to clarify the concept of LED and expectations. These processes have reoriented the LED process and provided considerable assurance that the new LED strategies are more focused and widely owned by stakeholders.

18. Urban authorities are facing increasing population pressure, mostly from rural-urban migration. *This puts enormous strain on the resources and amenities in urban areas and undermines their ability to provide quality services.* These services include water, housing, education, healthcare, and electricity, as well as economic and livelihood opportunities (employment). The increasing urban population in all major towns, and especially Kigali city, has been attributed to skewed economic opportunities between rural and urban areas. Kigali city has experienced the greatest impact as it accounts for nearly 4 out of every 5 urban residents. A key issue is the rising cost of land for residential houses, which has been cited by Kigali city authorities as a hindrance to provision of housing services to low and medium income earners.

The complex challenges that Rwanda's urban areas face and the potentials they hold as catalysts of local and regional economic and technological transformation, requires specific attention and support. Since 1996, urbanization has featured on Rwanda's development policy, initially as a strategy to sustainably manage scarce land resources and promote economic growth, but has not adequately been addressed in the decentralization policy implementation.

19. Attention to planned urbanization is emerging, most notably through the green secondary cities' initiatives, urban infrastructure modernization, and physical planning for small towns. However, LG institutions remain inappropriately structured and staffed for effective and sustainable urban governance. Urbanisation is being rolled out as a regional economic transformation and green development strategy. This raises issues of urban planning and urban governance that the decentralization policy implementation has thus far not given sufficient attention. While the 2006 territorial reorganization and

administrative reform created more viable districts, it appears to have dissolved territorial localities that were distinctly classified as urban entities and managed by urban authorities. Since then, there are no physical boundaries or administrative entities categorized as urban yet local governance is inherently spatial, demographic and economic. While recent initiatives suggest increasing attention to development of regional urban growth centres and the urban areas designated as secondary cities (Muhanga, Huye, Musanze, Nyagatare, Rubavu and Rusizi) have experienced considerable expansion and infrastructure investments, their potential as catalysts of regional economic growth, is expected to bear fruit in the long-term, but it will also depend on the technical and leadership capacity. This presently manifests huge gaps that require urgent attention.

20. Administrative delineations affect service delivery: In some sectors like Bwisige, Gicumbi district, administrative units are so large and under-served by infrastructure that to get to some cells, one has to go through neighboring sectors. Disproportionately large administrative units affect governance and make service delivery costly.

21. Inefficiencies in local public investment management affect local development but appropriate mechanisms are being implemented to reduce inefficiency and increase socioeconomic benefits from local development projects. The current National Investment Strategy requires all development projects to undergo feasibility studies. As such, LGs are now required to scientifically establish and demonstrate the feasibility and net benefits of their development projects before funds are committed. As a result, all projects submitted to LODA now require feasibility studies and cost-benefit analyses. While it's still too early to assess them, there are already indications that this is addressing the risk of failure in public investment projects implemented by LGs (such as abandoned hotel buildings or factories set up by LG authorities). This initiative will compel LG leaders to think more innovatively and cautiously about economic and social development projects that they implement. It will increase effectiveness and efficiency consistent with the objectives of decentralization.

22. Local representation through elected councils manifests gaps and there is significant room for improvement. DC members seldom consult their constituencies to identify their needs, concerns and ideas to take to councils and neither do they regularly provide feedback on the deliberations and resolutions from Councils.

Since the decentralization policy was rolled out, multiple platforms were established right from village level up-wards to promote representation of hitherto excluded groups. The national youth council (NYC) (popularly known by its French acronym - *Conseil National de Jeunes/CNJ*) and the National Women's Council (*Conseil National de Femmes/ CNF*) for example were established as platforms for promotion of youth and women participation in leadership respectively. Similarly, the National Council for People with Disabilities (NCPD) was formed to address the interests of PWDs. However, many citizens, expressed dissatisfaction with their representatives in Local Councils and the functioning of these

agencies. Although the number of interest group representatives in councils has increased, many youth and PWDs complained that their representatives simply use them as platforms to earn allowances but rarely consult them or give feedback. They were particularly concerned that the issues of interest group advocacy – such as education, economic and livelihood opportunities for PWDs, youth and the girl child, are not reflected in LG plans and expenditure priorities yet they have representatives who are expected to advocate for their interests in such decision-making platforms. There is need to review the democratic and interest group representation framework to enhance voice and accountability.

23. The transfer of key service delivery functions (and associated resources) from line ministries to districts has been slow and in many instances unclear. Some of the on-going reforms appear to be undermining the progress in sectoral and administrative decentralization. Absence of a clear institution or agency with specific mandate and capabilities to steer the decentralization process may account for inadequate clarity, slow progress in sectoral decentralization and even setbacks in other aspects of decentralisation.

24. There are gaps in the strategic management of human resources under decentralization. There appears to be inefficiencies in the overall deployment of human resources across the public sector. A typical indicator is the apparent redundancy or under-deployment in CG institutions while some LG entities are under-staffed. The GoR should work towards shrinking the top level and widening the bottom levels so as to increase efficiency in HR deployment and increase LG capacity to deliver services to citizens.

5.3 Major Constraints and Challenges in Policy Implementation

The main constraints that the implementation of the decentralisation policy has and continues to face are:

1. Capacity Constraints: The LG and decentralized service delivery system faces institutional and human resource constraints, which undermine effective decentralization. Capacity constraints include inadequate personnel, inadequate facilities and equipment as well as absence of robust support systems. For instance, in the health sector, some citizens complained that they have to spend many hours in queues waiting to get services due to inadequate medical personnel. Responsible CG entities need to deal with these issues at policy level in collaboration with LG leadership.

A key issue of serious concern is that existing capacity building initiatives seem not to be effective in addressing the unique challenges that decentralizing (CG) and decentralized (LG) entities face. CG entities also lack sufficient capacity to guide and technically support decentralized entities.

2. Structure constraints: Both CG and LG structures appear to be designed in such a way that creates imbalance in the allocation of functions and resources including human resources. Lower administrative entities (particularly cell and village) have too few staff compared to the responsibilities they have and they are increasingly shouldering more responsibilities including demands for data, conflicts resolution, coordination of volunteer community development activities, etc. In addition, a lot of functions that should be devolved to cell and lower levels are still provided at levels that are far away from citizens. There is need to transfer basic functions, service delivery responsibilities and associated resources to cell level to increase effectiveness and efficiency including lowering the costs citizens that ordinary citizens incur for services. This, however, requires comprehensive functional review of institutional structures and deployment of an adequate and capable cadre of personnel at cell.

3. Reluctance of some CG institutions to fully embrace decentralization: Despite the locally demonstrated and widely accepted view that decentralisation promotes effective and efficient service delivery, and equitable development, many CG entities have not adequately embraced decentralization, especially in critical sectors including health. This is largely demonstrated in sectoral planning, institutional cultures and practices of senior policy and technical leadership, especially their relations with local authorities.

4. Uncoordinated public sector reforms that affect decentralization. For instance, new agencies were established immediately after the 2006 territorial reforms with mandates that are partially similar to those of decentralized entities. Consequently a lot of resources (financial and human) that should have been devolved to LG entities remain under the control of CG entities, in addition to creating other tiers within the service delivery value chains. Secondly, the decentralization implementation coordination secretariat was phased out under reforms that do not seem to have placed the functions under any other specific authority. This has created gaps in the coordination, advocacy and leadership of the decentralization implementation process. In addition, there are reforms that affect regional development, for instance the recent transfer of a large section of the University of Rwanda from Huye district is likely to affect the city and district of Huye economically, as a result of the resource outflows from the research and academic communities. At the same time, this will increase the pressure on Kigali city in terms of infrastructure and amenities. It should be recalled that Huye city evolved as a centre of higher education and research. On a positive note, policy decisions that develop large scale infrastructure and economic interventions in areas outside the capital (such as the on-going Bugesera International Airport and upgrading of the Kamembe Airport) have positive impact on local economies in the districts and regions where they are located, and increase the scope for LGs to provide services. More of this should be undertaken to promote equitable regional development.

5. Inadequate Funding: Decentralisation implementation faces challenges of adequate and flexible funding and ensuring predictable flow to facilitate smooth implementation of planned

activities. As a result, many policy actions are not implemented due to competing priorities. In addition, stakeholder mobilization and continuous engagement around policy implementation is affected yet this is a cornerstone of the policy implementation. The second level is financing of LG development, operations and investments in institutional capacity development. Although the district budgets have expanded nearly tenfold in the last 10 years, from just Rwf 49.7 billion in 2006 to Rwf 440.3 billion in 2017/18 Financial year, it remains too small compared to the functions transferred and the expanding needs. Moreover, the largest proportion of this funding is conditional. Presently, districts are only able to raise about 12% of the revenue from their own sources, and the CG transfers are often inadequate and delayed. Yet the LGs now shoulder the bulk of the responsibilities for service delivery to citizens.

6. Infrastructure deficits constrain or slow down decentralized service delivery and LG capacity to develop local economies. LGs inherited severe infrastructure deficits, many of which have yet to be addressed especially in predominantly rural districts. Inadequate economic and social infrastructure, including communication, has constrained the process of decentralization and slowed down progress in decentralized service delivery. As a result, key innovations like e-government application in critical aspects like citizens' mobilization, service delivery and governance coordination have not yet been implemented in many areas. For instance digital banking infrastructure in rural sectors is unreliable making service delivery costly for ordinary citizens as they have to wait or make unnecessary trips to service centres. Internet network connectivity and power supply in many sectors make e-gov services unreliable and costly. As a result, the adoption of digital platforms for service delivery is still slow, yet this would reduce the cost of service delivery for citizens. Communication within and among LGs, as well as between LG and CG entities remains largely off-line and a lot of transactions are done through telephone, making follow-up and records keeping difficult. Infrastructure investments reduce resources for critical decentralised service delivery aspects like institutional systems and human skills development.

7. Limited economic base for Local Governments: Most districts have a narrow economic base, which can be potentially explored to generate sufficient local revenue. Moreover, the band of decentralized tax revenue sources that LGs inherited is limited, with only 3 taxes decentralized (i.e. rental income, trading license and property tax). Moreover the 3 decentralised taxes are under-developed in all areas including the more urban districts of Kicukiro, Gasabo and Nyarugenge. The real challenge, however, lies in exploring the existing local economic potentials to grow internal revenue and create jobs for the growing numbers of young people.

8. People's mindsets: Many ordinary citizens tend to provide inaccurate information about the socioeconomic situation in order that they can be included on beneficiary lists of social protection programs like Girinka, community-based health insurance (CBHI) cover and other benefits. Others have negative attitude towards paying taxes and often find ways of avoiding

even the most affordable taxes yet they appreciate the connection between the services they receive and the revenue generated by LGs.

9. Poverty and social vulnerability – a lot of attention is put in addressing social vulnerability issues. Poor people are also difficult to mobilise, and often the outcomes are less than the effort invested. Secondly, local service delivery is severely constrained especially where there is high concentration of poverty, as poor people often cannot pay for services or contribute significantly to tax revenue.

10. Sustaining the spirit of voluntarism: Voluntarism is bedrock of community development and citizen-centred service delivery. In sustaining the functions and services that depend on volunteers (from community health, security, agricultural extension and village-based administrative services), the main challenge will be how to sustain the spirit of voluntarism and motivation even as the workload and costs increase.

5.4 Key Lessons Learnt

A number of lessons are drawn from the decentralization policy implementation. Those most relevant for taking the decentralization process forward are:

- 1. Decentralisation promotes political and economic inclusion:** A key lesson from 16 years of implementing decentralization in Rwanda is the opportunity for inclusive governance. This has greatly assisted Rwanda to establish or restore citizens' eroded trust in government, accelerate citizens' mobilization and participation, enabled reconciliation and social cohesion in a fairly short time. It has also helped established a foundation for reducing poverty and transforming the economy in more socially and geographically equitable way. The platforms established through decentralization have enabled different socio-demographic segments of Rwandan society to participate in its politics and governance, and in the recovery and growth of its economy. The platforms and governance innovations established or implemented through decentralization have also helped to promote political inclusion and reduce inequality that could potentially have widened.
- 2. Rwanda's decentralization has demystified the concept of "timing" and proved unnecessary the idea of waiting for the right conditions to implement sensitive political reforms like decentralisation.** Once the Rwandan leadership had correctly identified the panacea to bad governance as transferring power to citizens and empowering them to exercise that power, it embarked on the reforms by adopting the policy even before basic institutional capacity was in place.

- 3. Political will is critical but needs to be skillfully leveraged for effective implementation:** Decentralisation is a sensitive governance reform process that is often politically unpopular. It can only succeed with immense political will from top leadership. Rwanda's decentralization policy implementation has enjoyed and continued to rely on strong political will from the top leadership. It started with the commitment to implement such reforms even before the country emerged from the post-genocide transition process. This sustained political commitment and the impressive development outcomes have endeared development partners to support the process and for citizens to embrace it. Nonetheless, leveraging political will to overcome bottlenecks in policy implementation will be important for effective decentralization.
- 4. Sustained leadership commitment:** Decentralisation, like other governance reforms, could derail as political circumstances change and political and development priorities change, or even get reversed if local political actors make costly mistakes. Commitment and focus to realize the policy objectives requires strong leadership. Commitment was demonstrated by the establishment and sustained support of the Common Development Fund (CDF) in 2003, now LODA. The GoR committed 10% of GoR's development budget and 3% of recurrent expenditure. Development partners who were initially reluctant eventually got on board¹¹ and most have remained committed in their support to the Fund.
- 5. Citizens' trust and empowerment take time and require consistency and focus:** Decentralisation was launched at the time when the state was still struggling to reconcile a traumatised, poor, hungry and socially divided nation, and restore full confidence of citizens in Government. The decision to quickly disperse power and authority to elected leaders demonstrated GoR commitment and helped build trust. It is, however, the ability to remain focused on the decentralization objectives, and consistent in establishing a culture of citizens doing things by themselves and leaders being accountable that has made the greatest difference, and from which valuable lessons can be drawn. Greater focus should now be put on establishing a sustainable culture of local accountability without strong CG oversight.
- 6. Sustained support of development partners:** The Decentralisation policy implementation process has succeeded partly as a result of timely and sustained support from donors and other partners. A number of development partners have continued to support the different reform processes under decentralization. External partners have assisted in funding local development activities and invested technical support in systems, structures and skills that would otherwise not have received sufficient attention, especially in light of budget constraints and competing national priorities.

¹¹ The German Development Fund (Kfw) was the first partner to contribute financing through CDF and is still one of the important partners to local infrastructure development through LODA.

7. Leadership at local level is important in proper utilization of devolved power and resources, which is critical for accountability; *At the local level, it was observed that leadership perhaps more than institutional bureaucracy, makes the biggest difference.* In all districts and lower levels, the territorial entities with solid leadership are better-off than those areas with weaker leaders. Citizens are more effectively mobilized, informed and motivated to embrace development activities in areas where leaders are stronger, more enlightened and visionary. Creative leaders took advantage of the powers provided in law and the opportunities available to engage, mobilise resources and their citizens, and implement projects that have transformed localities. They have also brought people together and fostered cohesion while in other areas, conflict among local leaders and poor service delivery slowed down development.

8. Context is important in determining the appropriate approach to decentralisation
Policy Implementation: Another key lessons from Rwanda's 16-year decentralization journey is the need to appreciate the context in which decisions about when and how to rollout and implement decentralization are made. Decentralisation has government-wide and economy-wide implications. It was appropriate to rollout the policy as the country emerged from the post-genocide transitional period for 2 reasons. First, the GoR had to urgently return power to citizens as disenfranchisement had been identified as one of the underlying causes of bad governance. Secondly, decentralisation reforms would be less disruptive if they were part of the post-conflict reconstruction so that participatory governance and citizen-centred service delivery are integral to the recovery and transformation process. Thus, the political, cultural, socioeconomic and institutional context is a key factor in determining when and how to rollout the decentralization reform process.

9. Periodic reviews enable the policy and implementation process to remain focused and relevant to the changing context: The incremental implementation approach enabled the GoR to undertake realistic and relevant reforms at each stage of the process, informed by periodic reviews and reflections. Policy challenges and priorities are bound to change, in light of changing circumstances, including realization of targets and setting new ones. Periodic reviews enable policy makers to identify what is/isn't working well and what might work better; it enables them to appreciate whether the policy objectives or the strategies being used to realize them are still relevant or effective in the new context, and provides a platform to set new targets consistent with the overall policy goal. The GoR has regularly appraised the decentralization policy and its implementation process to keep the policy relevant and implementation strategies focused and effective. It is also important to sustain the interest of key stakeholders but more importantly the political will and commitment of the leadership and other key actors to the decentralization process.

6. CONCLUSION AND RECOMMENDATIONS

6.1 Conclusion

The National Decentralisation Policy was launched at the time when Rwanda was facing complex political and governance challenges, including the urgent task of reconciling citizens and political actors, delivering justice to the survivors and other victims of the 1994 genocide against Tutsi, restoring the social fabric and security, and rebuilding the systems of production from community to national level. The state was still fairly fragile and the Government was transitional, yet it resolved to decentralize power. After 16 years of implementing decentralisation, most of the pressing political and socioeconomic challenges have been resolved, to a large extent through decentralization.

There are 5 key messages from the decentralization policy implementation to-date:

- 1) *Power has been devolved, and it's being exercised at local level.* But there are gaps in local accountability institutions, and local executive authority is eroded by slow devolution of functions, funding and other resources required to effectively deliver services to citizens. The structure and operations of DCs compromise their ability to exercise the representation and oversight powers enshrined in the law;
- 2) *Decentralisation has impacted citizens' well-being in two critical ways: services are closer, reliable and more accessible to all citizens; and the mindsets of leaders and ordinary citizens have fundamentally changed* to the level that more people and leaders now believe in their ability to change things for better. This has been precipitated through Imihigo, Umuganda and other initiatives where local leaders and citizens set targets and work hard together to realize them.
- 3) *Citizens' participation in and ownership of the development activities has increased,* but there remain gaps in accountability within the new system of local governance and decentralized service delivery system.
- 4) *Political decentralization appears to have received more attention than sectoral and administrative decentralization as well as economic transformation* yet this is what will be critical in sustaining the gains. There are emerging efforts in LED but the LG structures do not yet have the capacity needed to effectively implement it.
- 5) *There are gaps in the coordination and leadership of the Decentralisation process.* This has slowed down the reform process to the extent that few reforms are being undertaken to transfer the remaining functions and create the inter-governmental relations envisaged by the Decentralisation policy. Policy implementation monitoring appears to have shifted to LG performance monitoring.

Decentralisation has helped address the original post-genocide political question – *returning power to citizens and making citizens active participants in their governance and development*. Service delivery systems are not only closer and more reliable, but citizens play an active role in much of what is done and delivered. There are, however, still gaps, especially around establishing more sustainable LG institutions, establishing a more confident citizenry, and creating a sustainable culture of local accountability. This is a process that requires time and a sustainable multi-approach empowerment strategy.

Decentralisation has enabled the state to be more effective (particularly in maintaining security, expanding infrastructure and delivering essential services to the poorest and otherwise voiceless members of the community), but also very efficient (working through fairly accountable and less costly network of administrative structures right down to the remotest area of the national territory). It is partly on this account that poverty reduction and economic development strategies subsequent to the decentralisation reforms of 2006 have been more effective.

Public resource allocation under decentralization is perceived to be more efficient, particularly in transferring resources aimed at poverty reduction and local development. Many development partners have confidence in Local Development institutions.

Nonetheless, three key observations are critical in positioning decentralization to address emerging governance and socioeconomic development challenges:

1) Rwanda's decentralization process remains work in progress, as many functions and associated resources that ought to be undertaken by LGs are still under the control of line ministries. This is perhaps the main gap that remains to be closed because it affects everything including local capacity to effectively deliver services. Transferring these functions and clearly defining inter-governmental relations, will strengthen accountability and increase public sector efficiency.

2) The political question that originally shaped the policy has evolved into an economic one. Building local capacity for youth employment, sustainable livelihoods and economic security for a growing population and creating local economies that can make LGs more autonomous entities in terms of ability to fund their budgets, are critical emerging challenges that Rwanda's decentralization must address. Thus, while LG leaders have spent the last 16 years listening to citizens and solving their problems, the challenges for the next phase of decentralization require them to spend time with investors and other economic transformers in their localities. Local authorities must build capacity to respond to the growing needs for livelihood improvement, better health care, quality education, jobs for youth, as well as local economic development. To this end, LG leaders have to prioritize LED while the CG should provide adequate support to develop local economies, inter alia, through strategic local and regional interventions.

3) It must be emphasized that decentralization is an on-going process, and MINALOC has statutory responsibility to provide on-going policy guidance and technical support to the process, including clarity of and progressive transfer of functions and resources, cross-sectoral coordination, as well as building LG capacity to execute devolved functions in all sectoral domains.

6.2 Recommendations

A number of policy actions are recommended for Rwanda's decentralization policy implementation to become more focused, realize greater and more sustainable impact in participatory governance, citizen-centred service delivery, as well as faster and more equitable socio-economic development. These recommendations are also made in the context of re-positioning the decentralization policy as an instrument for delivering Rwanda to its new long-term Vision 2050.

1. Review the decentralization implementation framework with a focus on clarifying the functions to be devolved, redefining the roles and responsibilities between the different tiers of government, and enhancing synergy among implementation actors. The implementation strategy must also articulate:

- timeframe/roadmap for transferring the functions to the respective sub-national entities, as well as the required resources and other capacities;
- modalities for transferring functions and associated accompaniments, including mentorship and supervision, institutional reforms and human capital development;
- clear monitoring and evaluation framework for decentralization implementation, beyond tracking progress on service delivery;
- stakeholders' awareness and engagement strategy to establish clear and mutual understanding of decentralization at all levels, and to devise modalities for implementation and sustainability.

2. Strengthen the leadership and coordination arrangements for decentralization by establishing and repositioning the implementation structures for effective coordination and oversight of the policy implementation process. The GoR should:

- i) Establish a lean but effective structure (Unit/Agency or Department) and strategically place it in appropriate organizational hierarchy to effectively coordinate and provide policy implementation support to all stakeholders. This is important to enhance fiscal and sectoral decentralization, improve overall coordination of resources, interventions and actors, empower LGs to exercise the powers and responsibilities already enshrined in various legal instruments, and foster coherence in the implementation process;*
- ii) Establish a mechanism for sustained technical support, policy guidance and advisory to decision-makers in the decentralization implementation process;*

iii) Develop a clear framework for functional analysis so that governance and service delivery structures and systems can be continually reviewed to align with functions, and changing policy priorities across government.

3. Establish appropriate dialogue platforms and spaces for effective inter-governmental relations on sustainable decentralization to enhance dividends from participatory governance and equitable service delivery. Review the structural set-up and reform the management of existing inter-governmental platforms to facilitate closer, regular interaction and dialogue between central and local government actors. The dialogue platforms should be structured around functions and roles, required capacities and obligations for mutual accountability in the framework of decentralized service delivery. In this regard, an annual inter-governmental dialogue on decentralized governance and service delivery should be regularly organized to review the implementation progress and reflect on challenges and options for more effective implementation. Productive dialogue platforms will enable LGs leaders to contribute to policy reform processes in all sectoral domains to improve service delivery.

4. Conduct institutional analysis of decentralised structures, undertake organizational and functional review of each level/entity, with a view to strengthening the cell as the centre of service delivery including administrative data collection, coordination of community-driven development and volunteerism activities. In this regard, it is recommended that:

- i) Front line service delivery activities should be transferred to cell level by, inter alia, progressively transferring personnel to cell level.
- ii) Personnel transfers to cell level should start with key administrative functions (e.g. civil registration), as well as essential livelihood and socioeconomic activities e.g. agricultural and livestock services,
- iii) Basic planning, monitoring and regulatory functions including quality assurance, should be transferred to sector level. Essential services that are not regularly demanded by many citizens and/or those which require higher level of regulation or investment (e.g. transfer of property rights, licences, water quality testing or drilling, etc.) should be provided through other appropriate means e.g. mobile service centres. However, the sector should retain the responsibility for ensuring that the services are provided and accounted for.
- iv) The district should retain a lean but competent team of professionals to support the political leadership in needs assessment, analysis and planning, budgeting, monitoring and reporting on all aspects of service delivery. The district technical team should be appropriately capacitated to effectively advise the District Executive committee, sustain accountability to respective council and OAG, and coordinate and timely report to Central Government partners.

5. Restructure the CG entities, with particular focus on entities (MDAs, other statutory bodies) whose statutory mandates and actual practices overlap those of decentralized entities. Specific actions should include:

- i) *Undertake comprehensive mapping of tasks, functions and services presently performed at each CG and LG level and the non-personnel costs involved. This should then be used to develop regulatory instruments to guide the allocation of resources and other decentralized service delivery requirements;*
- ii) *Review the structure and operations of CG and LG entities to align with respective mandates under the decentralization policy. This will entail reviewing the statutory mandates, organizational structures and human resource establishments of line ministries and parastatal agencies in key sectors where planning and delivery of basic services to citizens are devolved to local entities.*
- iii) *Undertake comprehensive mapping of all functions to be devolved and develop a clear roadmap for devolving them to respective LG levels, taking into consideration required capacities, resource availability and national priorities;*
- iv) *Undertake administrative reforms that, inter alia, determine the HR redeployments within the respective line ministries or agencies, and transfer to LGs. The reforms should be guided by the principle of “structure follows function” as well as subsidiarity. The process should also be synchronized such that functions go with the resources and other capacities. The CG agencies should only retain those personnel whose knowledge and skills sets are aligned to the functions retained at that level i.e. policy analysis and formulation, strategic planning, monitoring and evaluation, mentorship and capacity building of decentralized entities.*
- v) *Identify capacity gaps on the basis of new functions and undertake strategic capacity interventions to ensure effective functioning of each entity in line with the decentralized service delivery needs. There should be immediate interventions to address such capacity gaps based on prioritized needs;*
- vi) *Review the personnel and public sector performance management tools to align with devolved functions, for each line ministry, agency or LG to ensure efficiency in HRM, guided by the decentralization principles particularly subsidiarity. For instance payroll management, personnel appraisal and incentives management, reporting scope, roles and responsibilities, etc. should be based on each entity’s responsibilities in a decentralized governance dispensation, as should corresponding resources.*

6. Review the functions and organizational structure of the Province, and reposition it to effectively support LG capacity building, facilitate inter-district planning and public investment management, and act as an anchor and catalyst for regional development planning. A lean but technically competent team of experts in key areas (infrastructure planning; natural resources management; agricultural and rural development; PFM; social sector planning; and accountable governance) should be established to work with the Governor to monitor, mentor, train, coordinate, and facilitate districts with a focus on strategic development issues such as regional planning; inter-district projects design,

resource mobilisation and implementation; catchment-based water resources management, large scale-cross-district resource or infrastructure development; etc. and create an effective support mechanism to promote holistic and cost-effective local development and foster sustainable inter- and intra-governmental relations.

7. Review the fiscal decentralisation strategy, with a focus on empowering LGs to expand local revenue generation, secure adequate and reliable flow of funding for service delivery, and establish sustainable capacity for effective PFM. Specific interventions should include:

- i) *Reviewing the range of decentralized taxes with a view to increasing the categories of taxes, fees and levies* that LGs can impose and/or collect to increase their OSR. Commission a comprehensive study on OSR and come up with possible sources of OSR including the possibility of reviewing the range of taxes presently collected by CG. The study should inform inter-governmental dialogue leading to a policy paper and/ or draft law for expanding the bands for decentralized taxes;
- ii) *Reviewing the role of RRA in local revenue generation and its relationship with LGs from acting merely as agents of revenue collection to building institutional capacity and transferring skills* in local revenue planning, assessment and administration. A realistic roadmap for capacity building should be developed with clear action plans on mentoring and technically supporting LGs until sufficient institutional capacity is developed for local revenue administration.
- iii) *MINECOFIN should be engaged to take responsibility for the agency fees presently charged by RRA on the local revenues collected* (that amounts to 23%) as part of technical support to LGs by CG through RRA. This will ensure that the little revenue generated is retained by respective LGs and the MoU with RRA reviewed to enable it provide long-term capacity building.
- iv) *Review the framework for inter-governmental transfers* to ensure that all resources allocated to functions undertaken at local level or for decentralized service delivery, are transferred to those respective levels in a timely and transparent manner;
- v) *Strengthen the framework for public accountability in decentralized service delivery* by clarifying expenditure and accountability responsibilities, and empowering LGs with the required technical tools and legal instruments for effective implementation.
- vi) *Review the planning and budgeting processes to harmonise central/sectoral and decentralized plans*, and establish clear linkages between plans, budgets and other PFM instruments. This will enhance public expenditure efficiency and effectiveness, by ensuring that resources are allocated and spent only on approved priorities.
- vii) *Enhance the knowledge and skills of LG personnel in strategic PFM functions.* Appropriate programs for professional development and skills enhancement of administrative and PFM cadre in all LGs should be developed and flexibly implemented to improve performance. The PFM cadre (procurement, projects management, public finance, accounting and internal audit, records keeping) in all LGs should be sponsored and facilitated to undergo professional training and accreditation to professional

bodies/qualifications. Appropriate mechanisms for continuing professional education of LG personnel should be developed in cooperation with RALGA and MINECOFIN.

viii) *Build capacity for resource mobilization* to address the constraints of underfunding. Policy actions should include: a) budget advocacy (through engagement with DCs, Parliament, Development Partners' Platforms, sector working groups/SWGs, etc.) so that key decentralized functions are allocated adequate budgets (based on principles of equity and fairness); b) Strategies to engage partners by LG leaders and leverage resources from non-state actors including private sector, CSOs and donors. c) LGs should explore financial markets as a viable financing option but should do so in partnership with MINECOFIN, in light of the regulatory framework relating to public debt and public-private partnerships. This will also require increased LG capacity to elaborate bankable and politically sound projects.

8. Develop a comprehensive strategy for cost-effective and sustainable citizen-centred decentralized service delivery. Establish clear standards of service delivery, put in place mechanisms to ensure local service providers are facilitated to deliver, empower all citizens with information and confidence to hold local service providers accountable, and establish a robust monitoring and feedback system that embeds quality assurance. Specific actions should include:

- i) Design holistic interventions rather than piece-meal uncoordinated projects. For instance, service charters should not be rolled-out as stand-alone but embedded with a system of awareness raising and monitoring performance improvement;
- ii) Reviewing the business processes for each of the decentralized services delivered at each level, determine the standard turn-around time for each service in different areas (province, district, sector, cell, village) and under different circumstances;
- iii) Support LGs to establish a transparent system of service delivery, communication and standards enforcement (e.g. ensure that the standards set by service charters are enforced and service users/seekers are compensated if and whenever inconvenienced);
- iv) Establish a framework for regular systems audit beyond LG inspection. It should, among others, include regular evaluations and assessment of all services delivered by and through LGs at different levels. Starting point is to ensure that LG has capacity to monitor, control and account for all decentralized services including those for which LGs have only partial control (e.g. land registration, resettlement).

7. Develop a comprehensive policy and strategy for urban governance and urbanization, and strengthen the institutional capacity for innovative and effective urban development: The GoR should popularize the concept of equitable and sustainable municipal governance and strengthen the institutional capacity of urban authorities and CG agencies responsible for urbanization (MINALOC, MININFRA, Rwanda Housing Authority, MINECOFIN,) to promote planned, safe and inclusive cities. Policy actions include:

- i) Review the concept of urban governance and mainstream it into the decentralisation policy and its implementation framework;

- ii) Review and consolidate all urban development initiatives, including on-going interventions under the secondary cities' initiative to build synergies;
- iii) Review the national decentralization implementation framework and provide specific attention to urbanization in the decentralization reforms including organizational structures and territorial administration measures;
- iv) Review the strategy for urban governance by streamlining the territorial delineations and establish appropriate structures for urban LG territories.
- v) Facilitate, under the auspices of RALGA, a platform for Rwanda's urban authorities to engage stakeholders, exchange views, share knowledge and opportunities including technology and investment promotion, security, and civic participation.
- vi) Establish a framework for enhancing local, regional and international partnerships in urban governance and ensure that Rwandan local authorities and business leaders actively participate and use these partnerships to attract capital and technology in their towns and cities.

8. Develop a comprehensive long-term capacity building strategy for effective decentralized governance and service delivery. The strategy should address the following:

- *Capacity needs of individual LGs entities*, taking into consideration their unique challenges and appropriateness of delivery mechanisms. The capacity-building activities should be based on clear capacity building plans and participation of beneficiaries in design, implementation and evaluation.
- *Knowledge and skills gaps of decentralizing entities* (line ministries and Agencies/authorities) to perform their functions including supporting LG entities through policy guidance, facilitating strategic planning, mentorship, as well as policy analysis and knowledge management.
- *Establish a specific LG Capacity Building fund* to provide reliable resources for timely and flexibly addressing the diverse capacity building needs of LGs and decentralized entities on a sustainable basis.
- *Enhance inter-governmental equity* and efficacy by linking capacity building support to the functions and clearly identified needs of each level, taking into consideration the unique operational institutional and operational circumstances.
- Support *innovative capacity building approaches that promote efficiency* to realize more returns and assure sustainable impact. A key approach is to align capacity building activities with the functions of each level and position/office.

9. Review the administrative and human resource function in decentralized entities, and align the organizational structures and human resource deployment and compensation with the functions and service delivery demands at each level. In this respect, personnel that provide essential services frequently required by ordinary citizens, should be deployed at cell level in adequate numbers and with adequate tools. This should, however, be based on studies on cost-effectiveness and cost-benefit analysis. The main benefits relate to affordable access to quality services by citizens.

10. Develop an effective strategy with appropriate support systems for inclusive decentralized planning. Specific actions should include:

- a) Undertake a detailed audit of the decentralized planning framework, with a view to establishing the functionality, effectiveness and efficiency of the planning tools, guidelines, procedures, systems, and practices at all levels, analyse the alignment at sectoral and inter-governmental levels, document good practices and identify gaps and other implementation issues;
- b) Work with MINECOFIN to engage key stakeholders and develop a harmonization plan for sectoral and decentralized planning, including harmonization with budgets and established mechanisms for continuous review of LG plans.
- c) *Identify capacity gaps and develop a short to medium-term plan to strengthen the knowledge, skills, hard and software capacity for effective decentralized planning.* In this respect, there is need to establish a capable M&E team under the District Directorate of Planning or Executive Secretary' Office.
- d) *Establish practical guidelines for bottom-up planning* and put in place incentive mechanisms (e.g. small grants for community-driven development plans) to encourage the practice of evidence-based planning. Each cell should have a community development plan with a clear implementation strategy and realistic resource mobilization mechanisms. The officers responsible for community development at district and sector level should provide technical guidance for action planning at cell level.
- e) *Establish and develop the capacity of the District Statistics Units.* MINALOC should work with MINECOFIN and the National Institute of Statistics (NISR) under the auspices of the national statistical system to assist LGs to develop functioning statistical offices, to facilitate local evidence-based planning and performance monitoring.
- f) Establish appropriate institutional structures for decentralized bottom-up and inclusive local planning. Specific structures to be established and actions include:
 - i. *Establish a District Development Committee (DDC) that advises local authorities and other local development actors (including private investors) on development projects.* The DDC should be a platform where all key stakeholders in the district's socioeconomic development are represented. It should therefore be structured appropriately to ensure effective participation of private sector, CSOs, FBOs, media, researchers, and other interest groups.
 - ii. *Establish Village and Cell Development Committees* and equip them with the tools, knowledge and skills for community development planning, as well as coordination of local innovations and voluntary activities.

11. Review the composition of local councils and strengthen their capacity to perform their functions including effective citizens' representation and accountability. Review the district and sector councils' composition to eliminate potential for conflict of interest, and increase the voice of ordinary citizens by ensuring less compromised people are elected. The

standards for representation and quality of council activities should be raised and the councils appropriately facilitated to perform their functions. Establish mechanisms for performance monitoring of councils and to hold them accountable for the quality of decisions they make. The LG law (particularly Article 7) should be amended to make serving public officers ineligible to serve as members of the LG Councils on various grounds. In terms of capacity building, policy actions should include:

- i) Review guidelines for Local council qualifications and operations;
- ii) Facilitate all councils to develop action plans with clear measurable performance targets;
- iii) Develop a comprehensive plan for regular training and coaching of councils on local legislation and oversight techniques and practices; monitoring and supervision of projects; communication and negotiation, and increase their knowledge and skills in different leadership aspects. Organise study visits for council members to learn good practices and identify cases of inspiration and confidence building to improve the performance of councilors and chairpersons.

12. Establish a framework for regular performance evaluation of LG institutions and programs. As part of this framework, there is need for all LGs to prepare and publish annual reports indicating planned activities for each LG organ (Councils, Executive Committee, Technical Departments, etc.) and achievements during each year. To realize this, councils should have clear and measurable targets, prepare and appropriate budgets and undertake regular performance evaluation with focus on oversight and representation roles of city and district councils (as entities with legal personality).

13. Mainstream youth livelihood and economic empowerment targets in the decentralization implementation framework. Increased access to information on livelihood and economic empowerment opportunities should be an immediate priority as is creating local platforms for transforming young people's mindsets to make them more productive and active participants in LED. The strategy should build on current LED initiatives, establish synergies and effectively engage stakeholders to avoid duplication and wastage. Collaboration and partnerships with local private sector will be critical, as will the linkages with social development programs such as prevention of drug abuse among the youth. Key actions in this regard should include:

- i) *Undertake comprehensive mapping and analysis of young people of working age*, the social, cultural and economic backgrounds, the social and economic vulnerability issues, and competitiveness in terms of access to assets, knowledge and skill levels, social and economic networks, as well as infrastructural and socio-cultural barriers;
- ii) Undertake inventory of youth livelihoods and economic opportunities beyond on-going social protection initiatives (such as VUP, Girinka) and identify mechanisms to access them. This should cover all dimensions of livelihood and economic empowerment

including skills development, grants and affordable loans for production and small business development, productive employment, etc.

- iii) *Organize training of local leaders in economic governance issues* (targeting cell and village level leaders, community organisers including leaders of local associations and cooperatives, Youth, Women and PWD Councils coordinators,) so that they can proactively identify and disseminate information on opportunities, and also play the role of inspiration and mentorship. A key result area should be developing local capacity for effective cell level access to economic empowerment opportunities.
- iv) *Develop a strategy for information and networking on youth livelihood opportunities*, with the cell as the main reference point. Priority should be given to youth in poor socioeconomic backgrounds and those that demonstrate creativity and leadership, as well as those with social development responsibilities such as agricultural animators (village extension agents), community health workers, etc. Cell leaders should recruit and create networks of youth livelihood champions that can help mobilise, inspire, guide and mentor other youth.
- v) Establish attractive functional platforms for youth mobilization, sensitization and engagement so as to create functional networks among youth in all localities.

14. Leverage the capacity, credibility and investment networks of RDB to develop strategies for local economic transformation based on local endowments. LGs should engage RDB and other business promotion and investment agencies/initiatives and develop long-term partnerships to attract capital, technology and other economic opportunities from private investors. LGs also have to develop the leadership and institutional systems needed to effectively use such partnerships to enhance knowledge and skills transfer for youth, turn their local economic and cultural endowments into income and job creating ventures. These strategies should build district LED strategies and the national investment promotion strategies.

15. Work with relevant institutions (e.g. MININFRA) to fast-track the diffusion of ICTs and optimally utilize them to realize efficient service delivery: Extend energy and ICT infrastructure networks to all cell offices to develop reliable infrastructure for e-gov and ICT-based service delivery. Appropriate regulatory measures should be put in place, including change management activities, to empower and enhance attitude and capacity of citizens and service providers to ICT-based services at local level.

16. Strengthen district capacity for information, knowledge management and communication: Effective communication should be prioritized as it's pivotal to effective decentralization, participatory governance and accountable service delivery. Policy actions should include:

- i) Support LGs to develop capability for regular review and documentation of achievements made, as well as production and dissemination of annual reports based on annual action plans including *Imihigo*;

- ii) Streamline communication systems at all levels to enhance inclusive and accountable service delivery. This should entail appropriate skilling and tooling of lower LG functionaries to effectively mobilise and communicate to/from citizens;
- iii) Establish information sharing systems and build capacity of cell and village levels to transmit information to citizens. Organise training and provide networked communication gadgets for information sharing to local government structures.

17. Review the framework for volunteerism in decentralized service delivery, and establish appropriate incentives to sustain it. Specific actions should include:

- i) *Enhancing coordination of voluntary efforts* by empowering cell leaders and creating platforms where they can regularly meet, plan, network and share experiences;
- ii) *Organizing regular training and providing tools* and materials for continuous knowledge and skills development, as well as tools of trade (field clothing and other gear for agriculture animators), taking into consideration their location and area of work;
- ii) *Establishing mechanisms to facilitate and motivate volunteers* to reduce the burden of personal costs in executing their mandates, including occupational risks. Motivation measures could include support in health insurance subscriptions and special consideration in public benefits like small grants, scholarships for children etc.
- iv) *Develop clear guidelines and tools to manage the performance* and behavioral practices of volunteers to prevent undesirable vices (e.g. corruption) and sustain the credibility of volunteerism.

18. Consolidate and simplify legal and regulatory instruments for local governance and decentralized service delivery. Publish and disseminate the simplified versions of legal and policy instruments to decentralization actors at all levels (including DASSOs, Village leaders and Volunteers). A compendium of simplified relevant policies, laws and regulations will assist them to appreciate decentralisation, increase their confidence in decision-making, and reduce the incidences of non-compliance with the law among local leaders and service providers.

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ANNEXES

Annex 1: Comparison of Access (by Distance travelled) between Present (under decentralization) and Prior to Decentralisation

Figure A1.1: Water connection/reconnection service



Figure A1.2: Electricity connection/reconnection services



Figure A1.3: Agricultural services



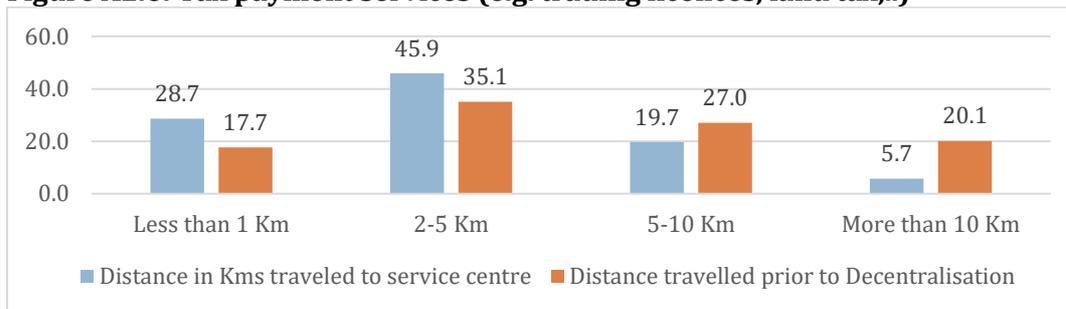
Figure A1.4: Veterinary services (e.g. livestock movement permits)



Figure A1.5: Commercial services (e.g. trade services)



Figure A2.6: Tax payment services (e.g. trading licences, land tax,..)



Annex A2.7: Financial services (specifically savings & credit)

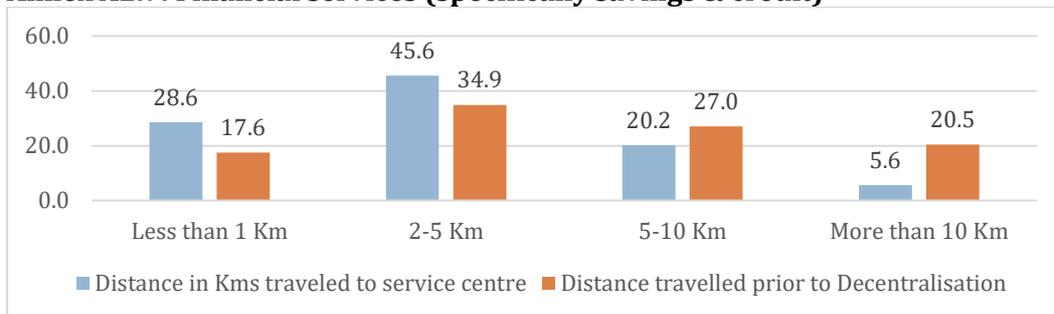


Figure A2.8: Financial services

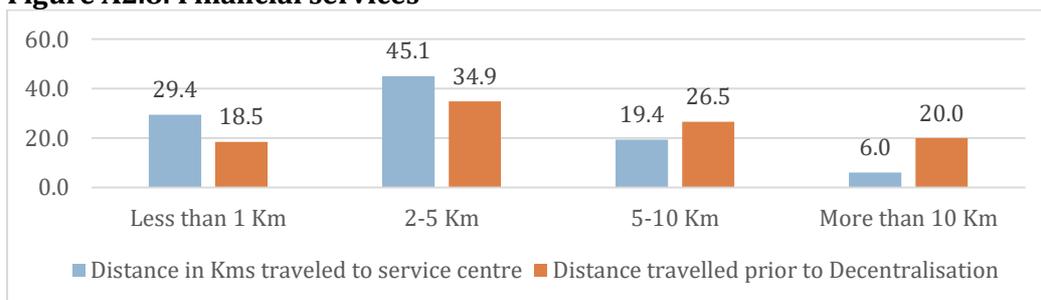


Figure A2.9: Social support services (e.g. cash grants if respondent is beneficiary)

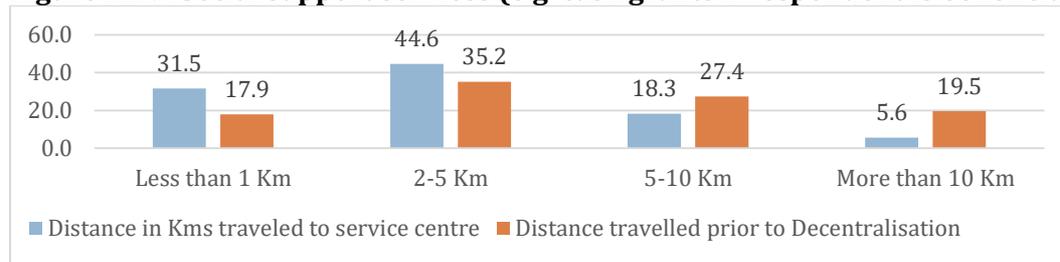
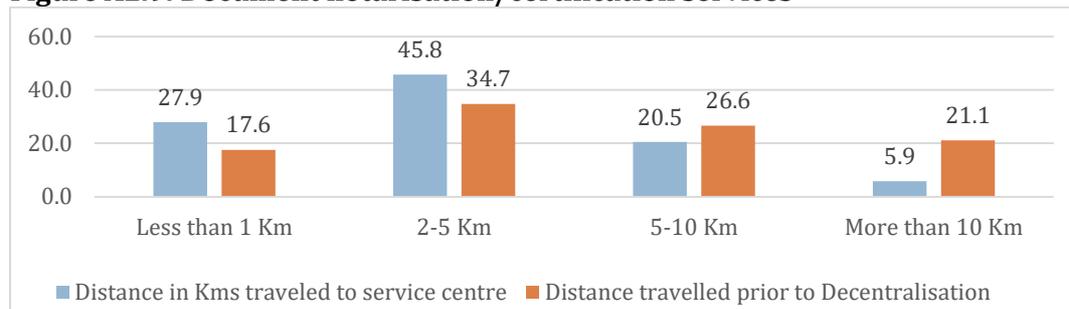


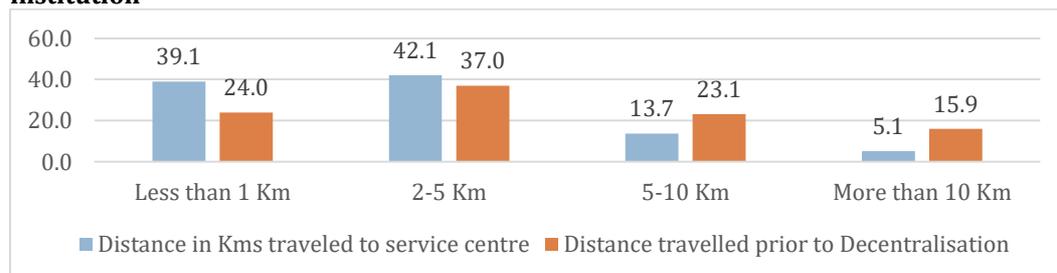
Figure A2.9: Document notarisation/certification services



A2.10: School admission or transfer documents for a primary school pupil



A2.11: School admission or transfer documents for a 12-year basic education (12YBE) or TVET institution



A2.12: Referral letter/documentation for a patient to a higher health facility.



ANNEX 2. STRATEGIC HUMAN RESOURCE DEPLOYMENT IN SELECTED DISTRICTS.

Professional/Function	Nyaru genge	Kicu kiro	Ngoma	Bugeser	Rwamagana	Nyagatare	Kayonz	Muhanga	Huye	Gisagara	Ruhang	Nyanza	Kamonyi	Nyarugur	Gicum	Musanze	Rulindo	Ngororer	Nyamashak	Karong	Rutsir	Rubav	
District level																							
Accountants	5	3	1	2	3	3	2	2	6	2	2	2	3	3	2	14	1	2	2	2	2	2	2
Internal Auditors	6	3	3	3	3	2	3	3	2	3	2	3	2	3	3	2	3	3	2	3	3	3	3
Procurement	4	2	2	2	1	2	2	2	1	2	2	2	2	2	2	2	1	2	2	2	2	2	2
Engineers	11	7	4	8	7	3	4	8	2	3	6	3	1	4	4	7	10	1	9	5	1	11	
Agric. & Forestry	5	2	3	1	2	3	1	1	2	4	3	3	3	2	2	4	1	1	5	2	1	2	
Hydrolog/ Water	0	0	1	1	0	0	0	1	1	1	1	1	0	0	1	1	1	0	0	0	0	1	
Veterinary	1	1	1	1	1	1	1	1	1	1	1	1	0	1	1	1	1	1	1	1	1	1	
Legal /Notaries	2	1	1	1	3	1	1	1	1	1	1	1	2	2	1	1	3	1	16	1	1	1	
Economists	0	0	0	0	0	0	0	0	0	2	0	0	0	3	5	3	0	2	1	0	1	0	
Statisticians	2	1	1	0	1	1	1	1	1	1	1	1	0	1	1	1	1	1	1	1	1	1	
ICT Experts	3	2	1	1	1	1	0	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Education Office	6	3	2	3	2	1	1	1	2	2	3	2	3	3	2	8	1	3	3	3	2	3	
TOTAL	20	25	20	23	24	18	16	24	20	23	23	20	17	25	25	45	24	18	43	19	16	28	
Sector level																							
Accountants	10	10	14	15	14	14	12	15	14	13	9	10	12	14	21	15	17	13	15	13	12	4	
Internal Auditors		0		0	0	0	0	0	0		0		0			0	0	0			0	0	
Procurement		0	14	0	0	0	0	0	0		0	10	0			0	0	0			0	0	
Engineers	10	10	14	14	0	14	0	11	1	10	9	9	0	3	19	15	17	13	15	13	13	0	
Agric. & Forestry	4	4	14	0	14	14	12	11	14	9	9	7	10	4	21	15	15	13	15	13	7	12	
Veterinary	6	6	14	15	14	14	12	12	0	6	7	6	3	7	21	5	17	9	14	13	6	10	
Sanitation & Env. Health	10	10	0	1	0	0	0	1	0		9	0	0	0	0	3	0	0	0	0	0	0	
Legal/ Notaries	10	10	0	15	28	14	12	12	14	13	9	0	10	14	21	0	17	13	15	13	13	12	
Economists	0	0	0	0	0	0	0	0	0	0	0	0	0	6	4	0	0	0	0	0	0	0	
Statisticians	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
ICT Experts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Education Office	10	9	14	15	14	14	12	12	14	13	9	10	1	13	21	15	16	13	15	13	13	12	
Sector	60	59	84	75	84	84	60	74	57	64	61	52	36	61	128	68	99	74	89	78	64	50	
TOTAL	80	84	104	98	108	102	76	98	77	87	84	72	53	86	153	113	123	92	132	97	80	78	
DISTRICT %	25%	30%	19%	23%	22%	18%	21%	24%	26%	26%	27%	28%	32%	29%	16%	40%	20%	20%	33%	20%	20%	36%	

ANNEX 3. MISSION, ROLES AND RESPONSIBILITIES OF SELECTED CENTRAL GOVERNMENT AGENCIES IN RELATION TO DECENTRALISED SERVICE DELIVERY

	Agency	Key functions/Responsibilities	Observations
1	Rwanda Agricultural Board (RAB) Established by LAW N°38/2010 of 25/11/2010. Mission is to champion the agriculture sector development into a knowledge based; technology driven and market oriented industry, using modern methods in crop, animal, fisheries, forestry and soil and water management in food, fibre and fuel wood production and processing.	<ol style="list-style-type: none"> 1. Implement the national policy of agriculture and animal husbandry; 2. Contribute in determining policy in agriculture, animal husbandry, agricultural and animal husbandry research and technology; 3. Provide farmers and consumers of agricultural products with information, techniques and services meant for improving their profession and supplying the internal market with increased and quality production thereby raising their agricultural and animal husbandry incomes; 4. Prevent and fight animal diseases and implement appropriate strategies meant for ensuring control, prevention, diagnosis and treatment of animal diseases 5. Prevent & control plant diseases, insects & pests, implement appropriate strategies meant for ensuring control & prevention of plant diseases; 6. Conduct baseline survey & research aiming at development & solving problems identified in agriculture & animal husbandry and by products; 7. Monitor & coordinate activities of persons exercising the profession of agriculture, animal husbandry & research and stakeholders; 8. Identify and provide farmers with new technologies for proper management of land, water and use of agricultural and animal husbandry mechanization; 9. Coordinate activities aiming at promoting agricultural and animal husbandry infrastructure; 10. Examine and issue certificates of standards for agricultural and animal husbandry products meant for export; 11. Examine, verify and issue certificates authorizing imports of domestic animals, semen, fertilized eggs, seeds, plants and cuttings and other agricultural and animal husbandry products; 12. Work closely with other institutions in charge of standards and environment while importing fertilizers, crop protection products and other agricultural and animal husbandry inputs; 13. Contribute in establishing, publicizing and enforcing laws and regulations governing agriculture, animal husbandry, research as well as related products; 14. Establish relations and collaborate with other regional and international institutions having the same mission as RAB; 15. Ensure preparation, conservation, issuance and use of veterinary and crop protection products as well as their import & export; 16. Issue licenses and control the trade of veterinary products and agriculture inputs; 17. Ensure and monitor activities of production, control and trade of selected seeds; 18. Collect national and international innovations, new and appropriate technologies and refine them for use in agriculture and animal husbandry in Rwanda; 19. Provide agricultural extension services in accordance with agricultural and animal husbandry needs; 20. Coordinate activities of agricultural extension and research plans and disseminate such agricultural and animal husbandry needs as determined by zonal branches of RAB; 21. Support and coordinate agricultural extension and research activities in administrative decentralized entities; 22. Support agricultural and animal husbandry cooperatives towards a better service delivery; 23. Ensure partnership and coordinate activities of the NGOs, private operators and organs involved in implementation of agricultural and animal husbandry programs. 	With the exception of functions relating to policy formulation, standards, monitoring, research dissemination, coordination and monitoring (i.e. 2, 4,5,6,7,10 , 11, 15,16,17, 18 & 19) most functions coincide with those of decentralized entities
2	Rwanda Biomedical Centre (RBC). Established by Law No. 54/2010 of 25/01/ 2011. Mission is to promote quality affordable and sustainable	Regulate and promote health and other activities in line with general public interest in health.	Top-heavy structure with more than 400 staff. Functions parallel to Local Government structure;

	health care services to the population through innovative and evidence based interventions and practices.		Organisational and functioning not aligned to political and administrative decentralization as per the Policy.
3	Rwanda Education Board (REB) Mission is to Fast tracking education development in Rwanda by designing and delivering high quality free 12 years of basic education for all children of school going age.	<ol style="list-style-type: none"> 1. Contribute to determining education policy; 2. Coordinate and fast track education programmes and activities; 3. Design and distribute curricula, teaching materials, guides, methodologies and establish teaching methods for nursery, primary secondary, specialized schools and adult literacy education in accordance with the current educational development; 3. Establish and monitor the distance learning program; 4. Promote the use of information and communication technology in education; 5. Coordinate programs and activities aimed at developing teachers, building their capacities and improving their management; 6. Prepare the educational standards and monitor their implementation; 7. Establish regulations determining how national examinations are conducted in various levels of education, except in vocational and technical training and in higher learning institutions; 8. Coordinate programs and activities related to loans and scholarships provided to higher education students; 9. Cooperate and collaborate with other regional and international institutions having similar responsibilities 10. Advise Government on all activities that can fast track education development in Rwanda. 	Overall functions in line with decentralization but some Units e.g. School Construction are directly involved in local functions such as building schools.
4	Rwanda Cooperative Agency (RCA) Mission is to develop the cooperative sector such as it serves its members equitably, efficiently and empowers them economically.	<ol style="list-style-type: none"> 1. Implement Government policy in matters relating to cooperative organizations; 2. Register cooperative organizations and assign to them legal personality; 3. Regulate and supervise cooperative organizations including the national cooperative unions, federations and confederations; 4. Set standards and formulate professional ethics for prudent management of cooperative organizations; 5. Supervise implementation of laws and instructions governing cooperatives; 6. Promote the cooperative organizations sector; 7. Assist cooperative organizations in their capacity building through training and seminars of its members and managers; 8. Promote business entrepreneurship in the cooperative organizations sector; 9. Encourage the cooperative movement to take advantage of investment opportunities at national, regional & international levels; 10. Carry out research and studies on cooperative organizations matters and ensuring their publication; 11. Advise the Government on elaborating the national policies and strategies in relation with cooperative organizations; 12. Ensure the application of laws governing cooperative organizations and other laws that cooperative organizations are observe; 14. Develop good relations and collaborate with other agencies carrying out similar missions at regional and international levels. 	Some functions are not clear and tend to be similar to those of LGs (e.g. 1, 5, 6).
5	Local Administrative Entities Development Agency (LODA) The mission is to contribute to the capacity building of the population and decentralized entities by outsourcing funding to finance the socio-economic development of decentralized entities and reduction of extreme poverty in Rwanda.	<ol style="list-style-type: none"> 1. Finance development activities in local administrative entities with legal personality; 2. Serve as an intermediary between LGs and donors especially those financing development activities in those entities; 2. Put in place mechanisms of distributing financial support in local administrative entities with legal personality; 3. Monitor the use of funds allocated by LODA to development activities in the local administrative entities with legal personality; 4. Establish strategies for creation of high intensive labor and assistance to those unable to perform such jobs approved by decentralized entities; 5. Contribute to sensitizing population and building their capacities in analyzing and solving their problems; 6. Contribute to sensitizing population to participate in development activities meant for them; 7. Contribute to sensitizing population on the culture of savings and using the services of banks and micro-finance institutions; 8. Build capacities of local administrative entities with legal personality within the scope of LODA mission; 9. Coordinate Government's development activities in local administrative entities with legal personality; 10. Mobilize and collect funds. 	Clear separation of roles between LODA and the decentralized entities, where parallel functions (e.g. 10), the law clarifies.

Source: Various institutions' websites and corporate statements. Accessed on July 16, 2017.

ANNEX 4. LG LAND FEES ASSESSMENT AND COLLECTION POTENTIAL

Annex 4A: Number of Plots Assessed and Collected

	District	Plots subject to lease (Potential)	Number of Plots (UPIs) Declared	No. of Plots (UPIs) that Paid	% of potential assessed	% of Assessed actually collected
1	Bugesera	62,820	14,253	9,867	22.7	69.2
2	Burera	10,240	1,395	799	13.6	57.3
3	Gakenke	24,574	1,091	530	4.4	48.6
4	Gasabo	67,667	38,579	31,467	57.0	81.6
5	Gatsibo	42,065	7,349	3,325	17.5	45.2
6	Gicumbi	36,111	5,267	2,923	14.6	55.5
7	Gisagara	3,771	1,111	383	29.5	34.5
8	Huye	14,130	10,076	3,552	71.3	35.3
9	Kamonyi	34,549	8,290	5,546	24.0	66.9
10	Karongi	9,324	6,224	2,483	66.8	39.9
11	Kayonza	64,931	9,057	5,269	13.9	58.2
12	Kicukiro	52,094	33,555	27,288	64.4	81.3
13	Kirehe	68,033	9,400	3,874	13.8	41.2
14	Muhanga	32,223	7,669	4,403	23.8	57.4
15	Musanze	33,376	10,565	7,127	31.7	67.5
16	Ngoma	58,243	14,717	7,322	25.3	49.8
17	Ngororero	11,653	4,799	2,797	41.2	58.3
18	Nyabihu	31,742	6,353	3,201	20.0	50.4
19	Nyagatare	76,888	23,910	12,534	31.1	52.4
20	Nyamagabe	8,773	2,711	934	30.9	34.5
21	Nyamasheke	43,950	4,551	2,390	10.4	52.5
22	Nyanza	14,238	12,208	3,410	85.7	27.9
23	Nyarugenge	28,144	16,570	13,765	58.9	83.1
24	Nyaruguru	7,095	2,221	731	31.3	32.9
25	Rubavu	56,765	11,587	8641	20.4	74.6
26	Ruhango	20,470	7,845	1,632	38.3	20.8
27	Rulindo	12,905	2,358	1,133	18.3	48.0
28	Rusizi	81,940	10,668	6,506	13.0	61.0
29	Rutsiro	34,325	11,021	4,069	32.1	36.9
30	Rwamagana	44,051	25,878	6,958	58.7	26.9
	Total	1,087,090	321,278	184,859	29.6	57.5

Source: Rwanda Revenue Authority, 2017.

ANNEX 5: LIST OF STAKEHOLDERS MET /INTERVIEWED

No.	NAME	TITLE	ORGANISATION	CONTACT
1	Hon. Kaboneka Francis	Minister	MINALOC	
2	Jean Claude Kayisinga	Permanent Secretary	MINAGRI	
3	Mulindwa Samuel	Permanent Secretary	MINEDUC	
4	Fatina Mukarubibi	Permanent Secretary	MINIRENA	
5	Laurent Messiaen	Co-Manager, RDSP	BTC	
6	Francois Uwumukiza	Policy Officer, Local Economic Devt.	Netherlands Embassy	
7	Africa Alexis	Director	RGB	
8	Dr Octave Semwaga	Director General, Strategic Planning	MINAGRI	078881023
9	Mbabazi	Director General	MIFOTRA	
10	Baguma Rose	Director General	MINEDUC	
11	Nkunda Laetitia	Director General	LODA	
12	Kabera Godfrey	DG/ Development Planning	MINECOFIN	
13	Gakire Bob	Senior Policy Analyst	MINALOC	0788309163
14	Christian Rwakunda	Permanent Secretary	MININFRA	
15	Dr Rutagwenda Theogene	Director General	MINAGRI	
16	Ruburika Anthony	Director, Citizen Engagement	RGB	
17	Olivier Rwangombwa	Advisor to Minister of State	MINALOC	
18	Sano James	Chief Executive Officer	WASAC	
19	Mugabo Anna	Head, Labour & Employment Services	CESB	
20	Katanisa Peter	Advisor to Minister	MINIRENA	
21	Tushabe Rachael	Director, Environment Mainstreaming	REMA	
22	Stephen Rodriques	Country Director	UNDP	
23	Sofie Geerts	International Technical Advisor	BTC/LODA	sofie.geerts@btctb.org
24	Ruth Bigalke	Advisor, Citizens Participation	GIZ	ruth.bigalke-nolan@giz.de
25	Ulrich Beldelmann	Program Director, Decentralisation	GIZ	0788305010
26	Ruth Mukabaramba	Advisor, Decentralisation Program	GIZ	0788891100
	Nancy Uwase	Administration & Finance Officer	KfW	
27	Uwera Evelyne	Country Human Resources Manager	SNV Rwanda	0788303917
28	Hon. Mushinzimana A	Senator/Former ES/NDIS	Senate	Mushapi@yahoo.fr
29	Rwakazina Chantal	Program Officer/Governance	UNDP	
30	Rukebanuka Adalbert	Executive Secretary,	Kicukiro District	
31	Kagaba Jean Claude	DTD Business Analyst	RRA	claud.kagaba@rra.gov.rw
32	Munyantwali Alphonse	Governor	Western Province	
33	Jabo Paul	Executive Secretary	Western Province	
34	Rwamurangwa Stephen	Mayor	Gasabo district	
35	Nshimiyimana Vedaste	Executive Secretary	Huye District	0788644367
36	Cyrille Hategekimana	Advisor to Minister of State	MINECOFIN	
37	Muragije Rogers	Project Director	Global Health Equity	0788301025
38	Kamanzi Jackline	Executive Secretary	CNF/NWC	
39	Hon. Mporanyi	Member, Chamber of Deputies	National Assembly	
40	Karekezi Leandre	Former Mayor	Gisagara District	
41	Hon. Nyirarukundo I	Past President	FFRP/ Parliament	
42	Rwibasira Theogene	Executive Secretary	Rwanda Dev't Organisation	
43	Rushisha Charles	Local Govt. Inspection Specialist	MINALOC	0877422629
44	Manirafasha Amos	Youth Group, Busanza cell	Kanomnbe sector	
45	Manzi Patrick	LG Assistant (Intern)	MINALOC	0788492677