



EUROPEAN UNION – RWANDA CO-OPERATION

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Executive summary.....	4
1. The Country Performance (max 8 pages).....	7
1.1 Update on the Political Situation and Political Governance.....	7
1.2 Update on the Economic Situation and Economic Governance.....	7
1.3 Update on the Poverty and Social Situation.....	9
1.4 Update on the environmental situation.....	10
2. Overview of Past and Ongoing Co-operation.....	11
2.1 Reporting on the financial performance of EDF resources (max 1p).....	11
2.2 Reporting on General and Sector Budget Support (max 1p).....	12
2.3 Projects and programmes in the focal and non focal areas.....	13
2.3.1 Focal sectors.....	13
2.3.2 Non-focal area.....	14
2.3.3 Non-State actors.....	15
2.4 Other cooperation.....	16
3. Policy Coherence for Development (PCD).....	18
4. Dialogue in-country with the NSAs; local authorities and the national parliament.....	19
5. Aid Effectiveness.....	20
ANNEXES.....	22

Acronyms

AfDB	African Development Bank (BAD)
APRM	Africa Peer Review Mechanism
CDF	Community Development Fund (FDC)
MTEF	Medium Term Expenditure Framework
CEEAC	Communauté Economique des Etats d'Afrique Centrale
CEPGL	Communauté Economique des Pays des Grands Lacs
CNUR	Commission Nationale pour l'Unité et la Réconciliation
COMESA	Common Market of Eastern and Southern Africa
CSP	Country Strategy Paper
DHS	Demographic and Health Survey
DTIS	Diagnostic Trade Integration Study
EAC	East African Community
EIB	European Investment Bank (BEI)
ECHO	European Commission Humanitarian Office
EDF	European Development Fund (FED)
EICV	Integrated Household Survey
EMIS	Education Management Information System
EPA	Economic Partnership Agreement
ESA	Eastern and Southern Africa
FARG	Fonds d'Aide aux Rescapés du Génocide
FER	Fonds d'Entretien Routier
FPR	Fonds Patriotique Rwandais
PRGF	Poverty Reduction and Growth Facility
FRW	Franc Rwandais
FTA	Free Trade Area
Gacaca	Tribunal Populaire traditionnel (jugera les personnes accusées de génocide)
GDP	Gross Domestic Product (PIB)
HIMO	Haute Intensité de Main d'Oeuvre
HIPC	Highly Indebted Poor Country (PPTE)
ICTR	International Criminal Tribunal for Rwanda (TPIR)
IDA	International Development Association
IF	Integrated Framework (for Trade Related Assistance)
IFAD	International Fund for Agricultural Development
IMF	International Monetary Fund (FMI)
MINECOFIN	Ministry of Finance and Economic Planning
MINEDUC	Ministry of Education
MINISANTE	Ministry of Health
NAO	National Authorising Officer (ON)
NEPAD	New Partnership for African Development
NGO	Non-Governmental Organisation (ONG)
NHRC	National Human Rights Commission
NURC	National Unity and Reconciliation Commission
PDRR	Programme de Démobilisation, Réintégration, Réinstallation
PFM	Public Financial Management
PIN	Programme Indicatif National (NIP)
PRSC	Poverty Reduction Support Credit
PRSP	Poverty Reduction Strategy Paper
SPA	Strategic Partnership with Africa
STABEX	Stabilisation of Export Earnings
SWAp	Sector Wide Approach
TA	Technical Assistance
UNDAF	United Nations Development Assistance Framework
VAT	Value Added Tax
WTO	World Trade Organisation (OMC)

EXECUTIVE SUMMARY

In September Rwanda held its second parliamentary elections since the adoption of the constitution in 2003. The RPF-led coalition gained the majority of votes and the RPF has the largest representation in the House of Deputies. The number of women in Parliament also increased and Rwanda has become the first country in the world with a majority of women in Parliament.

The Governance situation has significantly improved. As evidenced by the GAP progress report annexed to the JAR, significant progress has been made in addressing the various weaknesses that had been identified. Specific areas worth mentioning are the following:

- Abolition of the death penalty
- A programme to reduce the judiciary backlog is ongoing
- Construction of a new prison facility meeting international standards
- A training centre for journalists has been established and is now fully operational
- The Gacaca programme has been almost completed and is now phasing out
- Reports by the Auditor General are published on an annual basis, and, where necessary, followed by actions by the Prosecutor general
- The Rwanda Public Procurement Regulatory Authority has been established and is now fully operational
- Rwanda has joined the East African Community and has rationalised its participation in other RECs

In the same context, the Joint Governance Assessment (JGA) is worth mentioning. The Joint Governance Assessment was initiated as a direct response to the plethora of assessments of various aspects of governance in Rwanda, several of which were externally driven with limited grounding in objective evidence and analysis. The fundamental objectives of the initiative were to: (i) develop a common (government and donors) understanding of governance issues in Rwanda; (ii) reduce transaction costs by consolidating different donor governance assessment activities; and (iii) provide an objective, evidence-based assessment that reflects Rwanda's specific governance history, its current context and realities that provides indications for future programmes and actions. The JGA was adopted in October 2008, and it is the intention that the JGA will be updated on an annual basis.

The Rwanda economy performed strongly in 2008, with an estimated real GDP growth of 11.2%. Growth in the industry and services sectors was 10.7% and 7.9% respectively, particularly strong performance was observed in the agricultural sector, with an overall expansion of output by 15%. However, good agricultural performance did not stop the impact of high international food prices spilling over into Rwanda, with food price inflation reaching 25% by the end of 2008.

Rwanda is realising steady progress towards the MDG targets. Targets on gender equality have already been achieved. The results of the interim DHS, which is based on data collected in 2007 and 2008, show impressive results in the health sector, where government's efforts in managing population growth are already having an impact, with a reported increased usage of contraceptives, a reduction in the total fertility rate, and a higher proportion of deliveries done in health centres. At the same time, child mortality indicators show continued strong improvements, putting the MDG targets well within reach. Rwanda's key environmental

challenges remain soil erosion, deforestation, conservation, misuse of wetlands, waste management and how to reduce the proportion of the population engaged in agriculture.

The 2008 EC disbursement of general budget support consisted of a fixed tranche of €9 million, and a variable tranche of €7.7 million, representing 84.3% of the maximum that was available. An amendment to the programme was agreed to provide additional tranches, financed from the B-enveloped, in 2009 and 2010 to support GoR efforts to rehabilitate social infrastructure that was damaged in an earthquake that affected the districts of Nyamasheke and Rusizi in February 2008 and to mitigate the international food crisis. A new EDF10 budget support programme was finalized in the form of the MDG contract and is expected to be signed in early 2009.

In the transport sector, works covering the Musanze to Rubavu road which started in July 2007 are progressing well. By the end of 2008, all earthworks and almost 50% of pavement works were completed. A rider to the Financing agreement was approved covering two urban feeder roads in Gisenyi and additional resources for capacity building. The institutional capacity building component of the road transport sector programme, which started in early 2008, is already showing positive results, including a detailed paved road network condition survey, traffic measurement, and improved reporting by the Road Maintenance Fund.

With regards to Rural Development, 2008 saw the completion of a second national Ubudehe campaign with a total disbursement of €15 million. (as part of the Decentralised Programme for Rural Poverty Reduction). The Ubudehe programme received a UN Public Service Award. A competition was organised in each of Rwanda's 416 sectors to select the best Ubudehe projects. These were awarded an extra grant to fund a second collective project. A big celebration meeting chaired by His Excellency Hon Paul Kagame, the President of the Republic of Rwanda, was organized in July 2008 to celebrate the UN Public Service Award and to announce the list of the 416 awarded projects.

In the non-focal sector of Governance, implementation of the Support to the Rule of Law programme is well advanced with the training of Gacaca judges, monitoring of Gacaca jurisdictions, a monthly publication of the Newspaper Inkiko Gacaca, sensitisation activities by the National Unity and Reconciliation Commission, support to community work schemes (TIG), training of police officers, training of Abunzi (justice mediators), 5 new contracts for NGOs to monitor Genocide-related Justice, and support to the Supreme Court in order to deal with the judicial backlog. Importantly, the Joint Governance Assessment was completed and endorsed by the Government of Rwanda and Development Partners. This will now be followed by joint yearly assessments of progress in the governance area.

Co-financing of projects implemented by Non-State Actors in Rwanda has steadily increased in 2008 with new contracts signed under two specific programmes: the "European Instrument for Democracy and Human Rights" (EIDHR) and the new "Non-State Actors and Local Authorities in Development" (NSAs/LAs) programme which replaces the former "ONG-PVD" budget line.

The results of the 2008 Survey on Monitoring the Paris Declaration on Aid Effectiveness show limited progress being realised in Rwanda, with most targets off-track. Nevertheless, two important tools have been agreed in 2008 that should make a positive contribution to the aid effectiveness agenda. Firstly, as a monitoring tool for EDPRS implementation, a Common Performance Assessment Framework (CPAF) has been agreed. The CPAF has been extracted from a larger EDPRS policy and results matrix, and will be used by all budget support donors as the sole basis for conditionality. Secondly, a Donor Performance Assessment Framework (DPAF) has been

agreed, with a range of indicators and targets for every individual donor, largely along the lines of the Paris Declaration. This should provide this topic with a firm spot on the policy dialogue agenda for discussion between the GoR and development partners.

1. THE COUNTRY PERFORMANCE (MAX 8 PAGES)

1.1 Update on the Political Situation

Rwanda held its second legislative elections since the adoption of the constitution in 2003 on September 15 to 18. The RPF-led coalition won 42 seats out of a total of 53 seats to be allocated through direct elections. PSD won 7 seats and PL 4 seats. Rwanda has become the first country in the world with a majority of women (45 out of 80) in the House of Deputies. This includes the 24 seats reserved for women elected through indirect votes.¹ An EU Electoral Observation Mission was invited by the Government of Rwanda and was deployed 2 months before the elections and stayed 3 more weeks after the elections. The elections were held in a peaceful environment and efficiently organised. (The final report was presented in January 2009)

2008 saw a new peak of fighting in the Kivu. The ceasefire established by the Goma Peace agreement of 23 January 2008 was violated on August 28th 2008 when hostilities involving CNDP, the FARDC and other groups (PARECO, Mayi-Mayi and FDLR) resumed.

The Joint Governance Assessment was endorsed by the Government of Rwanda and will be considered as the basis for future assessment of governance in Rwanda. Some governance indicators have been incorporated into the Common Performance Assessment Framework for budget support disbursement. Major progress was also made in the justice sector towards a sector wide approach. The strategy and the roadmap were adopted by the justice sector and its partners and will be effective in 2009. Support from development partners to the sector will be provided through Sector Budget Support.

The judgement phase of the Gacaca process was largely completed by December 2008, with the exception of some outstanding appeal cases. Nevertheless, since July 2008 people of category 1 accused of criminal acts or crime participation among planners, organizers, murders, organs of leadership (prefecture level, sub-prefecture and commune), persons who committed acts of rape, sexual abuses, acts of torture are falling under the responsibility of Gacaca Jurisdictions and will be dealt with during the first half of 2009. These new cases amount to about 7000 files. With over 800,000 people being accused of genocide-related crimes and offences, prison overpopulation was becoming a major issue with a peak at nearly 100,000 inmates in mid-2007. With the systematic implementation of TIG (Travaux d'Intérêt Général) as a substitute to prison, or as part of a combined sentence, and other measures taken, the number of inmates had fallen to 52,000 by the end of 2008.

1.2 Update on the Economic Situation

The Rwanda economy performed strongly in 2008, with an estimated real GDP growth of 11.2%. Growth in the industry and services sectors was 10.7% and 7.9% respectively, particularly strong performance was observed in the agricultural sector, with an overall expansion of output by 15%. Whereas favourable weather conditions are an important explanatory factor for this good performance, there are equally signs that the government's crop intensification programme is starting to have an impact, with a significant number of farmers now reporting use of fertilizers and improved quality seeds.

¹ The remaining seats are 1 for the representative of the disabled and 2 for youth representatives.

The industrial sector received a boost from increased supply of electricity following investments in hydro-power. Construction equally grew strongly, in part fuelled by the introduction of new mortgage instruments which is encouraging domestic private construction. Mining and quarrying, on the other hand, saw a decline in output. However, the sector has benefitted from rising prices on the international market, making mining the largest contributor to export revenues in 2008.

Good agricultural performance did not stop the impact of high international food prices spilling over into Rwanda. Partly fuelled by demand from abroad, food price inflation reached 25% as at end 2008. Particularly affected were bread, cereals, and meat, which increased by almost 50% year on year. In response to this food crisis and the impact on the poor, the GoR has been scaling up its food for works programmes, and started the implementation of the Vision 2020 Umurenge Programme (VUP). During the first phase, the VUP is piloted in the poorest sector in each District, and encompasses direct assistance and public works programs targeting the poorest and most vulnerable sections of society.

To ensure continued macroeconomic stability in the wake of rapidly rising inflation, the authorities have responded by a disciplined fiscal policy stance, in particular by saving some of the revenue collection which actually exceeded targets. The growth in money supply has also been limited. Nevertheless, interest rates have remained at single digit levels, implying significantly negative real rates of interest. Also, the stability of the Rwandan Franc against the US dollar, which had been appreciating considerably against most major currencies in nominal terms, coupled with the high rate of inflation implies a strong appreciation of the Rwanda Franc in real terms. Growth in imports has been outstripping that of exports, and the current account deficit has been widening. The IMF mission, which visited Rwanda in October 2008, concluded that GoR policy performance under the PRGF-supported program was satisfactory.

Rwanda is at medium risk in terms of vulnerability to the global economic and financial crisis. Rwanda's exports are highly concentrated and dominated by primary commodities. Prices for coffee, tea, and minerals are all expected to fall, which in particular for minerals could evoke a strong supply response due to the artisanal nature of mining in Rwanda. Receipts from tourism and worker's remittances constitute major foreign exchange inflows and could equally be negatively affected by the crisis, while foreign direct investment, which had risen strongly in recent years, could experience a significant reduction. On the other hand, Rwanda has a healthy level of international reserves that can be deployed under the current circumstances.

Following the PEFA exercise in 2007, a new PFM strategy was completed in the course of 2008 which spells out clearly the direction of reforms for the coming years. Preparations are ongoing to establish one single basket fund to pool all aid from development partners in support of this new PFM strategy.

The business environment has seen further improvements. According to the World Bank Doing Business Report, Rwanda's ranking improved from 158 in 2006 to 148 in 2007 and 139 in 2008. A review of 14 commercial laws was completed to align them with international best practices. A Business Registration Agency and Land Registry were established. Challenges remain especially with respect to international trade and regional trade facilitation, which need to be addressed within the EAC and EPA frameworks.

Rwanda will complete its accession to the EAC customs union with the adoption of the Common External Tariff (CET) starting 1st of July 2009, which would only imply a minor change from the tariffs currently in place. Towards other EAC member states, tariffs will be gradually eliminated in phases, to be completed by January 2010. Negotiations for the EAC common market (due to commence 1 January 2010) have commenced in earnest on the basis of a draft protocol commissioned by the EAC secretariat, which is expected to be completed by June 2009. According to the Treaty and the draft protocol, the common market will be characterized by free movement of goods, services, labor, and capital, and the recognition of the right of establishment and residence. The EAC EPA interim agreement was signed end 2007, and negotiations for a full EPA continued during 2008 and are expected to be finalized by mid 2009.

1.3 Update on the Poverty and Social Situation

Rwanda is realising steady progress towards the MDG targets. Whereas the achievement of the targets on poverty reduction and maternal mortality is unlikely, all other targets are attainable by 2015. Targets on gender equality have already been achieved. Since the publication of the EICV II in 2007, no new information has become available on poverty levels. However, the prevalence of malnutrition among children under 5 is estimated to have been reduced to 18% in 2008 from 24.5% in 2000. The next systematic update on the poverty situation is expected in 2011, following a integrated household living conditions survey to be conducted in 2010.

In education, the net enrolment rate at primary school increased to 95.8% (Boys: 94.7% / Girls 96.8%) in 2007, from 95.0% (Boys: 92.9% / Girls 97.0%) in 2006, while the completion rate edged up from 51.7 to 52%. However, the pupil teach ratio deteriorated to from 70.9 to 74, although this figure may not be accurately capturing a large number of contract teachers that have been hired directly by schools using part of the capitation grant. Improving the Education Management Information System is an ongoing priority which has been experiencing some delays. At secondary level, the net enrolment increased from 10.1% in 2006 to 13.1% in 2007. Rwanda decided to drop French as a principal language of instruction, in favour of English.

For the health sector, the results of the interim DHS, which is based on data collected in 2007 and 2008, show some impressive results. In particular, they show that government's efforts in managing population growth are already having an impact, with a reported increased usage of contraceptives, a reduction in the total fertility rate, and a higher proportion of deliveries done in health centres. At the same time, child mortality indicators show continued strong improvements, putting the MDG targets well within reach.

Table 1 Results of the Interim DHS

Indicators	DHS-2005	DHS-2008
Contraceptive prevalence: All methods	17%	36%
Contraceptive prevalence: Modern methods	10%	27%
Antenatal Care	94%	96%
Delivery in Health Centers	39%	52%
Infant Mortality rate	86 per 1000 live births	62 per 1000 live births
Under-Five Mortality rate	152 per 1000 live births	103 per 1000 live births
Anemia Prevalence : Children	56%	48%
Anemia Prevalence : Women	33%	27%
Malaria prevalence: Children		2.1%
Malaria prevalence: Women		1.1%
Vaccination : All	75%	80.4%
Vaccination : Measle	86%	90%
Fecondity	6.1 children	5.5 children

1.4 Update on the environmental situation

Rwanda's key environmental challenges remain soil erosion, deforestation, conservation, misuse of wetlands, waste management and how to reduce the proportion of the population engaged in agriculture (from 91% in 2000 to 50% in 2020). The latter would necessitate a rapid development of alternative livelihood opportunities, which may in turn present their own pressures on the environment. Land use management is addressed in the context of new legislation.

Regarding the energy sector, Rwanda adopted a new Biomass Energy strategy (BEST) and an important investment programme in the energy sector to produce cheaper electricity is now well established and implementation has started. As part of Government's agricultural policy, increased resources were allocated to improving soil erosion (through terracing, agro forestry, etc) with the help of Stabex funds. Environment-related capacity building efforts have been undertaken in all districts, which will ensure a positive impact on the management of the environment and natural resources. The practice of Umuganda – compulsory community service involving the planting of trees and cleaning activities – continued in 2008, with visible effects.

In 2008, GoR also banned the importation and usage of Chloro-Fluoro Carbon gas (CFC). Other measures previously adopted, such as banning the use of plastic bags, the dumping of used motor oil and limiting the use of wood for charcoal, production of cooked bricks, and others continue to be enforced.

Numerous projects were adopted for the main conservation areas or continued to be actively implemented in 2008. Rwanda has endeavoured to address this issue at the regional level with its neighbours (mainly Burundi, Uganda and RDC), though security concerns caused by militias roaming the Virunga national park have posed a threat to certain conservation activities.

Finally, a few grant contracts managed by the EC Delegation have a direct impact on the environment (Energy savings, improved stoves, waste recycling, activities that benefit the population close to conservation areas, integrated rural management with natural resources protection and sensitization to the environment components). In addition, environmental projects can be submitted under the Non-State Actors/Local Authorities TBL call for proposals.

2. OVERVIEW OF PAST AND ONGOING CO-OPERATION

2.1 Reporting on the financial performance of EDF resources (max 1p)

2008 was another successful year in European Commission-Rwanda cooperation. All remaining 9th EDF funds are now fully committed, sunset clause requirements have been met and 10th European Development Fund programming is well underway. 2008 financial targets have been largely achieved and stand within less than 10% of the July 2008 forecast. Primary commitments stand at € 177M (compared with a € 178 M forecast, the difference originating in the reduction of the TCF III). Secondary commitments stand at € 30,9M (€ 144 M forecast). The difference is due to the late approval of 2008 Annual Action Plan, with the corresponding financial agreements now expected to be signed early in 2009. European Development Fund Payments (NIP) stand at € 63, 1 M (€ 68, 5 M forecast). Consolidated payment figures (including NIP, RIP, Stabilisation of Export Earnings (STABEX) amount to € 70,9 M, which is in line with the forecasts and on a par with 2007. Excluding MDG and TCF III, RAL has been further reduced by € 42,7M.. Total RAL now stands at € 232,3 M.. Old RAL has also been further reduced from € 8, 44 M on 1st January 2008 to € 7,35 M on 1st January 2009. EDF regional payments have reached € 7,7 M, reflecting the beginning of 9 RPR 99 operations (Communauté Economique des Pays des Grands Lacs (CEPGL). Stabilisation of Export Earnings (STABEX) payments have reached € 4,8 M, which is slightly below target but an improvement vs. 2007 (€3, 7 M) figure.

Work started on 10th EDF programming. The 2008 AAP was approved in December 2008 and includes 2 new programmes, the MDG-Contract (€175M) and TCF III (€2M) as well as a rider to the EDF 9 Road Transport sector programme (€5M). In addition, a rider to the 9th EDF General Budget Support Programme added €5M and €4.44M financed from the 10th EDF B-envelope for earthquake-related and food security related budgetary support. . The table below compares progress with the commitments and disbursements anticipated in the CSP/NIP. Because the 2008 AAP was only approved in December, global commitments, contracts and payments could only start in 2009.

	Indicative allocation 10th EDF (M€)	Commitments planned in 2008 * (M€) (add in brackets planned share of SBS)	Commitments realised in 2008 (M€) (add in brackets effective share of SBS)	Realised/ planned (%) (add in brackets ratio realised/ planned SBS)	Disbursements realised in 2008 (M€)
Focal area 1 - <i>Rural Development</i>	40				
Focal area 2 - <i>Infrastructure for</i>	50	9			

regional Interconnectivity					
General budget support	175	100			
Non focal areas					
- Governance: Rule of Law	8.5	8.5			
- Governance: Economic Management	7.5				
- Commerce	6				
- TCF	3				
Total A-envelope	290				
Total B-envelope	5				
Total 10th EDF NIP	295	117.5	0	0	0

The 2009 AAP is well advanced with the approval of 6 identification fiches. The effort of closing EDF 7th and EDF 8th projects' commitments continued in 2008.

The 2008 ROM mission took place in September and monitored 10 projects. The final report will be released in 2009.

2.2 Reporting on General and Sector Budget Support (max 1p)

2008 was meant to be the last year of disbursements under the Budget Support for Poverty Reduction Programme, though towards the end of 2008 a 2nd rider was agreed to increase the total budget envelope with resources from the EDF 10 B envelope, which will give rise to further disbursements in 2009 and 2010 (see section 2.4 below). The 2008 GBS disbursement under BSPR consisted of a fixed tranche worth €9 million, and a variable tranche of €7.7 million, representing 84.3% of the maximum that was available.

11.1% of the variable tranche was withheld on account of targets in the education sector not having been met. The overall allocation of the budget to the education sector was well above target. However, due to the huge success of the introduction of fee-free primary education, which led to a massive increase in the number of enrolled students, the pupil-to-teacher ratio was not reduced as originally envisaged. More generally, government is struggling to expand the provision of quality education at the same rate as the increase in enrolments, as a result of which also the drop out rate is not coming down as planned. In health, all outcome targets were met by a large margin. Particularly impressive is the increase in the rate of utilisation of curative services, which increased by almost 60% over the BSPR implementation period. Nevertheless, the variable tranche was reduced by 2.8% on account of below-target financial allocations from the central government budget to the health sector. Finally, 1.9% of the variable tranche was withheld on account of slower than programmed progress in rolling out SMARTGOV, GoR's integrated financial management system.

Two Joint Budget Support Reviews were completed in 2008. The backward looking review in April looked at performance over 2007 which was judged to be satisfactory. The forward looking review in September broadly endorsed the budgetary choices the GoR was making for the medium term, though development partners emphasised that these choices should be better articulated in supporting documents such as the Budget Framework Paper and linked to key output and outcome

indicators as formulated in the EDPRS. The review also looked at the draft public investment plan, welcoming the guiding principles that have guided the selection of projects, and in particular the more systematic use of analysing economic rates of return to prioritize projects.

GoR and development partners providing general budget support signed a new Memorandum of Understanding governing the provision of general budget support in October 2008. Towards the end of 2008, agreement was reached on the Common Performance Assessment Framework (CPAF) to monitor the implementation of the EDPRS. The CPAF will form the basis for all development partners to evaluate their respective budget support programmes. For the EC, it will form the basis to monitor the MDG-Contract, the new 6-year budget support programme that was agreed in 2008 and which is expected to be signed in early 2009.

At the programming level, two sector budget support programmes have passed the identification stage (decentralised agriculture; justice, reconciliation, law and order) and will be included in the 2009 Annual Action Plan. A third sector budget support programme, for the transport sector, that is programmed in the CSP/NIP 2008 – 2013 was not yet approved.

2.3 Projects and programmes in the focal and non focal areas

2.3.1 Focal sectors

Infrastructure - Transport

9ACP.RW.12 Rwanda Road Infrastructure Support Programme

Works covering the Musanze (formerly Ruhengeri) to Rubavu (formerly Gisenyi) link started in July 2007 and are progressing well. At the end of 2008, all earthworks and almost 50% of pavement works were completed. As part of the 2008 AAP, a rider to the Financing Agreement was approved covering two urban feeder roads in Gisenyi and additional resources for capacity building. The institutional capacity building component of the programme started in early 2008 through the provision of technical assistance to the Ministry of Infrastructure and the Road Maintenance Fund (RMF), and external technical auditing of the road maintenance programme. Achievements to date can be summarised as follows:

- a detailed paved road network condition survey and traffic measurement was undertaken
- improved RMF reporting and accountability with a comprehensive progress report presented
- a first round of vocational training sessions for administration staff and national consultants was organised,
- drafting of a road sector package including a road strategy, a road act, a road authority act and an implementation road map.

The evolution of the capacity building component is encouraging, but progress remains very fragile due to the transitional institutional situation and the absence so far of a dedicated road maintenance administration.

10th EDF component preparation

The Kigali to Gatuna road rehabilitation component was prepared in 2008, based on existing studies that were updated in the context of the capacity building component, with short term

pavement expertise. A periodic maintenance technical solution was defined and the financing documents will be included in the AAP 2009. An identification fiche was prepared for a transport sector budget support programme, including a 7 key assessment study.

Rural Development

9 ACP RW 04 Decentralised Programme for Rural Poverty Reduction

The second national Ubudehe campaign was completed in 2008 with an average total disbursement of 15 Million euros. It included one family project and one collective project funded per Umudugudu for all 15,000 villages. In addition, following the the UN Public Service Award for the Ubudehe programme, it was decided to organize a project competition for each of the 416 sectors, and the selected project at each sector level received an extra grant to fund a second collective project. A big celebration meeting chaired by his Excellency Hon Paul Kagame, the President of the Republic of Rwanda, was organized in July 2008 to celebrate the UN Public Service Award and to announce the list of the 416 awarded projects. Financial management and reporting is still improving and Ubudehe is appearing as a major contributor to the decentralisation process at grassroots level. An evaluation of the Ubudehe programmes should start at the end of 2009.

Support to the District Development Plans has greatly improved with all 24 contracts funded under the second programme estimate completed by the end of 2008. The Labour Intensive Public Works sub-component, the Mpazi (Nyarugenge) and Gasabo projects, were fully completed by the end of 2008. The evaluation will be done in the first semester 2009 jointly with the Pares project (9 ACP RW 03 -Programme of actions for the economic and social reintegration of demobilised soldiers and vulnerable women, widows or heads of family), where activities, including audit, were also completed. A film funded by DG Development on Mpazi and LIPW projects is currently competing for the 2008 communication award (ACP category).

2.3.2 Non-focal area

Governance, Justice, Rule of Law

The closure of the "Support to the rule of law" project (8 RW 19) was finalised. The 9th EDF Support to the Rule of Law project (9 RW 11) is in full implementation mode. Activities include the training of Gacaca judges, monitoring of Gacaca jurisdictions, a monthly publication of the Newspaper Inkiko Gacaca, sensitisation activities by the National Unity and Reconciliation Commission, support to community work schemes (Travaux d'Intérêts Générales, TIG), training of police officers, training of abunzi, and five new contracts for NGOs ensuring Genocide Justice monitoring. A programme estimate was signed with the Supreme Court in order to deal with the judicial backlog. Work on the construction of courts also started in 2008. For 2009, a new call for proposals for local NGOs have been launched end February 2009. The deadline for submitting the proposals is set to April 27th 2009. Further construction works will include an extension for the Office of the Prosecutor. The Ministry of Justice has drafted the Sector justice strategy & Swap and officially launched it in November 2008. The production of the justice strategy (in 150 copies) has been facilitated by the support to the rule of law project.

17.740 electoral agents have been trained in August 2008 through the programme support to the National Electoral Commission.

Importantly, 2008 saw the endorsement of the Joint Governance Assessment by the Government of Rwanda and development partners. The report will be followed by yearly assessments to monitor progress in the area of governance.

Economic cooperation

As part of the 9 ACP RW 19 RISEM programme (Rwanda Institutional Support to Economic Management) support continued in the areas of Public Financial Management (PFM), Statistics, and Trade. A total of €1.6 million was committed in 2008. In PFM, the execution period of the World Bank managed PFM Trust Fund was extended by one year through a project amendment as administrative delays had hindered the effective disbursement of funds by the end of 2008. As part of the process to finalise a new PFM reform strategy, it was agreed that future support would be administered through a GoR managed basket fund, to be operational by the beginning of 2010.

The National Institute of Statistics continued work on a number of important surveys, including the National Agricultural Survey and the District Baseline Survey, which were still ongoing as at end 2008, and completed the interim Demographic and Health Survey. As mentioned in section 2.2, an agreement was reached to utilise undisbursed funds under the budget support programme for further support to the National Institute of Statistics. These resources will be disbursed in 2009 and complement the funds made available under RISEM, to finalise the completion of the above mentioned surveys and finance the provision of technical assistance to the Institute. The drafting of a National Strategy for the Development of Statistics is foreseen for 2009.

In the area of trade, RISEM provided support to the Rwanda Bureau of Standards by financing trainings, seminars, and technical assistance. Also, testing equipment worth over €350,000 was supplied. Further support was provided to the Regional Integration Committee, including the facilitation of their participation in the EAC negotiations in Arusha, Tanzania, and similarly the Ministry of Commerce was supported in the EPA negotiations.

2.3.3 Non-State actors

Co-financing of projects implemented by Non-State Actors in Rwanda has steadily increased in 2008 with new contracts signed under two specific programmes: the "European Instrument for Democracy and Human Rights" (EIDHR) and the new "Non-State Actors and Local Authorities in Development" (NSAs/LAs) programme which replaces the former "ONG-PVD" budget line

In the course of 2008, a total of 13 new contracts were signed with EIDHR financing and under the NSAs/LAs programme worth €5.3M. These projects aim at improving the situation for women victim of domestic violence, disseminating key information on health issues to the population in remote areas, providing support to the historically marginalised population and to disabled people, reinforcing the capacity of trade unions, honouring "the Just" who protected targeted people during the genocide, and providing legal aid to the destitute.

Two new Calls for proposals were published at the end of 2008 for both programmes for a total envelope of €2.9M.

2.4 Other cooperation

CEPGL (Communauté Economique des Pays des Grands Lacs):

A preparatory programme to revive regional cooperation between Rwanda, DR Congo and Burundi was initiated in 2007 and developed in 2008. It covers regional infrastructure, mainly cross-border corridor links, energy, agricultural research and political dialogue. The principal CEPGL bodies were supported through grant contracts and key studies were launched. Detailed studies for the Rusizi 3 hydropower plant (145MW) and pre-feasibility studies for the Rusizi 4 plant (267MW) were developed during 2008. The first feasibility reports will be available in 2009, allowing for financing discussion with commercial development banks (EIB, World Bank, African Development Bank and possibly EC member states). Studies for road interconnectivity between the twin border towns of Goma/Gisenyi, Bukavu/Cyangugu and Bujumbura/Uvira were tendered and awarded. To conclude, the programme is taking shape and should provide an important pillar for regional peace, development and stability in the Kivu region.

Water Facility:

Two financing agreements: 9 RPR 178: "Programme d'adduction d'eau potable en milieu rural Province du Sud – Districts de Nyaruguru, Huye et Gisagara", and 9 RPR 209: "Rwanda Water Supply & Sanitation Fund" were signed by the NAO in January 2008. Implementation is on track. The 9 RPR 178 programme saw the signing of a grant contract with BTC and a first Programme Estimate with Minecofin/Mininfra. All needed staff were recruited in 2008. Most studies (socio-economic survey, technical studies) have started in 2008, and the tendering procedures for the first drinking water network and sanitation (Ecosan Latrines) works should be launched in the first trimester 2009. For 9 RPR 209, a decentralised delegation agreement was signed in July 2008, and works are ongoing in the two targeted Districts: Nyamagabe and Nuaruguru.

The grant contract, 9 RPR 50- 21 - "Intervention pour le renforcement du réseau hydraulique, pour la protection de l'environnement et la sensibilisation à un usage responsable en collaboration avec le District de Gicumbi dans la Province du Nord", was signed with the Italian NGO AVSI (Associazione Volontari per il Servizio Internazionale, Italy) and is well advanced.

Energy facility

Three programmes are under implementation.

Financing agreement 9 RPR 173: "Increased Rural Energy Access in Rwanda through PPP (IREARPPP)", was signed by the NAO in January 2008. Protracted negotiations to provide TA for the micro-hydro component were finally unsuccessful, and a grant contract signed at the end of June 2008 with Burgeap Company to provide technical assistance for the solar energy component was cancelled by Minecofin in July 2008. The solar energy component will be studied and managed directly with Mininfra's own resources, and local expertise will be recruited under the first Programme Estimate signed in May 2008. Due to all these changes, a rider to the Financing Agreement was prepared and agreed by the end of 2008. The implementation of the micro-hydro component will now be largely delegated to the Belgian Technical Cooperation (BTC) and a delegation agreement was signed in December 2008. So far, little progress has been realised on the ground in 2008. On the solar energy component, the first surveys to identify and select potential rural schools to equip were conducted in the last quarter of 2008. The implementation of the micro-hydro component will only start in

early 2009 and will be reduced to a total of 2 MW instead of 3 MW initially foreseen, but will benefit from some studies already done by BTC on some micro-hydro potential spots in the southern Province. The two programmes funded by the EC and the Belgian government will complement each other with the EC micro-hydro programme benefiting from the transmission and distribution component of the programme funded by Belgium.

For 9 RPR 49 - 19, concerning an extension of the national grid (Ligne électrique de Muhura) implementation has started by the NGO MLFM in 2008.

9 RPR 49 – 2, Community-Assisted Access to Sustainable Energy in Rwanda CASE – Rwanda, addressing the sustainable use of wood fuel biomass, signed with Care Austria, started in the second quarter of 2008. A baseline study was completed by the end of 2008.

Stabex

2008 was devoted to the implementation of the strategy of the Commission redefined in 2007, which envisaged the setting up of the "decentralization" and "diversification" components. Accordingly, a call for proposals for diversification projects in agriculture was launched. 16 projects were adopted for financing (total amount of € 1.5 M): At the same time, an ambitious program of radical terracing covering 1.694 ha (for € 3,4 M) started in 6 districts under the coordination of RADA (MINAGRI). The activities of the 2 other components (support to privatisation in the pyrethrum and tea sectors and general support to the coffee sector) experienced positive developments. The support to pyrethrum sector materialised by the establishment of this culture in two extension zones (43 Ha implemented in the Gicumbi and Kibuye's areas) piloted by RHODA.

The support to the tea sector continued with drainage operations in 6 tea estates. The rehabilitation of rural roads using the HIMO approach was initiated in Mulindi (12 km) and works started in 7 others areas (for a total of 80 km). The mapping (bornage) of the fields concerned 3 tea estates, chosen based on their future transfer by the government to the private sector. The rehabilitation of the Mulindi bridges is ongoing and is expected to be completed in January 09.

Regarding support to the coffee sector, the laboratory of production of in vitro coffee seedlings is now operational. Particular emphasis was put on the nurseries (production of 22 million seedlings) and the improvement of the quality of production by building 4 new washing stations. The project supplied equipment to a total of 24 stations. On the whole, the STABEX program will have supported 40 washing stations, representing a third of the active stations in Rwanda.

Emergency assistance: B-envelope

On February 4th 2008, an earthquake measuring 6.3 on the Richter scale shook western Rwanda in the Districts of Nyamasheke and Rusizi, resulting in some casualties and significant damage to infrastructure. On February 14th 2008, an aftershock measuring 5.7 on the Richter scale caused further damage. An EC commissioned study which assessed the extent of the damage on primary and secondary schools as well as rural health centres and hospitals established that the damage affects 51,000 students and 129 beds health centres and hospitals. The total work programme to rehabilitate and reconstruct the affected sites was estimated at just over €8 million. The EC has made €5 million available from the EDF10 B envelope which will be disbursed in the form of targeted budget support in two tranches in 2009 and 2010.

Equally under the B-envelope, €4.44 million was made available to Rwanda to mitigate the international food price crisis, which will also be disbursed in the form of an additional tranche of budget support in 2009. This additional tranche of budget support supports the GoR to scale up the Vision 2020 *Umurenge* Program (VUP), a flagship of the EDPRS (see section 1).

EIB

EIB approved a €2,8M programme under the EU-Africa Infrastructure Trust Fund to finance studies for the Rusizi hydro plant institutional setup, and electricity interconnection studies under the CEPGL framework.

Erasmus Mundus External Cooperation Windows

Under this programme the EC partners with the National University of Rwanda and three students from Rwanda were selected for scholarships.

3. POLICY COHERENCE FOR DEVELOPMENT (PCD)

The new CSP that was signed in Lisbon in December 2007 contains a detailed and comprehensive PCD section with systematic links with programming and other EU policies. Policy coherence for development will advance in a number of areas. The aim is for all EU non-aid policies to make a positive contribution to developing countries' efforts to attain the MDGs.

When it comes to trade the key constraints on Rwanda's participation in the global economy (as raised in the Diagnostic Integration Study) relate to transport costs, energy and water prices, and access to credit. The Government (with donor support) has produced a Diagnostic Trade Integration Study (DTIS), which provides an analysis of barriers to internal and external trade, identifies the potential impact of trade on growth and poverty, and presents recommendations for overcoming these constraints, that have been integrated into the EDPRS.

A number of priority actions have been implemented through EC support under the Institutional Support for Economic Management (RISEM) project, particularly for regional integration and export-related standards. Donor coordination around private sector issues is managed through the private sector cluster. Rwanda has also benefited from resources made available to COMESA and EAC for trade negotiations, and from the all-ACP funds for trade-related assistance. The Economic Community of the Great Lakes (CEPGL) has been revived through EC support. The integration of Rwanda into the world economy will be achieved by supporting regional integration, continued negotiations for an EPA with the East African Community (EAC) and by ensuring Rwanda meets its obligations under the WTO. In November 2007 the EAC partner states signed a framework agreement on the EPAs and negotiations towards a full EPA continued in 2008.

The Country Strategy provides support to infrastructure in order to increase Rwanda's physical access to regional and world markets while increasing competitiveness. Support for rural development will address supply side constraints. Support for trade and regional integration will facilitate trade negotiations and compliance with regional agreements, and

will address key non-tariff barriers. ICT capacity building issues will be addressed at sub regional level.

As for agriculture, few agricultural commodities covered by the CAP enter into competition with Rwandan export products. Nevertheless, since the Rwandan economy is a predominantly agricultural economy there is a strong interest for the liberalisation of international agricultural markets. Since EU sanitary and phyto-sanitary standards are a significant barrier to Rwandan exports, the response strategy includes measures to help Rwandan exporters to meet these standards and capacity support is therefore provided to the Rwandan Bureau of Standards.

Environmental issues are a major concern in Rwanda and are addressed by ensuring that rural development interventions are aimed at reducing environmental pressures and that infrastructure investments minimise environmental damage. This is ensured through support to the focal sectors Rural Development and Support to Infrastructure for Regional Connectivity. The Rwanda Road Infrastructure Programme has an environmental component. The STABEX programme includes a component for radical terracing which will assist with soil conservation. In addition, environmental projects can be submitted under the Non-State Actors/Local Authorities TBL call for proposals.

On the Social Dimension of Globalisation, focus is on addressing the issues that will ensure that Rwanda is well-placed to gain economically and socially from globalisation. Improved infrastructure will help Rwanda to take its place in the world economy, and increased funding of education through budget support will help to ensure that Rwandans are able to benefit from advances in information and communication technology.

In the light of the events of the 1990s, Rwanda's security situation is crucial for the whole Great Lakes Region. Poverty reduction and broad-based economic growth is key to achieve long-lasting reconciliation and peace in Rwanda. This is consistent particularly with the focal sector Rural Development and also facilitated by support provided through the thematic budget lines to Civil Society, especially for actions focused on reconciliation.

Migration between the EU and Rwanda is a minor issue.

The framework agreement on the EPAs contains an extensive fisheries chapter, mainly aiming at reinforcing cooperation on sustainable use of resources.

4. DIALOGUE IN-COUNTRY WITH THE NSAs; LOCAL AUTHORITIES AND THE NATIONAL PARLIAMENT

Interactions with NSAs continued on a regular basis. A wealth of information was provided by the Delegation on open sources of co-financing during two information and training seminars. The first one took place on 7 February, during which the Head of Delegation insisted on the key role NSAs play *"when it comes to mobilising grassroots communities, advocating for poor and marginalised people, monitoring government and donor policies and practices, expanding the space for citizens' voices in policy dialogue, delivering services and innovative development programming and mobilising financial and human resources to support development"*. The second seminar took place on 4 November, focusing on the just

published Calls for proposals. The two seminars were very well attended and rated by most participants as "very useful".

Rwandan NSAs were also consulted on priorities for the 2008 Call for proposals for actions in Rwanda under the "Non-State Actors and Local Authorities in Development" new budget line over December 2007/January 2008, and on the 12009-2010 priorities for the European Instrument for Democracy and Human Rights.

In the course of 2008, the Delegation signed 13 new contracts under both programmes. Under the EIDHR, 6 projects represent a total amount of €1.1 M , whereas the 7 projects under the NSAs/LAs programme amount to €4.2M.

Furthermore, the Delegation launched 2 thematic networks of EC grant beneficiaries working on similar topics, respectively "indigenous people" and "media" so as to ensure cross-fertilisation and sharing of good practice

Some 12 civil society organisations active in the field of human rights and democracy with EC support have benefited from a transfer of equipment worth EURO 60,000. This equipment had been purchased by the EU Electoral Observation Mission for its 3-month stay in Rwanda to cover the September legislative elections. The hand-over ceremony was held on 13 October.

The Delegation included in the 10th EDF programming an important capacity building support to Parliament in order to improve its involvement in the decision making process and monitoring of implementation issues, and support to civil society on human rights.

5. AID EFFECTIVENESS

The results of the 2008 Survey on Monitoring the Paris Declaration on Aid Effectiveness show limited progress being realised in Rwanda, with most targets off-track. Evidently, it takes time for improved donor performance to show up in the data given the long time lag between making new commitments and actually measuring their disbursements, so more rapid progress may be realised in later years.

Two important tools have been agreed on in 2008 that should make a positive contribution to the aid effectiveness agenda. First, agreement was reached on a monitoring tool for EDPRS implementation. The Common Performance Assessment Framework (CPAF) contains 42 indicators with corresponding targets for the coming years and a related set of policy actions. The CPAF has been extracted from a larger EDPRS policy and results matrix, and will be used by all budget support donors as the sole basis for conditionality. Second, a Donor Performance Assessment Framework (DPAF) has been agreed, with a range of indicators and targets for every individual donor, largely along the lines of the Paris Declaration. This should provide this topic a firm spot on the policy dialogue agenda for systematic discussion between the GoR and the development partners.

Rwanda was also the subject of an in depth study on "Putting Aid on Budget", commissioned by the Collaborative Africa Budget Reform Initiative. This study made an important contribution to better understand the factors which leads some aid to be off-budget, which the GoR is using to

improve systems and processes to capture aid. For development partners, this work demonstrated once more the importance of having aid on budget and the need to work towards that goal.

Close cooperation between the EC Delegation and the Member States present in Kigali (UK, Germany, Belgium, Netherlands, and Sweden) continued in 2008, in particular with the EU Heads of Mission and Heads of Cooperation meetings held in the premises of the Delegation. Cooperation with other donors is also continuing. The Delegation is a member of the Steering Committee of the "One UN" project under the joint chairmanship of UNDP and MINECOFIN. The project, which aims at harmonising and coordinating UN agencies in Rwanda, is progressing on schedule.

The structured work relationship with the NAO put in place at the end of 2004, with monthly technical meetings between the NAO Support Unit and the operational sections and monthly steering committees jointly chaired by the NAO and the Head of Delegation, is aimed at ensuring efficient joint management, ownership and the smooth and timely implementation of the EC cooperation programme.

ANNEXES

Annex 1: Country at a Glance

a) Key Macro-economic performance indicators

		2005	2006	2007	2008	2009
Basic data		actual	actual	actual	actual	proj
1	Population (in 1000)	9.043	9,278	9,519	9,766	10,020
	- annual change in %	5%	3%	3%	3%	3%
2a	Nominal GDP (in millions €)	1.889	2,276	2,502	3,025	
2b	Nominal GDP per capita (in €)	209	245	263	310	
2c	- annual change in %	12,5%	5,4%	5,7%	6,2%	3,8%
3	Real GDP (annual change in %)	7,1%	7,3%	7,9%	11,2%	5,3%
4	Gross fixed capital formation (in % of GDP)	22,3%	20,4%	21,0%	24,1%	22,6%
International transactions						
5	Exports of goods (in % of GDP)		5,2%	5,2%	5,8%	4,0%
	- of which coffee (in % of GDP)	1,8%	1,9%	1,0%	1,1%	1,0%
6	Trade balance (in % of GDP)	-11,6%	-10,5%	-11,6%	-14,1%	-12,7%
7	Current account balance (in % of GDP)	-3,1%	-4,7%	-2,4%	-5,5%	-6,6%
8	Net inflows of foreign direct investment (in % of GDP)	0,5%	1,1%	2,4%	2,3%	1,3%
9	External debt (in % of GDP)	70,7%	16,7%	16,4%	15,8%	19,1%
10	Service of external debt (in % of exports of goods and non-factor services)	7,2%	5,0%	5,0%		
11	Foreign exchange reserves (in months of imports of goods and non-factor services)	6,2	5,6	4,8	5,3	4,8
Trade capacity						
12	Average cost to export (US\$ per container)	3840	3840	2975	3275	
Government						
13	Revenues (in % of GDP)	26,3%	24,0%	23,4%	27,1%	24,6%
	- of which: grants (in % of GDP)	11,4%	10,7%	9,8%	11,5%	11,0%
	- of which: taxes on international trade (in % of GDP)		2,1%	1,7%	1,8%	1,6%
14	Expenditure (in % of GDP)	25,7%	24,5%	24,9%	26,7%	27,0%
	- of which: capital expenditure (in % of GDP)	9,1%	7,6%	8,6%	11,0%	10,9%
15a	Deficit (in % of GDP) including grants	0,7%	0,4%	1,5%	-0,5%	0,9%
15b	Deficit (in % of GDP) excluding grants	12,1%	11,1%	11,3%	11,0%	12,6%
16	Debt (in % of GDP)		29,2%	27,4%	20,3%	
	- of which: external (in % of total public debt)		58,6%	61,3%	74,9%	
Other						
17	Consumer price inflation (annual average change in %)	9,00%	8,90%	9,10%	15,40%	11,50%
18	Exchange rate (annual average of national currency per 1 €)	702	687	746	806	

Data source(s): IMF (1, 3-11,13-17); World Bank (12); EC (2,18)

b) Key MDG Indicators

Indicator	2000	2005	2006	2007	2008	2010	2012	2015
Basic data	actual	actual	actual	actual	target	target	target	target
1. Poverty Headcount ² (%)	60	56.9					52.3	30.2
2. Prevalence of underweight children (under-five years of age) (%)	24	23	23				14	14.5
3. Under-five mortality rate (per 1000 live births)	198	152	152	103			66	50
4. Net enrolment ratio in primary education	72.2	93.5	95	96.3			100	100
5. Primary Completion Rate (%)	24.2	46.7	51.7	52.0			100	100
6. Ratio of girls to boys in:								
primary education	0.98	1.04	1.05	1.03				1
secondary education	1.04	0.89	0.90	0.91				1
tertiary education	0.58							
7. Proportion of births attended by skilled medical personnel (%)			49.6					
8. Proportion of one-year-old children immunised against measles (%)		75	84					100
9. HIV prevalence among 15- to 24-year-old pregnant women								
10. Proportion of population with sustainable access to an improved water source	64		64	71		80		82

Data source(s): EICV2, EMIS, SIS, MDG Country 2007 report, EDPRS document

² The National poverty line of RWF 250/day is equal to about \$0.45/day.

Annex 2- Progress report on 10th EDF governance action plan

	Governance area	Prospective commitments	Timeframe (by end)	Progress report	Source
1.	Political democratic governance				
	- Human rights	<ul style="list-style-type: none"> Government to provide regular reporting on implementation of treaty provisions relating to human rights Number of filed complaints resolved by Ombudsman to reach 80% by 2008 Respect for Human Rights is assured in the Gacaca jurisdictions Number of filed complaints resolved by National Human Rights Commission to reach 80% by 2008 NGOs free to participate to monitor human rights 90% of Local Defence Forces trained in Human Rights 	<ul style="list-style-type: none"> 2007 2008 2006-2008 2008 ongoing 2008 	<ul style="list-style-type: none"> The Government established a permanent inter-institutional team to strengthen the reporting process which is still facing some weaknesses and to ensure the regular transmission of reports International and local NGOs freely monitor Human rights except the case of Dr Alison Desforges from Human Rights Watch who has been declared persona non grata in 2008 Training of Local Defence Forces in Human Rights is foreseen in the current EC project with the National Police 	<ul style="list-style-type: none"> APRM PoA Ombudsman Annual Report Gacaca reports NHRC Annual Report MINALOC
	- Fundamental freedoms: freedom of expression	<ul style="list-style-type: none"> Adoption of new Press Law, new High Council of The Press's Law, new ORINFOR's Law (Rwanda Bureau of Information) Facilitation of accessing information for grassroots leaders and Secondary School students (radio's for all secteurs and 90 secondary schools). Increased press conferences by Government Officials Favourable environment for private media, including continued operation of private newspapers and international and national television and radio stations 	<ul style="list-style-type: none"> 2006, 2007 2006 From 2006 2006 onwards From 2007 	<ul style="list-style-type: none"> On going Creation of information centres at district levels Monthly press conference by the President of the Republic and frequent press conferences by other ministries but not systematic yet 15 active newspapers operating with only one daily and 16 registered radios whose programmes are more focused on entertainment but programmes based on phone-in discussions of current affairs have become popular and are increasing Training of journalists has taken place and a Center for training has been created by the school of Journalism at the National 	<ul style="list-style-type: none"> Law Texts Primature/Mininfor Action Plan 2006 2005 Akagera Retreat (II) Recomm. 34 media situation 2008-2010 High Council of the Press Association Rwandaise des Journalistes (ARJ) and the Maison de la Presse

	Governance area	Prospective commitments	Timeframe (by end)	Progress report	Source
		<ul style="list-style-type: none"> • Continued strengthening of capacity of the media to address their weaknesses and improve their performance. Training journalists on: <ol style="list-style-type: none"> 1. media law, regulatory instructions and code of ethics, 2. Management of press enterprises. • Strengthening Media Associations' role in advocacy and oversight: <ol style="list-style-type: none"> 1. organisation of a regional workshop on media auto regulation, 2. establishment of a media observatory organ . • 50% of grassroots communication Officers trained to address the problem of media literacy 	<ul style="list-style-type: none"> • From 2007 • From 2008 	University of Rwanda	<ul style="list-style-type: none"> • Primature/MinInfor Action Plan 2006
	- Electoral process	<ul style="list-style-type: none"> • Free and fair 2008 parliamentary elections • Free and fair 2010 presidential elections • Freedom to form new political parties (subject to constitutional safeguards) ensured for 2008 and 2010 elections. • International observers invited to observe 2008 and 2010 elections. • NGOs free to monitor presidential and parliamentary elections. 	<ul style="list-style-type: none"> • 2008 • 2010 • 2006-2010 • 2008+2010 • 2008+2010 	<ul style="list-style-type: none"> • More than 1000 local and international observers have been invited to observe the parliamentary elections including an EU Election Observation Mission 	<ul style="list-style-type: none"> • Constitution • Constitution
	- Principles of constitutional democracy	<ul style="list-style-type: none"> • Publication of parliamentary proceedings • Publish regular reports of the Forum of Political Parties in order to increase transparency • Continued police recruitment to increase ratio of number of police 	<ul style="list-style-type: none"> • From 2007 • From 2007 • 2006 onwards 	<ul style="list-style-type: none"> • Not yet in place but a creation of a parliamentary radio is underway • Regular reporting of Political parties not in place yet • Police is continually recruiting new staff 	<ul style="list-style-type: none"> • APRM PoA • APRM PoA • PRS Annual Progress Report

	Governance area	Prospective commitments	Timeframe (by end)	Progress report	Source
		officers to Rwandan population			
2.	Political governance - rule of law				
	- Judicial and law enforcement system	<p>Rwanda Legal System</p> <ul style="list-style-type: none"> Reduce backlog of cases in the judiciary by 50% from 2006 baseline Dissemination of existing laws : publication, radio programmes and better quality of enacted laws Continued Training of law authorities (including judges) <p>Gacaca</p> <ul style="list-style-type: none"> Gacaca rolled out and then phased out Training of Inyangamugayo (169 000 judges) NGOs free to participate in monitoring of Gacaca process <p>Genocide Justice –Negotiations with ICTR over transfer of cases finalised.</p> <ul style="list-style-type: none"> Special court facilities Legal framework to enable transfers Prison facility 	<ul style="list-style-type: none"> From 2006 From 2006 From 2006 2008 2007 From 2006 2006 2007 2008 	<ul style="list-style-type: none"> Process of reduction of backlog is ongoing and financed by EC An Institute of Law development and Practice is fully functioning for the training of law practitioners Gacaca is largely completed (95%) and cases of category one accused of rape will be dealt with in semester 1 2009 Continued training of Inyangamugayo mainly funded by EC Monitoring of Gacaca by International NGO (ASF) and by NHRC also funded by EC A special court facility has been completed in the Supreme Court premises for ICTR possible transfers The death penalty was abolished A new prison meeting international standards was built 	<ul style="list-style-type: none"> Supreme Court Action Plan to reduce backlog MINIJUST Justice Sector Strategic Framework Gacaca Strategic Plan MINIJUST
3.	Control of corruption	<ul style="list-style-type: none"> New procurement laws adopted and implemented Annual Auditor General’s report submitted to Parliament and cases of alleged corruption prosecuted. Establish anti-corruption body Public sensitisation on the dangers of injustice and corruption (including prevention activities) 	<ul style="list-style-type: none"> 2007 From 2006 2008 2008 2008 2007 	<ul style="list-style-type: none"> Annual Auditor General's reports are submitted to Parliament and have led the Prosecutor to take actions on some cases Public sensitization is being done through local radios and messages displayed on billboards around main cities The law on anti-money laundering was adopted Not all top government officials have 	<ul style="list-style-type: none"> CFAA APRM PoA APRM PoA APRM PoA (Ombudsman) APRM PoA/MINALOC Ombudsman

	Governance area	Prospective commitments	Timeframe (by end)	Progress report	Source
		<ul style="list-style-type: none"> • Surveys on the levels of corruption • Adopt an anti-money laundering law • 100% of top Government officials to have declared their wealth status to Ombudsman • Sensitisation on the fight against corruption throughout civic society 	<ul style="list-style-type: none"> • 2006 (and on-going) • from 2006 	declared their wealth status and have been urged to do so by the Ombudsman	<ul style="list-style-type: none"> • MINEDUC/NHRC • MINALOC / Ombudsman
4.	Government effectiveness				
	- Institutional capacity	<ul style="list-style-type: none"> • Human Resource and Institutional Capacity Development Agency (HIDA) fully operational • Functional reviews of key ministries completed • Civil service salary reform completed (including non-core civil servants) • Enforce district performance contracts • Finalise revised Decentralisation Implementation Plan (DIP II) • Develop medium-long term local government capacity building strategy • Increase % of budget allocated to local government • Ensure participation of donors and Non-State Actors in elaboration and monitoring of EDPRS • Adopt and implement an Aid Policy based on Paris Declaration commitments • Update the statistical system, improve the statistics capacity and improve the publication system 	<ul style="list-style-type: none"> • 2006 • 2007 • 2006 • From 2006 • 2007 • 2007 • From 2006 • From 2006 • From 2006 • From 2006 	<ul style="list-style-type: none"> • HIDA fully operational • The functional reviews of key ministries has been completed • District performance contract are evaluated every quarter • DIP II revised and finalised • The medium-long term local government capacity building has not yet been finalised • Budget allocated to local government has increased • Participation of donors and NSA have been effective through different forums • Aid policy adopted • The statistical system has been improved with the help of technical assistance from DFID and EC 	<ul style="list-style-type: none"> • HIDA annual report • HIDA/MIFOTRA • IMF PRGF • District Performance Contracts • Decentralisation reform roadmap • Decentralisation reform roadmap • National Budget Law • EDPRS final report • MINECOFIN / DPCG • NISR

	Governance area	Prospective commitments	Timeframe (by end)	Progress report	Source
	- Public finance management	<ul style="list-style-type: none"> • To train all public accounts and internal auditors from ministries, agencies, local government (provinces & districts) • Develop and implement Rwanda Public Accounting System through financial regulations and manuals • Produce consolidated public accounts for FY 2006 • Treasury reforms <ul style="list-style-type: none"> - Establish or inventory of all governments accounts in all commercial banks; - Closure of all dormant government accounts in those banks - Putting in place a single Treasury Account - Monitoring of Projects accounts. • Facilitate and ensure adoption of Public Procurement Code by Parliament • Adoption of law establishing Rwanda Public Procurement Regulatory Authority + Agency established • Fiscal decentralisation policy adopted • Revise budget presentation and classification • Produce quarterly budget execution reports • Integrate project execution reporting into SmartGOV/PIP module • Connect all budget users (incl. districts to E-procurement and develop interface with SmartGov Partial integration of the current and development Budget 	<ul style="list-style-type: none"> • 2006 (and on-going) • 2006-2007 • 2007 • 2007 • 2007 • 2007 • 2007 • 2007 • 2006 • 2006 • 2006-2007 • 2007 • 2007 • 2006 • 2007 • 2007 • 2006 	<ul style="list-style-type: none"> • Training of public accountants and internal auditors is ongoing • Financial regulations and manuals have been produced • Consolidated public accounts for FY 2006 have been produced early 2008 • The closure of all dormant government accountants is ongoing • All government accountants in commercial banks have been inventoried • A single Treasury account has been put in place • The Public Procurement Code has been adopted by the Parliament • The Rwanda Public Procurement Regulatory Authority is in place and fully operational • The fiscal decentralisation policy has been adopted • The budget presentation and classification has been revised • Quarterly budget execution reports not available yet • Integration of project execution reporting into SMARTgov/PIP module not effective yet • The connection of all budget users not yet in place • Annual public expenditures reviews conducted 	<ul style="list-style-type: none"> • PFM Reforms Action Plan • PFM Reforms Action Plan • PFM Reforms Action Plan • PFM Reforms Action Plan • PFM Reforms Action Plan • PFM Reforms Action Plan • PFM Reforms Action Plan • PFM Reforms Action Plan • PFM Reforms Action Plan • PFM Reforms Action Plan • PFM Reforms Action Plan • PFM Reforms Action Plan • PFM Reforms Action Plan • PFM Reforms Action Plan • PFM Reforms Action Plan • Budget

	Governance area	Prospective commitments	Timeframe (by end)	Progress report	Source
		<ul style="list-style-type: none"> • Conduct annual public expenditures review in at least 2 priority sectors 			

5.	Economic governance			Progress report	
	- Private sector/market friendly policies	<ul style="list-style-type: none"> • Adoption of new banking law • Adoption of business law. • Establish commercial courts • Establish registration services agencies • Adopt revised national labour and employment policy and law • Formulate strategies to reduce the cost of doing business in Rwanda • Establish a network of Business Development Centres for SMEs • National SME policy developed • Development of a single goods custom declaration document • Implement key provisions of land law • Decentralise land registry to district level 	<ul style="list-style-type: none"> • 2007 • 2007 • 2007 • 2007 • 2007 • From 2006 • 2007 • 2007 • 2007 • From 2007 • 2007 	<ul style="list-style-type: none"> • Commercial courts have been established • Registration services agencies in place • A task force has been established to formulate strategies to reduce the cost of Doing business in Rwanda. 	<ul style="list-style-type: none"> • IMF PRGF • IMF PRGF • IMF PRGF • IMF PRGF • APRM PoA • APRM PoA • RPSF Strategic Plan • APRM PoA • APRM PoA • APRM PoA
	- Management of natural resources	<ul style="list-style-type: none"> • Finalise survey of mineral deposits (Mineral deposit map) • Privatisation of mining concessions exploitation • Sign concession agreements for management of mines 	<ul style="list-style-type: none"> • 2008 • 2008 • 2007 	<ul style="list-style-type: none"> • Ongoing 	<ul style="list-style-type: none"> • MINITERE • MINITERE • MINITERE
6.	Internal and external security				
	- Internal stability / conflict	<ul style="list-style-type: none"> • Implementation of Land Law <ul style="list-style-type: none"> ○ Adoption and publication of Land law ○ 80% of related decrees adopted by Cabinet ○ Creation of related institutions <ul style="list-style-type: none"> ▪ National Land Centre ▪ Land Commission ▪ Land Office 	<ul style="list-style-type: none"> • Ongoing • 2006 • 2007 • 2007 • 2007 • 2007 • 2007 • 2007 	<ul style="list-style-type: none"> • A national Land Registry has been created • A DDRRR phase III is scheduled for the period 2009-2013 • Ingandos for Unity and reconciliation are organized frequently as well as summits and sensitization s weeks • The Travaux d'Intérêt Généraux is fully 	<ul style="list-style-type: none"> • MINITERE • MINITERE • MINITERE • MINITERE • MINITERE • Demobilisation

³ Ingando is the kinyarwanda name for unity and reconciliation solidarity camps.

	<ul style="list-style-type: none"> • Positive contribution to Disarmament, Demobilisation, Repatriation, Resettlement and Reintegration <p>Unity and Reconciliation</p> <ul style="list-style-type: none"> • Presentation of a national strategy to promote Reconciliation and Unity, including <ul style="list-style-type: none"> ○ Capacity Building of Community partners based on mainstreaming unity and reconciliation policy ○ Support to community initiatives related to unity and reconciliation (in all districts) • Civic education and community education through Ingando³ for students, National Leaders and Youth survivors of Genocide • Development of Nkumba Peace Centre to promote regional exchange programs • Facilitate reintegration of released suspects of genocide after the Gacaca proceedings • Increased visibility of Unity and Reconciliation Activities: <ol style="list-style-type: none"> 1. Cultural festivals highlighting Unity and Reconciliation policy 2. National Unity and Reconciliation summit 3. Radio Programs and Newsletter IGORORA 	<ul style="list-style-type: none"> • 2007 • 2007 • 2008 • 2007 • 2008 • 2007 • 2008 	operational in helping Gacaca prisoners reintegrating their communities through communal work	<p>Commission / NURC</p> <ul style="list-style-type: none"> • NURC • NURC • NURC • NURC • NURC • NURC • NURC
- External threats and global security	<ul style="list-style-type: none"> • Rwanda to honour commitments under international agreements (Lusaka etc.) • Participation in the Joint Verification Mechanism • Continued troop contributions to Peace Keeping Operations 	<ul style="list-style-type: none"> • Ongoing • Ongoing • Ongoing 	Ongoing	
7. Social governance	<ul style="list-style-type: none"> • EDPRS integrates MDGs • Complete and analyse Integrated Household Living Conditions Survey, and integrate results into EDPRS • Develop key performance indicators in key sectors, and clarify monitoring and evaluation 	<ul style="list-style-type: none"> • 2007 • 2007 • 2007 	<ul style="list-style-type: none"> • MDGs are integrated into the EDPRS • EICV II has been completed and analysed • Performance indicators have been developed both in the EDPRS and CPAF for monitoring 	<ul style="list-style-type: none"> • EDPRS • EDPRS and EICV Report • EDPRS

	<ul style="list-style-type: none"> • system at central and local government level • Implement policy of fee free basic education <ul style="list-style-type: none"> ▪ Primary net enrolment rate to increase from 93% in 2005 to 95% in 2008. ▪ Average drop-out rate in primary school reduced from 14% in 2005 to 8% in 2008. • Implement national strategic plan for HIV/AIDS, reducing prevalence rate from the DHS baseline of 3% (2005) • % of health districts with minimum staffing levels increase from 30% to 50%. • Further improve health care utilisation through mutuelles de santé (increase coverage from 2005 baseline to 50%). • Define policy on mutuelle membership for the most vulnerable (including disabled, orphans etc.) • % of girls enrolment in tertiary institutions to increase from 2005 baseline 	<ul style="list-style-type: none"> • 2008 • 2008 • 2008-2009 • by 2010 • by 2008 • by 2007 • by 2007 	<ul style="list-style-type: none"> • Primary net enrolment stands at 95% as per 2006 statistics • The drop out rate still stands at 14 % as per 2006 • Coverage of utilisation of health care has increased to 73 % as per 2007 • Data concerning the percentage of girls enrolment in tertiary institutions to increase from 2005 is not available 	<ul style="list-style-type: none"> • Education Sector Strategic Plan • Education Sector Strategic Plan • Next DHS, National HIV/AIDS plan • Health Sector Strategic Plan • Health Sector Strategic Plan • Health Sector Strategic Plan • Education Sector Strategic Plan
8. International and regional context				
- Regional integration ⁴	<ul style="list-style-type: none"> • Strong commitment to the relaunch of the CEPGL • Strong commitment to entry negotiations EAC • Take decision on rationalising membership of regional economic communities. 	<ul style="list-style-type: none"> • 2007 • 2006-7 • 2007 	The CEPGL is operational Rwanda is now member state of the EAC Rwanda has withdrawn from the SADC and CEEAC in a move to rationalise membership in RECs	
- Involvement in regional peer review mechanisms (e.g. APRM)	<ul style="list-style-type: none"> • Complete APRM process • Integrate APRM Plan of Action into EDPRS 	<ul style="list-style-type: none"> • 2007 • 2007 	The APRM PoA has been integrated into EDPRS and an Integrated Governance Action Plan is being drafted incorporating APRM commitments	
- Migration	<ul style="list-style-type: none"> • Hold annual diaspora conferences • Work with UNCHR to repatriate Rwandan 	<ul style="list-style-type: none"> • Ongoing • Ongoing 	Diaspora conferences held annually Cooperation with UNHCR satisfactory	

⁴ Where Rwanda is very much committed to regional integration, regarding Central Africa as well as Eastern Africa, some of the actions mentioned here are by definition of a regional nature and are thus not completely in the hands of the Government.

		refugees			
9	Quality of partnership				
	-Political dialogue	<ul style="list-style-type: none"> Define terms of reference and calendar for Article 8 dialogue Agree set of political benchmarks in context of Article 8 dialogue 	<ul style="list-style-type: none"> From 2007 2007 	<ul style="list-style-type: none"> A calendar of meetings has been agreed upon in 2008 	
	-Programming dialogue	<ul style="list-style-type: none"> Widespread consultation with both State and Non-State Actors in recent Evaluation of EC-Rwanda cooperation over period 1996-2005. Widespread consultation with both State and Non-State Actors in 10th EDF programming exercise 	<ul style="list-style-type: none"> 2006 2006 	<ul style="list-style-type: none"> Not yet Widespread consultation with both State and Non state actors was conducted 	<ul style="list-style-type: none"> Consultation reports Consultation reports
	-Non state actors	<ul style="list-style-type: none"> Finalise law on NGOs 	<ul style="list-style-type: none"> 2007 	<ul style="list-style-type: none"> The Law has been published in the official gazette in December 2008 	<ul style="list-style-type: none"> MINALOC

Annex 3- Annual report on budget support

2008 was meant to be the last year of disbursements under the Budget Support for Poverty Reduction Programme, though towards the end of 2008 a 2nd rider was agreed to increase the total budget envelope with resources from the EDF 10 B envelope, which will give rise to further disbursements in 2009 and 2010 (see section 2.4 below). The 2008 GBS disbursement under BSPR consisted of a fixed tranche worth €9 million, and a variable tranche of €7.7 million, representing 84.3% of the maximum that was available. Details on the variable tranche indicator results is provided below:

	Notes	Indicator	Baseline			Target			Weighting	2008 variable tranche	
			2002	2003	2004	2005	2006	2007		Actual	Gap
		PFM							30		
P1		Implementation of policy measures	See annex E						10		
		a. MINECOFIN produces the accounts for the year ended 31 December 2006								yes	
		b. 2007 budget partially integrates recurrent and development expenditures								yes	
		c. SMARTGOV data management system operational, integrating data from SIBET, RRA, CEPEX and BNR.								partially	
P2	n1	Education budget execution rate	108%	121%	109%	100%	100%		5	98.4%	-2%
P3	n2	Health budget execution rate	128%	97%	98%	100%	100%		5	100.3%	0%
P4	n3	Education budget allocation	23.60%	22.00%	22.00%	22.00%	22.00%	22.00%	5	25.34%	15%
P5	n4	Health budget allocation	4.70%	6.90%	6.50%	7.00%	8.00%	9.00%	5	8.00%	-11%
		Education							30		
E1	n5	Primary net enrolment rate							10		
	n6	(i) Total	87%	91%	93%	94%	95%	96%		95.0%	-1%
	n6	(ii) Girls	86%	92%	95%	95%	96%	97%		97.0%	0%
E2	n7	Primary drop out rate	17%	15%	16%	14%	12%	9%	10	14.6%	22%
E3	n8	Pupil to qualified teacher ratio	80.2	78.5	75.8	72.7	70	67.3	10	72.7	8%
							70.665				
		Health							30		
H1	n9	Rate of utilisation of curative services	0.28	0.33	0.38	0.40	0.42	0.44	10	0.61	45%
H2	n10	Rate of vaccination coverage DTC PO3	85.00%	95.00%	89.40%	90.00%	90.00%	90.00%	10	99.00%	10%
H3	n11	Rate of births assisted by qualified personnel	38.80%	35.50%	39.80%	42.00%	44.00%	46.00%	10	49.40%	12%
		Total							90		

Lighter shaded targets are for the 2007 variable tranche; darker shaded targets are for the 2008 variable tranche

Note: For indicators E1 - E3, the values shown in the column "2008 variable tranche" actually refer to 2005 and 2006 respectively, the years preceding the target year. No new information is available yet.

footnotes (source/définition)

n1 to n4:	Calculations based on Budget Tables provided during September 2007 Joint Budget Support Review, which are based on the annual Finance Law and the Budget Execution Report, as specified in the TAP. For consistency, values for 2005 and 2006 respectively (column "2007 variable tranche - Actual") have been replaced using this same source.
n5 to n8	Statistics on primary education as published on MINEDUC website, http://www.mineduc.gov.rw/IMG/xls/Indicateurs Primaire 2006.xls
n9 to n11	Rwanda Health system information bulletin, which uses MINISANTE System d'Information Sanitaire (SIS) data - see Annex 5.2.

11.1% of the variable tranche was withheld on account of targets in the education sector not having been met. The overall allocation of the budget to the education sector was well above target. However, due to the huge success of the introduction of fee-free primary education, which led to a massive increase in the number of enrolled students, the pupil-to-teacher ratio was not reduced as originally envisaged. More generally, government is struggling to expand the provision of quality education at the same rate as the increase in enrolments, as a result of which also the drop out rate is not coming down as planned. In health, all outcome targets were met by a large margin. Particularly impressive is the increase in the rate of utilisation of curative services, which increased by almost 60% over the BSPR implementation period. Nevertheless, the variable tranche was

reduced by 2.8% on account of below-target financial allocations from the central government budget to the health sector. Finally, 1.9% of the variable tranche was withheld on account of slower than programmed progress in rolling out SMARTGOV, GoR's integrated financial management system.

Two Joint Budget Support Reviews were completed in 2008. The backward looking review in April looked at performance over 2007 which was judged to be satisfactory. The forward looking review in September broadly endorsed the budgetary choices the GoR was making for the medium term, though development partners emphasised that these choices should be better articulated in supporting documents such as the Budget Framework Paper and linked to key output and outcome indicators as formulated in the EDPRS. The review also looked at the draft public investment plan, welcoming the guiding principles that have guided the selection of projects, and in particular the more systematic use of analysing economic rates of return to prioritize projects.

GoR and development partners providing general budget support signed a new Memorandum of Understanding governing the provision of general budget support in October 2008. Towards the end of 2008, agreement was reached on the Common Performance Assessment Framework (CPAF) to monitor the implementation of the EDPRS. The CPAF will form the basis for all development partners to evaluate their respective budget support programmes. For the EC, it will form the basis to monitor the MDG-Contract, the new 6-year budget support programme that was agreed in 2008 and which is expected to be signed in early 2009.

At the programming level, two sector budget support programmes have passed the identification stage (decentralised agriculture; justice, reconciliation, law and order) and will be included in the 2009 Annual Action Plan. A third sector budget support programme, for the transport sector, that is programmed in the CSP/NIP 2008 – 2013 was not yet approved.

Annex 4 - Aid effectiveness

Annex 4A – Donor matrices

1. Current and future financial support

donor disbursements in (country) as per 31/12/08 / planned donor disbursements for 2009

in USD

donor	2008 Commitment			2009 Commitment			Sector Budget support
	Total	Project support	Budget support	Total	Project support	Budget support	
Belgium Gov	26,212,612	26,212,612		19,448,316	10,148,316		9,300,000
EC	77,244,599	57,215,261	20,029,338	53,982,507	16,982,507	37,000,000	
Germany	5,000,137	4,185,896	814,241	33,204,761	11,904,761	12,900,000	8,400,000
Netherlands	8,398,238	8,398,238		13,342,124	5,042,124		8,300,000
Sweden	245,500	245,500					
UK Gov	81,450,090	16,744,208	64,705,882	66,870,573	10,970,573	50,200,000	5,700,000
total EU	198,551,176	113,001,715	85,549,461	186,848,281	55,048,281	100,100,000	31,700,000
AfDB	1,077,438	1,077,438		39,954,458	954,458	33,000,000	6,000,000
Canada Gov	7,550,015	7,550,015		7,581,631	7,581,631		
Global Fund	81,555,687	81,555,687		46,043,857	46,043,857		
USA Gov	194,817,185	194,817,185		-			
World Bank	109,948,852	27,203,136	82,745,716	97,616,795	11,616,795	80,000,000	6,000,000
EFA-FTI				35,000,000			35,000,000
UN Agencies*	14,594,520	14,594,520		4,693,177	4,693,177		
total others	409,543,697	326,797,981	82,745,716	230,889,918	70,889,918	113,000,000	47,000,000
total all donors	608,094,873	439,799,696	168,295,177	417,738,199	125,938,199	213,100,000	78,700,000

*Does not include all UN Agencies

2. Current and future donor roles

current/prospective donor presence in sectors in Rwanda as per 31.12.2008

donor	Macroeconomics	Local Gov't / Decentralization	Executive and Legislative Organs	Agriculture	Environmental Protection	Land, housing & Commun, Amenities	Industry & Commerce	Fuel & Energy	Transport & Communication	Water & sanitation	Health (HIV/AIDS)	Education	Youth, culture and sports	Social protection	Rule of law
EC (excl EIB)	A	A		A					L	A	A				A
Belgium		A		A				A			L	A			A
Germany	A	L	A			A	A				A	A	A	A	A
Italy				A							A				
Luxembourg										A	A	A			
Netherlands		A	A	A	A			A		A		P			A
Sweden	A	A	A			A						P			
Switzerland		A									A			A	
United Kingdom	L	A		A							A	L		A	
United States		A	A	A		A	L				A			A	A
Canada		A		A		A								A	A
China				A		A							A		
Japan				A				A	A	A		A			
ADB	A			A			A	A	A	L		A		A	
BADEA								A	A	A					
Global Fund											A				
IFAD		A		A	A		A			A				A	
IMF	A						A								
WB	A	A	A	L	A		A	A	A	A	A	A		A	
FAO				A	A							A			
UNAIDS											A				
UNDP	A	A	L		L	A			A					L	L
UNECA															
UNFPA											A	A	A	A	A
UNHCR					A					A	A	A		A	A
UNICEF		A			A						A	A		A	
UNIDO								A							
UNIFEM														P	
WFP				A	A						A	A		A	
WHO											A				
total all donors															
30	8	13	6	14	8	6	6	7	6	8	16	15	2	14	8

- L = Lead donor
- A = Active donor
- P = Passive (silent) donor
- E = Exit strategy for this donor in this sector

Annex 4B – EAMR Aid Effectiveness questionnaire

1. EU Target No 1		
Channel 50% of government-to-government assistance through country systems, including by increasing the percentage of our assistance provided through budget support or SWAP arrangements		
2. Introduction		
The aim is to collect information that allows us to measure this target. The information that is needed is both the total amount of ODA provided, as well as the extent to which country systems are used in providing this ODA. For these purposes the country systems are defined as covering four main areas: (i) national budget execution procedures; (ii) national financial reporting procedures; (iii) national auditing procedures; and (iv) national procurement systems. By treating each of these four areas as having a 25% weight and dividing by the total amount of ODA provided the information required can be calculated (hence the division by four – see part 4 below). In all cases the necessary information can be collected using the same definitions as those in the OECD/DAC "Definitions and Guidance" (see attached page which includes an extract of definitions relevant to this indicator)		
3. Questions and definitions		
Question	Definition – OECD Ref	Response EUR
How much ODA did you disburse at country level for the government sector in FY 2007 (EUR)?	Qd2	70.8 million (66 million EDF + 4.8 million Stabex)
How much ODA disbursed for the government sector in FY 2007 used national budget execution procedures (EUR)?	Qd5	16.9 million
How much ODA disbursed for the government sector in FY 2007 used national financial reporting procedures (EUR)?	Qd6	16.9 million
How much ODA disbursed for the government sector in FY 2007 used national auditing procedures (EUR)?	Qd7	16.9 million
How much ODA disbursed for the government sector in FY 2007 used national procurement procedures (EUR)?	Qd9	16.9 million
4. Definition of Indicator		
$[(Qd5 + Qd6 + Qd7 + Qd9) \div 4] \div [Qd2]$ (please calculate and enter as response %)		24 %
5. Additional information		
Are there any significant initiatives in your country to promote the use of country systems? If so provide a list and a short description. If not, highlight the constraints to use of country systems (use additional space as needed)		
Increased amounts channelled through GBS and SBS. Three 4 pillar compliance assessments were undertaken in 2008 to pave the way for EC contributions to government managed basket funds.		

1. EU Target No 4			
Reduce the number of uncoordinated missions by 50%.			
2. Introduction			
<p>The aim is to collect data on the number of uncoordinated EC Missions to your country. The information needed is (a) the total number of EC Missions to your country and (b) how many of these were coordinated.</p> <p>The Paris Declaration objectives underlying the related indicator of progress for coordinated missions are: "In planning their missions to the field⁵ it is important that donors: Conduct fewer missions, coordinate timing of missions with partner authorities and, where necessary, with other donors, <i>conduct more joint missions, avoid conducting missions during "mission free periods"</i>⁶.</p> <p>Coordinated mission is a mission undertaken by 2 or more donors jointly, or by one donor on behalf of another. In practice, the following 3 questions help to clarify what is meant by a mission:</p> <ol style="list-style-type: none"> 1. Does the mission involve international travel to a beneficiary country? i.e. this concerns only missions from HQ, not missions undertaken within the country by the Delegation. 2. Does the mission involve a request to meet with government officials, including local government? 3. Is this mission undertaken by 2 or more donors jointly? Or is it done by an HQ service also on behalf of another donor? <p>The Definitions and Guidance of the OECD (www.oecd.org/dataoecd/13/29/36306366.doc) requires that missions undertaken by consultants contracted by AIDCO (or other DG's), if they meet the 3 above questions, must also be included.</p>			
3. Questions and definitions			
OECD	ref: Q ^d 15	How many HQ missions to the field were undertaken in FY 2008? ⁷	4
	Q ^d 16	How many of these were coordinated?	1
Please provide a breakdown of missions the Commission and its services have undertaken to your country in FY 2007 in the table below:			
Missions by:		Coordinated	Uncoordinated
Members of Commission			
AIDCO	1		2
DEV			1
RELEX			
TRADE			
ECHO			
FISH			
OTHER DGs			
Consultants contracted by the Commission			4
Total	1		7

⁵ 'Field' refers to the country in general including missions to the capital only.

⁶ The target set for 2010 for indicator 10 a) is to have 40% of donor missions to the field as joint.

⁷ This question applies to the missions from the HQ

4. Definition of Indicator		
Q^d16 / Q^d15	2007	2008
Please calculate and enter in the column for 2007 and also include the figure for this indicator for 2006 ;	0 %	25%

5. Additional Information			
Delegations are invited to list the dates for main HQ missions already planned for March 2009 to August 2009, indicating whether they are, or not, to be coordinated with other donors;			
HQ DG	Date planned	Purpose/Sector	Coordinated (Yes/No)
<hr/>			
		_AIDCO country desk officer/ February / All	/ No
AIDCO E7 support mission for Transport SWAP Approach and 10 th EDF projects preparation April / Transport / Yes (if possible)			
DEV Support regional mission (BU/DRC/RW) to prepare 10 th EDF CEPGL component / March / regional / No			
<hr/>			
<hr/>			
<hr/>			
Delegations are suggested to indicate higher priority requests for HQ missions needed from September 2009 to February 2010, but not yet agreed with HQs, that the Delegation estimates serve better the coordination arrangements at local level and can yield more added value for the policy dialogue.			
HQ DG	Date planned	Purpose/Sector	Donor(s) involved
<hr/>			
_Unknown at this stage			
Delegations are asked to briefly inform if there are significant initiatives to decrease the number of uncoordinated missions in your country? If so, please provide a short description. If not, highlight key constraints.			
Most missions are from the WB and AfDB who operate differently in a sense that they have less devolved field offices and make more use of in-house technical specialists rather than consultants.			
In transport sector a coordinated common mission in organised once a year. In 2008 it was agreed the future missions will be coordinated with budget support agenda (april /October).			

Finally, Delegations are asked to assess the likelihood of meeting, by 2010, the twin targets for missions, ie. the OECD target of 40% and the EU target of halving the number of un-coordinated missions.

- OECD target of 40% likely to be met: No
- EU target of halving the number of un-coordinated missions: Uncertain

Delegations are asked to briefly indicate what additional steps HQ should be prepared to consider to help in achieving those targets at the level of the beneficiary country concerned:

__Co-ordinate missions with other HQs

Annex 5 - Financial annexes

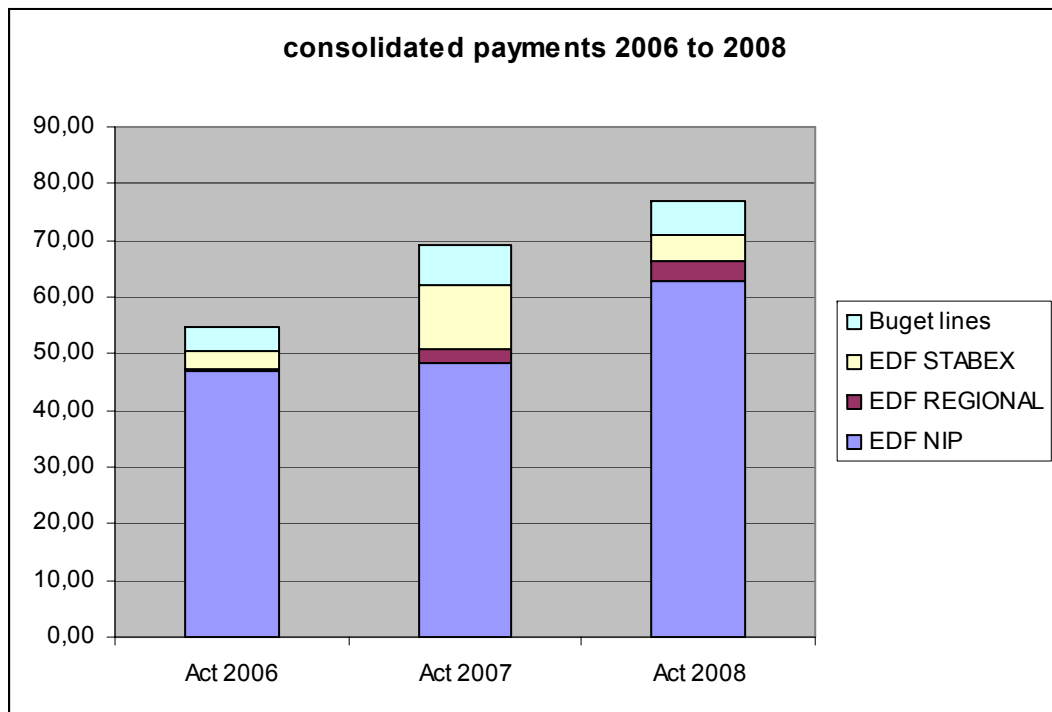
5a List of ongoing projects with level of commitments and disbursements as per closure of 2008.

FED	project	Commit.	payment	Title comment	RAC	RAP	RAL	date D + 3	date FDI	date END
8	ACP RW -13			STABEX 99 COFFEE -RAW OR ROASTED	123.352	2.390.629	2.513.981			31/12/2000
8	ACP RW-14		9563	STABEX 99 PYRETHRUM	0	28.005	28.005			31/12/2000
8	ACP RW-15			STABEX 99 RAW HIDES ANS SKINS	0	1.130.368	1.130.368			31/12/2000
8	ACP RW-17		628964	APPUI TECHNIQUE & LOGISTIQUE AU MIN.FINANCES & PLANIFICATION	1.146	78.706	79.852			30/06/2007
8	ACP RW-19	72872	65466	Franchise art 195 a - cafe	0	431.339	431.339			31/12/2001
8	ACP RW-30		0	Franchise art 195 a - the	777.892	545.236	1.323.128	18/10/2009		31/12/2001
8	ACP RW32	630000	762591	ALIMENTATION EN EAU POTABLE DE LA REGION DE BUGESERA/KARENJE	79.002	335.880	414.882	15/04/2008		01/06/2008
	TOTAL FED 8	702872	1466584		981.392	4.940.164	5.921.555			
9	ACP RW-2	0	232938	PROGRAMME PLURIANNUEL D'APPUI A LA REDUCTION DE LA	445.400	0	445.400	26/11/2006	31/12/2007	31/12/2009
9	ACP RW-3	0	0	APPUI A LA REINSERTION ECONOMIQUE ET SOCIALE DES DEMOBILISES	185.926	0	185.926	22/10/2006	30/06/2007	30/06/2009
9	ACP RW-4	2198683	10556828	DECENTRALISED PROGRAMME FOR RURAL POVERTY REDUCTION	108.678	116.814	225.492	17/12/2006	31/12/2008	31/12/2010
9	ACP RW-5	32755	4792595	REHABILITATION DES BATIMENTS DE L'ASSEMBLEE NATIONALE ET	160.685	1.146.973	1.307.658	24/02/2007	30/06/2009	30/06/2011
9	ACP RW-6	30000	125054	FACILITE DE COOPERATION TECHNIQUE (FCT)	110.740	590.031	700.771	02/06/2007	31/10/2008	31/10/2010
9	ACP RW-8	0	1347626	AVENANT 1 : AUGMENTATION DU PLAFOND DU PROJET 8 ACP RW 32	0	125	125	15/04/2008		01/06/2008
9	ACP RW-9	16681563	16681563	BUDGET SUPPORT FOR POVERTY REDUCTION	1.518.437	166.500	1.684.937	28/10/2008	31/12/2009	31/12/2011
9	ACP RW-10	1786075	1348763	RWANDA INSTITUTIONAL SUPPORT FOR ECONOMIC MANAGEMENT	1.442.760	2.227.351	3.670.111	22/11/2008	31/12/2009	31/12/2011
9	ACP RW-11	5299349	3436447	SOUTIEN A L'ETAT DE DROIT AU RWANDA	3.584.352	3.228.810	6.813.162	24/08/2009	31/12/2010	31/12/2012
9	ACP RW-12	3639455	22503640	RWANDA ROAD INFRASTRUCTURE SUPPORT PROGRAMME (RRISP)	208.380	14.073.613	14.281.993	28/07/2009	30/09/2011	30/09/2013
9	ACP RW-14	346915	343822	(EX 07 P057) PROGRAMME D'ACTION IMMEDIATE DE REHABILITATIO	0	1.340	1.340			
9	ACP RW-15	0	0	(EX 06 P036) 2E REHABILITATION PROG.(+7/RW/66+7/RW/67)	18.649	0	18.649			29/12/2006
9	ACP RW-16	157428	94457	(EX 06 P039) APPUI A LA POLITIQUE SECTORIELLE DES TRANSPOR	59.480	62.971	122.451			31/12/2006
9	ACP RW-18	92444	145190	FACILITE DE COOPERATION TECHNIQUE II	0	221.448	221.448	25/07/2010	31/10/2008	31/10/2010
	TOTAL FED 9	30264667	61608923		7.843.487	21.835.976	29.679.463			
10	ACP RW-5			TCF III	2.000.000	0	2.000.000	19/12/2011		
10	ACP RW-6			MDG CONTRACT	175.000.000	0	175.000.000	19/12/2011		
	TOTAL FED	0	0		177.000.000	0	177.000.000			

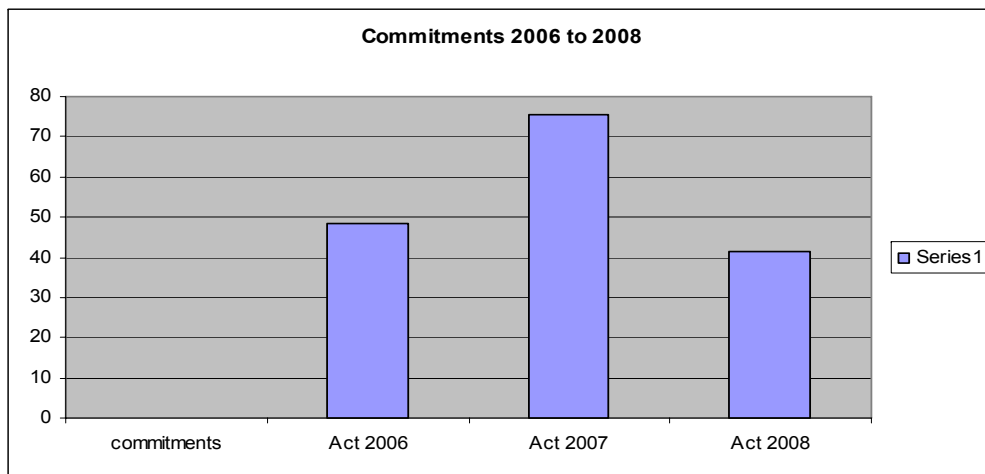
10									
TOTAL all FED	30967539	63075507			185824879	26776140	212601018		
STABEX	10624457	4814317							

-annual consolidated volume of commitments and disbursements from 2006 to 2008

PAYMENTS	Act 2006	Act 2007	Act 2008
EDF NIP	46,90	48,40	63,00
EDF REGIONAL	0,52	2,40	3,20
EDF STABEX	2,88	11,20	4,81
Buget lines	4,50	7,32	6,10
Total (all projects)	54,90	69,32	77,21

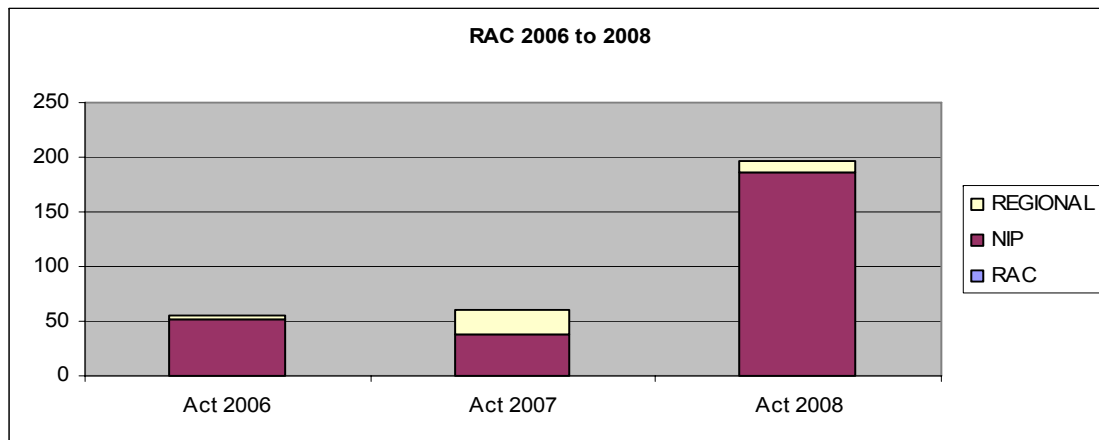


commitments	Act 2006	Act 2007	Act 2008
	48,37	75,52	41,52

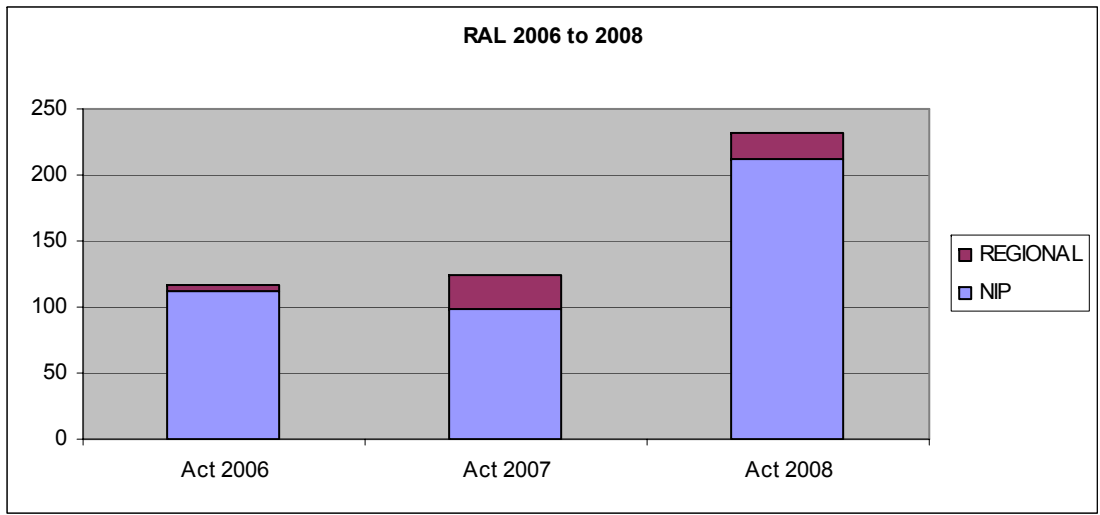


-Financial absorption capacity ratios from 2006 to 2008

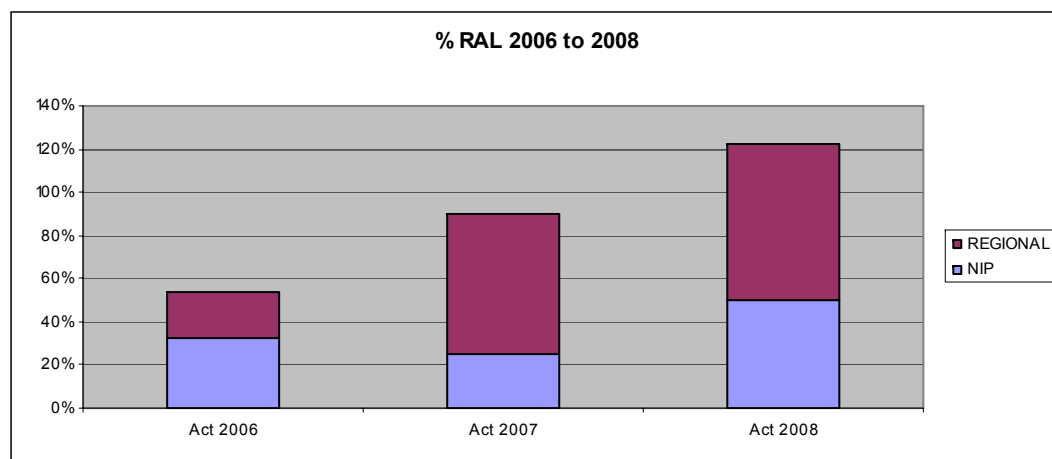
	Act 2006	Act 2007	Act 2008
RAC			
NIP	51,9	37,48	185,82
REGIONAL	2,5	22,9	10,55
Total	54,4	60,38	196,37



RAL	Act 2006	Act 2007	Act 2008
NIP	112,68	98,09	212,6
REGIONAL	3,32	25,47	19,7
Total	116	123,56	232,3



RAL %	Act 2006	Act 2007	Act 2008
NIP	32%	25%	50%
REGIONAL	22%	65%	72%



5 b Synthetic list of still ongoing regional projects

FED	project	Commi t.	payment	Title commitment	RAC	RAP	RAL	date D + 3	date FDI	date END
9	ACP RPR-99		1273421	APPUI AU PROCESSUS DE LA RELANCE DE LA CEPGL	123.352	2.390.629	2.513.981	27/04/2010	31/12/2010	31/12/2012
9	ACP RPR-173		882264	INCREASE RURAL ENERGY ACCESS IN RWANDA THROUGH PUBLIC PPP	4.763.591	3.427.736	8.191.327	17/12/2010	31/12/2013	31/12/2015
9	ACP RPR-178		304454	PROGRAMME D ADDUCTION D EAU POTABLE EN MILIEU RURAL PROVINCE	2.668.018	1.338.787	4.006.805	17/12/2010	31/12/2012	31/12/2014
9	ACP RPR-209		750000	RWANDA WATER SUPPLY AND SANITATION FUND	0	2.025.216	2.025.216	20/12/2010	31/12/2011	31/12/2013
9	ACP RSA-18			RIDER 2: AUGMENTATION DE PLAFOND DU PROJET 8 ACP ROR 12	0	0	0	29/06/2007		29/12/2006
9	ACP RSA-36			REHABILITATION DU PONT POIDS LOURDS SUR LA RIVIERE RUIZIZI E	3.000.000	0	3.000.000	26/12/2010	31/12/2012	31/12/2014
	Reg.projects	0	3210139		10.554.961	9.182.367	19.737.329			

5c list of still ongoing budget lines

Decision	Title	Budget line	Domain
19798	Event for celebration of 60th anniversary of the Universal declaration of Human Rights	19.040500	DDH

19377	Projet d'Appui à la promotion des droits humains et d'accès à la justice sociale (P.A.P.A) en sigle	19.040500	DDH
19377	Rwanda Community Clinical law projet	19.040500	DDH
19377	Projet de promotion des droits syndicaux et de renforcement des capacités d'action des militants et leaders syndicaux	19.040500	DDH
19377	Projet d'appui à la lutte contre les abus sexuels et d'autres formes de maltraitance subis par les jeunes filles domestiques dans la ville de Kigali	19.040500	DDH
19377	A l'Honneur des Justes	19.040500	DDH
18123	Rehabilitation of torture victims in the Great Lakes Region of Africa	19.040500	DDH
18132	Agence d'information, de documentation et de formation (AIDF) auprès du Tribunal pénal international pour le Rwanda (AGENCE DE PRESSE HIRONDELLE)	19.040500	DDH
	Information, Education and Communication in support of ICTR mandate	19.040500	DDH
5931	B7-701/2003/3038 Radio Station at the National University of Rwanda	19.040500	DDH
6117	2004/3010 Joint Programme of Co-operation between the EC and the ICTR	19.040500	DDH
	19 04 013 «Projet de Réconciliation entre les victimes du Génocide et ceux qui ont commis les crimes, à travers un programme de réhabilitation»	19.040500	DDH
6103	PROJET D'APPUI DE LA SOCIETE CIVILE AU PROCESSUS GACACA AU RWANDA (P.A.P.G en sigles), Phase II.	21.030100	ONG-PVD
6103	Rights Awareness and Action project	21.030100	ONG-PVD
4562	URUNANA/UMUHOZA RURAL EXTENSION PROJECT (UREP) - RWANDA	21.030100	ONG-PVD
4562	Programme de réintégration socio-économique des Enfants Chefs de Ménages - RWANDA	21.030100	DCI-NSAPVD
6239	Well Women Media Project III, Rwanda.	21.030100	DCI-NSAPVD
Decision	Title	Budget line	Domain
6239	Consolidation du système de réadaptation et renforcement des capacités des associations de personnes handicapées physiques au Rwanda	21.030100	DCI-NSAPVD

6239	CAPACITY BUILDING FOR SUSTAINABLE LIVELIHOOD IN 4 DISTRICTS OF KIBUNGO PROVINCE, RWANDA	21.030100	DCI-NSAPVD
6239	Soutien à la formation professionnelle dans le secteur agricole	21.030100	DCI-NSAPVD
6239	projet de développement intégré en Milieu Rural"	21.030100	DCI-NSAPVD
6239	Farmers of the Future Initiative (FOFI)	21.030200	DCI-NSAPVD
17215	COSMO: Community Support and Mentoring for Orphans and Vulnerable Children/Youth - Rwanda	21.030200	DCI-NSAPVD
17215	Projet d'appui psychosocial et de cohésion des communautés - Rwanda	21.080200	INFCO
17215	Amélioration des conditions de santé des populations cibles des districts de Rulindo, Nyarugenge et Kigali, Rwanda	21.030100	ONG-PVD
17215	Promotion de l'intégration communautaire des enfants en situation de handicap par un accès facilité à une éducation intégratrice au Rwanda	21.030100	ONG-PVD
17215	Appui au développement d'une filière de production d'un nouveau combustible, substitut de qualité au charbon de bois, à partir de la fraction biomasse issue des résidus ménagers collectés dans le secteur de Rugenge à Kigali - Rwanda	21.030100	ONG-PVD
17215	Fighting Against Gender-based Violence in and outside School Environments, Rwanda	21.030100	ONG-PVD
18227	The Batwa Training Project (BTP)	21.030100	ONG-PVD

Annex 5e: Updated CSP Chronogram

INDICATIVE TIMETABLE <u>GLOBAL COMMITMENTS</u>	Indicative allocation (€m)	2009	2010	2011	2012-13
General Support for the EDPRS	175	175			
1. General Budget Support	175	175			
FOCAL SECTORS	90	57	25		
2. Focal Sector I — Rural Development	40	20	10		
— Sector Budget Support for Decentralised Agriculture	20	20			
— Programme for Rural Development/ Accompanying measures	5 +15		10		
3. Focal Sector II — Infrastructure for Regional Interconnectivity	50	37	15		
— Transport Sector Budget Support	15		15		
— Kigali-Gatuna Road	27	32			
— Rider to 9 rw12 Road Programme/Accompanying measures	8	5			
NON-FOCAL AREAS	25	26.15	6		
4. SBS Justice, Reconciliation, Law and Order Sector	8.5	12			
5. Rwanda Institutional Support to Statistics and Economic management	7.5	6.85			
6. Support for EPA and other trade-related issues	6		6		
7. Technical cooperation facility III	3	2			
8. Voice and Accountability	0	5.3			
Total Commitments:	290	258.15	31		
Total Cumulative Commitments:		258.15	289.15		
<i>of which support for activities of NSAs across all programmes</i>	<i>7.5</i>	<i>2.5</i>	<i>2.5</i>		

INDICATIVE TIMETABLE <u>INDIVIDUAL COMMITMENTS</u>	Actual/ Indicative allocations (€m)	2009	2010	2011	2012-13
General Support for the EDPRS	175				
1. General Budget Support	175	37	30	33	75
FOCAL SECTORS	82				
2. Focal Sector I — Rural Development	30				
— Sector Budget Support for Decentralised Agriculture	20		9	6.5	4.3
— Programme for Rural Development/ Accompanying measures	10			8	2
3. Focal Sector II — Infrastructure for Regional Interconnectivity	52				
— Transport Sector Budget Support	15		5	5	5
— Kigali-Gatuna Road	32		24	?	?
— Rider to 9 rw12 Road Programme/ Accompanying measures	5	2	1	?	?
NON-FOCAL AREAS	32.15				
4. SBS Justice, Reconciliation, Law and Order Sector	12		6	3	3
5. Rwanda Institutional Support to Statistics and Economic management	6.85		3	2	1
6. Support for EPA and other trade-related issues	6			2	4
7. Technical cooperation facility III	2	0.5	1	0.5	
8. Voice and Accountability	5.3		2	1	2
9. Rwanda Institutional Support to Statistics and Economic management(9 RW10)	*1.6	1.4			
10. Soutien à l' état de droit au Rwanda (9 RW 11)	*2.8	2.7			
Total Disbursements:					
* indicative allocation = RAP (balance to be paid)					
Total Cumulative Disbursements:					
<i>* of which support for activities of NSAs across all programmes</i>	7.5		1	1	0.5

INDICATIVE TIMETABLE <u>DISBURSEMENTS</u>	Actual/ Indicative allocations (€m)	2009	2010	2011	2012-13
General Support for the EDPRS	175				
1. General Budget Support	175	37	30	33	75
FOCAL SECTORS	82				
2. Focal Sector I — Rural Development	30				
— Sector Budget Support for Decentralised Agriculture	20		9	6.5	4.3
— Programme for Rural Development/ Accompanying measures	10			8	2
3. Focal Sector II — Infrastructure for Regional Interconnectivity	52				
— Transport Sector Budget Support	15		5	5	5
— Kigali-Gatuna Road	32		5.6	?	?
— Rider to 9 rw12 Road Programme/ Accompanying measures	5	2	1	?	?
NON-FOCAL AREAS	32.15				
4. SBS Justice, Reconciliation, Law and Order Sector	12		6	3	3
5. Rwanda Institutional Support to Statistics and Economic management	6.85		2	2	2
6. Support for EPA and other trade-related issues	6			2	4
7. Technical cooperation facility III	2	0.5	1	0.5	
8. Voice and Accountability	5.3		1	1.5	2.5
9. Rwanda Institutional Support to Statistics and Economic management(9 RW10)	*1.6	0.4	1.		
10. Soutien à l' état de droit au Rwanda (9 RW 11)	*2.8	1.1	0.9		
Total Disbursements: * indicative allocation = RAP (balance to be paid)	289.15				
Total Cumulative Disbursements:	289.15				
<i>* of which support for activities of NSAs across all programmes</i>	<i>7.5</i>		<i>1</i>	<i>1</i>	<i>0.5</i>