# EXECUTIVE SUMMARY RDSP

**Mission Objective and Methodology**

The mid-term review of the Rwanda Decentralization Support Programme (RDSP) took place in Rwanda between 25 September and 12 October 2017. The objective of the Mid-term Review was to offer an independent assessment of the programme – primarily to support project steering by providing an in-depth analysis of on-going RDSP, strategies used and activities; but also to contribute to learning; and provide accountability to the donor, partner and other internal actors.

The Mission Team was composed of three experts: one international decentralisation and evaluation expert (team leader), one international expert on Local Economic Development (LED) and one national expert with in-depth experience of Rwanda’s experiences with local government system and decentralisation reforms. The team undertook an extensive documentary review and consulted with a wide range of stakeholders in Kigali and undertook fieldwork in three districts. The Review assessed the programme with regards to its

1. Relevance;
2. Effectiveness;
3. Efficiency;
4. Impact;
5. Sustainability;
6. Gender sensitivity and environmental awareness;
7. Management aspects including its monitoring & evaluation system.

**Main Findings**

The RDSP design period lasted more than two years and resulted in two separate Technical and Financial Files (ECD and DDP). The RDSP is the first Belgium-supported intervention in the Decentralisation sector and therefore not building on already existing collaborations or experiences. The programme has undergone several changes – most notably a budget reduction from EUR 28 million to EUR 22 million and a revision of the overall Log-Frame. The (21%) budget reduction was distributed fairly evenly across most programme components except for component 5 (lessons learning), which was reduced by 67%. The revised log frame did not substantially alter the substance of strategies – in particular it did not address sustainability issues of the Local Competiveness Facility (LCF). This process has not been ideal – in hindsight it would have been more appropriate to start with a simpler programme design that later could have been scaled up. The revised RDSP intervention logic includes now a total of 14 Short Term Outcomes.

**Relevance**

The overall programme relevance is rated B. The strengths of the design can be summarised as:

* RDSP is well aligned with Rwanda’s decentralisation reform policy, national development plans and most other key policies;
* The programme is aligned with Belgian development policies;
* While the programme has ambitions for improvements of capacity and service delivery in districts generally (across all sectors), in practice it places relatively strong emphasis on LED, which is gaining increased importance in Rwanda development strategies as a thematic area.

The challenges of programme relevance can partly be ascribed to initial programme design although the relevance of some outcome areas has been substantively influenced by changes of national policy context:

* RGB mandate for CB support has been removed with recent legislation. This requires a rethinking of the previously RGB supported CB.
* LED capacity building is relevant, but would have benefitted from stronger policy coordination with MINICOM and private sector stakeholders.
* LCF is highly relevant as an innovative modality, but the initiative would have benefitted from deeper analysis and linkages with of other Rwandese (especially MINICOM led) initiatives.

**Efficiency**

The overall efficiency of the programme is rated B. Programme outputs have not been achieved entirely as originally planned. While the LED infrastructure and to some extent LCF have largely been implemented as planned, there have been significant delays and under-expenditure on several of the softer project components. Implementation rates for some components have been as low as 40-50% of planned budgets. The problems arose mainly because of delays in signing the grant agreements. The main challenges of programme efficiency relate to the programme execution modalities and reporting requirements.

**Effectiveness to date**

The overall effectiveness of the programme is rated B. A summary overview of the 14 RDSP outcomes and their implementation status is presented in the following table:

Table A: Summary Overview of Implementation Status of 14 RDSP Outcomes

| **For Intervention RDSP-ECD:** | **Brief Summary Status** |
| --- | --- |
| 1A: Improved Local Government Capacity Building Processes and Coordination Mechanism;1B: Service Delivery in Local Governments enhanced;1C: RGB identified organisational functions supported; | * Coaching programme started as innovative CB approach – but not yet with sustainability strategy,
* Demand driven CB modalities unlikely to materialise because if centralised CB management by CESB.
* RGB organisational strengthening need review in view of changed mandate,
 |
| 2A: Local Governments LED infrastructure investments in all Districts are efficiently implemented and sustainably managed;2B: LCF well designed, prepared and managed in 4 pilot Districts for LED;2C: LODA Institutional Strengthening; | * LED Strategies developed for districts but significant room for improvement of actual implementation of LED,
* LCF designed for first call,
* LODA institutional strengthening with clear (but very limited focus) on MIS,
 |
| 3A: Inclusive Participation practices in LED processes in 8 pilot districts are strengthened;3B: Gender Equality in LED processes is enhanced in 8 pilot districts;3C: RALGA Secretariat is strengthened and well-functioning | * RALGA initiated processes for inclusive participation and gender equality in 8 districts – but yet with limited/no integration into wider LED capacity building supported by LODA.
* Some general strengthening of RALGA
 |
| 4: The effectiveness of Sector Coordination mechanisms is enhanced; | * SWG strengthened – but need for improved overall decentralisation coordination and better LED coordination.
 |
| 5: RDSP Performance enhanced and results communicated; | * Lessons learning process still to be initiated.
 |
| **For RDSP-DDP:** |  |
| 6: LED infrastructure implemented in 30 Districts and the city of Kigali; | * LED infrastructures largely completed.
 |
| 7: Innovative economic partnership projects are implemented through LCF in four Districts (Gakenke, Gisagara, Nyagatare and Rutsiro) to enhance pro-poor LED;  | * LCF supporting economic partnerships in 4 pilots – but need to refine modality for sustainability and effectiveness.
 |
| 8: LODA external Grants to support DDP’s implementation are executed in compliance with PFM regulatory framework. | * Project successfully supporting joint reviews of LODA grant execution.
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**Impact**

The overall impact prospects of the programme is rated B. The long term outcome essentially aims at

1. general service delivery in districts across all sectors, and
2. more specific improvements of districts’ capacity for management of LED.

The likely project contribution to cross-sectoral service delivery (e.g. education, health, agriculture etc.) in districts is deemed very moderate as improvements in such sectors primarily will depend on the level of fiscal and human resources allocated to the sectors as well as a range of sector specific interventions rather than RDSP interventions. However, likely project impact on district capacities for LED management could be very significant. Good progress has already been made with regards to capacity building for LED planning and introduction of innovative modalities for enhancing LED in districts. The main challenge for the project at the time of the review relates to the challenges regarding LED/LCF components linkages with national/MINICOM initiatives and establishment of a more sustainable approach for LCF.

**Sustainability**

The overall sustainability prospects of the programme are rated B.

The programme is embedded within the Government of Rwanda and places significant emphasis on capacity building of all relevant stakeholders. The programme is overall in a relative good position to ensure delivery of sustainable benefits to districts, LODA, MINALOC, RALGA and RGB. However, there are certain issues that the programme needs to address more firmly. This relates to

* Stronger engagement with MINICOM for embedding LED policy work within overall national polices for SME development and private sector development generally;
* Refinement of LCF in particular with regards to a more sustainable approach for facilitation of SME access to financing through credits rather than (solely) grants;
* Exit strategies for some of the CB interventions – in particular the coaching programme (through work with MINALOC/Provinces);
* Documentation and dissemination of lessons learned.

**Transversal themes**

The programme pays significant attention to **gender** issues. This is reflected in some specific short-term outcomes (Gender Equality in LED process – implemented by RALGA) and also in programme monitoring, where gender issues are reported on in a fairly elaborate manner. The programme disaggregates relevant data according to gender just as it has collaborated with the Gender Monitoring Office of Rwanda. However the activities are not well integrated within other programme activities in support of LED and could therefore benefit from “mainstreaming” experiences from the RALGA work into wider LED capacity development work of the project.

The programme does not (yet) monitor “**Environment**” and “**Decent work**” as transversal themes to any significant degree. As the LCF progress in implementation it will be important to monitor these aspects more closely.

**Programme M&E and management issues**

The overall MTR assessment of the programme’s M&E is that the system/log frame has improved with the 2016 revision, but that the system is complex and that project staff spends a very considerable amount of time on reporting. Many of the indicators require project specific surveys rather than the use of existing surveys/data collection systems. This adds costs to programme monitoring – and yet this quantitative information is deemed unlikely to be of benefit for programme steering. Most of the more qualitative aspects of M&E (lessons learning etc.) are yet to start.

The programme has a complex combination of several execution modalities that attempt to adapt programme interventions to requirements of different partners and activities. Some important key lessons are emerging:

* The use of grant agreements with implementing partners implies relatively high reliance on partner systems and leadership of partners in development and implementation of activities. However, the readiness of partners to the specific programme requirements and clarity of original programme documents were overestimated at inception.
* The RDSP lacked the time to become aware of results management rules used in the partner institutions to allow for intended alignment in use of partner systems.
* The initial lack of alignment – e.g. between programme fiscal years and GoR fiscal years had substantive consequences for partners’ ability to use government systems for planning and reporting.
* This led to slow implementation. In hindsight it would have been better to have started off with a clear system of co-management with later gradual delegation of responsibilities to partner institutions once all parties had become accustomed to procedures and respective roles within the programme.

**Overall Conclusions and main recommendations**

The programme provides very relevant support to the Rwanda Decentralisation Reform programme – in particular within the thematic area of Local Economic Development (LED). However, the programme’s ambitions to substantially improve service delivery and capacity building on a more general scale (across all sectors) are unrealistic. The MTR therefore recommends the programme to further emphasise LED in its future programming of activities. This should in particular apply to

* Future funding of capacity building interventions;
* Future support to RGB for improved monitoring of service delivery in districts.

The legal mandate of RGB has been amended in a manner that strengthened its M&E mandate but removed its mandate for management of capacity building for LGs. The MTR recommends that programme responsibility for LG capacity building is transferred to LODA which is in a good position to ensure that future CB activities are most effectively targeting LED capacity building needs. It is recommended that practical implementation to the extent possible makes use of LGI (under RALGA) for development of LED training interventions.

The RDSP has made good progress in support to LED: all districts have developed LED strategies and the LCF has recently started practical implementation in four pilot districts in accordance with the programme design: seeking to stimulate local economic activities through competitive grant funding of innovative business partnerships. However, for LED strategies to be effectively implemented, the MTR recommends that further emphasis is placed on coordination with MINICOM regional and local interventions and refinement of LCF design in a manner that more clearly differentiates between private sector segments and tests alternative ways of (non-grant) facilitation of access to finance for small businesses.

Additional and more detailed recommendations for all main components of the programme are summarised in a matrix in section 5.