



Executive summary

Report of the End-term Review

Rwanda Decentralisation Support
Programme (RDSP) :

Enhancing the Capacities of Districts (ECD)
& Financial Support to the District
Development Plans (DDP)

Rwanda

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This review is realised as part of the cooperation between Rwanda and Belgium.

This report has been drawn up by independent external experts.

The opinions expressed in this document are those of the authors and do not necessarily reflect the views of Enabel, the Belgian Development Cooperation or the Rwandan authorities.

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1. Presentation of the evaluation

The Government of Rwanda took decentralisation as a key policy in 2000 to promote good governance, service delivery and national development, which was further worked out in the Local Government Law N87/2013 determining the organisation and functioning of decentralised administrative entities. In 2015 GoR revised its national decentralisation policy in order to consolidate participatory governance and citizen-centred development¹. In this context, Enabel started RDSP in 2015 with the intended impact *“To sustainably enhance the capacity of districts (local governments) to deliver services and to support an enabling environment for local economic development (LED) in respect of best governance practice”*. It intended to achieve this through (1) *“enhanced districts’ capacity to deliver quality services, including on local economic development”* and (2) through *“enhanced districts’ capacity to develop a sustainable environment for LED”*.

1.1. Objectives of the review

The Terms of Reference (ToR) of current review emphasise to focus on accountability and results achievement, on learning and on proposals to sustain program’s achievements. The ToR indicate to give special attention to outcome 6 *‘LED-infrastructure’* in reference to outcomes 2A *‘Local Government capacity development’* and 3A *‘inclusive participation’*. In addition, they require attention to outcomes 7 *‘local competitive facility’*, 4 *‘sector coordination support’* and 5 *‘results-based management’*. The evaluation of the programme’s performance is guided by the OECD-DAC criteria as indicated in the *‘Performance Evaluation Grid’*. The RDSP performance therefore is measured in terms of its *relevance*, its *effectiveness*, its *efficiency*, its *impact* and its *sustainability*, besides its *gender mainstreaming character*, its *influence on the environment*, its *monitoring* and its *results-oriented steering*.

1.2. Methodology

RDSP produced an enormous amount of documentation which – given the time – could be consulted partly. Based on the information gathered a number of interviews and focus group discussions took place at national and district level in the period from 3 to 18 February 2020 to confirm – or contradict - the learnings from the documentation, while in addition all resource persons were requested to reflect on the performance evaluation grid individually from their own perspective.

¹ MINALOC (2012) Revised National Decentralisation Policy

2. Results and conclusions

This section covers the main findings in view of answering the evaluation questions with an emphasis on the performance criteria: relevance, effectiveness, efficiency, impact, sustainability and some transversal themes:

2.1. RDSP's main findings

- The initial **development of infrastructure** (outcome 6) has been observed as a kind of budget support, when the capacity building (outcome 1, 2 and 3) had just started and actual baseline values had not been determined yet.
Generally, this infrastructure development has been successfully in harnessing local resources and stimulating investments as well as local commercial activities especially related to micro, small and medium-sized enterprises. These **local economic development** interventions have led to gains in job creation, business development and improved quality of life for citizens.
- Individual **LCF funded undertakings**, (outcome 7) have been assessed positively in terms of increasing turnover and increasing labour. Business partnerships have been instrumental in achieving value chains integration and have contributed to develop rural entrepreneurship and therefore in growing the local economy. However, being a pilot, its application process was commended as being complex, and its funding process as with unforeseen delays.
- **Local government capacity building** (outcomes 1, 2 and 3) have been identified mainly through the improvement in ranking of the district's performance assessment (Imihigo) and their qualification of the annual general audit. Although mentioned as measurement before, the citizen report card (CRC) has proven to be less valuable in measuring available capacity of district services concerned, as it measures more the citizen's perception of such services 'of the moment'. Citizens' growing awareness and expectations concerning the quality of local government services makes them more critical than before.
- Currently, the secretariat of **the sector working group** (SWG, outcome 4) plays an important role and is supported by technical working groups (TWGs), which provide technical advice and prepare ground work to help the decision-making process in the SWG. MINALOC intends to sustain their activities.
- From pilot perspective, the actual learning of the doing (outcome 5) is still to be seen, as the dissemination of all the learnings is still on its way. There is insufficient information about the possible expansion of the RDSP – LED – LCF approach all over the country.

2.2. Performance criteria

RDSP's **relevance** has been assessed as good, as its capacity development, its support to develop infrastructure enhancing local economic development, and its support to the local competitiveness facility (LCF) are aligned with issues, needs, priorities and interests of the beneficiaries; they are in line with the development priorities and policies of Rwanda at all levels, while the intervention is aligned with Belgium policies as well; RDSP is consistent with an approach fostering complementarity through its Sector Working Group. However, the Government of Rwanda (GoR) has not defined a clear intervention strategy – based on the current learnings - to expand the LCF approach all over the country.

RDSP's **effectiveness** have been assessed as good, as the beneficiaries of the local competitiveness facility (**LCF**) really use the outputs, but factors that hinder the use of the outputs are partly caused by delays, and partly the result of insufficient feasibility study. Feasibility studies have often been carried out by beneficiaries themselves without the necessary technical support. At the level of local economic development (**LED**) **related infrastructure** commendable use of such infrastructure is seen with positive effects, although its maintenance is below standard. Another positive effect has been observed here in terms of increasing entrepreneurial activities along the newly established infrastructure. The Local Government (**LG**) **capacity building** in all districts increased their Imihigo and audit performance, with insufficient evidence on the citizen satisfaction concerned. The short-term outcomes are likely to be realised in the four pilot districts (see Figure 1).

RDSP's **efficiency** could not be assessed unambiguously but faces problems. The implementation of **LCF** faces complex application and approval procedures in terms of timing of capacity building support after acceptance of beneficiaries' proposals, besides unexpected funding delays. All districts have been capacitated in general terms, while actual LCF intervention is accomplished in 4 pilot districts only. The employment creation of the individual LCF interventions is assessed positively, while the overall employment creation in the four pilot districts could be measured positively in terms of permanent job-creation, but could be measured negatively in total balance as indicated in the LCF-evaluation of the 1st call as accomplished in December 2019. Cost – benefit figures of **LED supported infrastructure** could not be availed, although current users of such infrastructure indicated that such infrastructure has not been used in an optimum way. Although appreciated by everybody concerned, the ETR-team could not get evidence on the efficient implementation of the **LG related capacity building** interventions.

RDSP's impact has been assessed as being good. The impact of **LED related infrastructure** development in terms of road rehabilitation has proven to link and open markets for farmers' raw materials and for small industries' production. The impact of electricity connectivity has been good as well, although its maintenance needs additional attention. Concerning the impact of the **LCF interventions**, beneficiaries confirmed that the interventions supported them to increase their business production, to expand their market and to increase the number of (permanent) staff. In addition, the improved ranking in the Imihigo process and the increased quality of the annual audits of the districts concerned show their **capacity growth** towards good governance. Simultaneously, the coordination within and among the **sector working group** and related technical working groups proved to be positively as well.

It may be too early to discuss the **sustainability** of RDSP's interventions. At one hand, at beneficiary/**LCF level** the impression is given that the process is under control, but on the other hand there is no clarity for expansion of the approach to the rest of the country. The LCF intervention did not aim to induce change in local power structures, but as the CG – LG approval procedure has been identified as complex and time-consuming, it is recommended to search for more effective and efficient alternatives in order to sustain the approach. Although RDSP stops its support to implement **LED infrastructure**, as it had stopped already some time ago, the Government of Rwanda (GoR) together with other development partners has continued to invest along with the district's development plans. At **LG capacity building** level, it is assumed that such continues, as it took place even before RDSP came 'on board' and MINALOC indicates to continue. At province level quality insurance is in place to guarantee continuity. At **SWG-secretariat** level it has been indicated that after withdrawal of the RDSP support, GoR has employed its permanent staff already to continue and such support continues through other development partners.

Although it has been mentioned that at higher MINCOFIN level coordination takes place among ministries concerned, there is no clarity about the involvement of MINICOM in the LCF approach.

Along with the Government of Rwanda, RDSP intended to **mainstream gender** engaging women and men to participate in their interventions. Its reports contain gender-disaggregated data, but there were no chronologically recorded gender achievements.

Environmental aspects were embedded in RDSP's guidelines. Although at District level one pointed at the need of capacity building in conducting environmental impact assessments (EIA), as so far, it was not integrated in the trainings.

RDSP's results-oriented steering has been practised by the Steering Committee as has been indicated in the minutes of their quarterly meetings. In addition, it has been practised by the district authorities concerned in reference to their performance assessment (Imihigo) and general audits.

RDSP needed too long time to secure its baseline with an underlying arithmetic difficult to track down, which complicated adequate **monitoring** over the whole implementation period. Towards the end the results framework has been accepted.

3. Recommendations

- RDSP took a long time before it finally identified its objectives, related indicators, baseline values and intended outcomes, although it started implementation along the way. It is recommended to have a clear-cut identification phase, identifying the – in this case – gaps in Rwanda's decentralisation process on which basis interventions are proposed that could be monitored to learn from.
- As currently LG capacity gaps have been identified in reference to their ability to guide non-budget agencies in their constituency in terms of public finance management, and/or their own staff to conduct or oversee environmental impact assessments of infrastructural development, it is recommended to build such capacity accordingly.
- Having invested in LED related infrastructure and having concluded that local governments do not maintain such infrastructure optimally, it is recommended that adequate attention is given during LG's capacity building to search for alternative operation and maintenance procedures making use of the input of (potential) beneficiaries.
- Being partly a pilot as being assessed with complex application procedures and unforeseen funding delays, it is recommended to search for optimum functioning application, capacity building and funding channels through either central – local government, local government only, the private sector or through non-governmental organisations.
- Being a pilot, it is recommended that its learnings are disseminated and capitalised all over the country, which process is recommended to be part and parcel of the initial technical and financial file of such a project.
- It is recommended to identify and develop all of the job descriptions needed for the SWG secretariat to be functional, keeping in mind the supervisory responsibility of MINALOC and the coordination role of MINECOFIN.

4. Lessons learned

It has been learned that a support programme like RDSP aligns itself with existing GoR policies and procedures, building up central and local capacity of the implementers to make it a success.

- The LCF approach stimulates partnerships between civil society and private sector through use of public funds and consequently encourages local economic development as it adds value locally.
- Development of LED related infrastructure encourages local competition among various growers in different parts of the country and in relation to different kinds of raw materials.
- If capacity building does not inventorise and address the local needs and/or potentiality, then one gets misdirected easily.