



## Rwanda Public Sector Governance Program For Results (P149095)

AFRICA | Rwanda | Governance Global Practice |  
IBRD/IDA | Program-for-Results | FY 2015 | Seq No: 4 | ARCHIVED on 27-Dec-2016 | ISR25969 |

Implementing Agencies: MINECOFIN

### Program Development Objectives

Program Development Objective (from Program-for-Results Appraisal Document)

The PDO of the Rwanda Public Sector Governance Program-for-Results operation is "to enhance Rwanda's Public Financial Management and statistics systems to improve transparency and accountability in the use of public funds, revenue mobilization, and the quality and accessibility of development data for decision making".

### Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Moderately Satisfactory	● Moderately Satisfactory
Overall Implementation Progress (IP)	● Satisfactory	● Satisfactory
Overall Risk Rating	--	● Substantial

### Implementation Status and Key Decisions

The Program is supporting the results in the following three level results areas: i) Enhanced national and subnational revenue collection. ii) Improved national and subnational transparency and accountability in the use of public funds. iii) Improved use of public data for decision making. The Program was approved by the Board of Directors on October 31, 2014, with a net commitment of SDR 65.9 million. It became effective on December 11, 2014 and set to close on December 2018. 98 % of the Credit has been disbursed. At the current exchange rate, about USD 2 million equivalent remains undisbursed. The high disbursement rate has come about because of good delivery in year one and two of the operation (FY14/15 and FY 15/16) and a request for advanced disbursement against expected achievement of disbursement linked indicators in the third year of the operation (FY16/17).

A mid-term review was conducted during November 16-25. The review confirmed the continued relevance of PDO, PDO indicators, DLIs, results indicators and the Project Action Plan (PAP). The mission confirmed good progress towards meeting DLIs and results indicators and fair progress towards implementing the PAP. Overall the mission rated implementation progress as Satisfactory. While the PDO remains relevant, the two of the three PDO indicators are likely to be only partially met. The base line of the third indicator is being revised to correct a mistake and after that, this indicator is likely to be fully met.

Good progress is being made on meeting the intermediate results indicators for the program. However, progress measured by the PDO indicators is mixed. GoR has requested a small restructuring to correct a faulty base line for one of the PDO indicators.

GOR reporting under the program has been significantly delayed. An M&E officer was hired for the SPIU in November 2015 and the situation has improved.

The audited financial statements for the program were due on March 31, 2016 and some of them were outstanding at the time of the filing of the last ISR. Currently, the program is in full compliance with financial management, procurement and anti-corruption requirements. Focus is required to address minor safeguards issues around the erection of a new NIRS training center.

The overall combined risk rating for the operation remains substantial.

### Data on Financial Performance

#### Disbursements (by loan)



Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P149095	IDA-55470	Effective	XDR	65.90	65.90	0.00	64.61	1.29	98%

**Key Dates (by loan)**

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P149095	IDA-55470	Effective	31-Oct-2014	11-Nov-2014	11-Dec-2014	31-Dec-2018	--

**Risks****Systematic Operations Risk-rating Tool**

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	--	● Moderate
Macroeconomic	--	--	● Moderate
Sector Strategies and Policies	--	--	● Moderate
Technical Design of Project or Program	--	--	● Substantial
Institutional Capacity for Implementation and Sustainability	--	--	● Substantial
Fiduciary	--	--	● Substantial
Environment and Social	--	--	● Moderate
Stakeholders	--	--	● Moderate
Other	--	--	--
Overall	--	--	● Substantial

**Disbursement Linked Indicators (DLI)**

► DLI 1: Number of pilot ministries submitting investment plan in which feasibility studies are conducted for new projects exceeding US\$1 million have, per instructions in budget call circular (Number)

	Baseline	Actual (Previous)	Actual (Current)
Value	0.00	--	3.00
Date	09-Oct-2014	--	25-Nov-2016

► DLI 2: Number of districts using automated local government revenue management system (Number)

	Baseline	Actual (Previous)	Actual (Current)



Value	0.00	--	30.00
Date	09-Oct-2014	--	25-Nov-2016

**Comments**

Achieved. Rwanda transitioned from local collection of District taxes and fees to centralized collection in FY2014/15. Efforts to implement automated revenue collection systems in districts was discontinued and a nationwide web-based system is being put in place. Currently, Registration and Declaration Modules of this system has been rolled out to all counties. Audit, Enforcement and Reconsolidation modules have been developed but testing is pending.

► DLI 3: Implementation of e-procurement (Text)

	Baseline	Actual (Previous)	Actual (Current)
Value	No e-procurement system implemented	--	The FY15/16 DLI has been achieved. The functioning interface between the IFMIS and e-procurement is operational from the beginning of financial year 2016/17. The usage of the interface protocol is currently limited to the e-procurement pilot sites.
Date	09-Oct-2014	--	25-Nov-2016

**Comments**

DLI has been achieved for year two of the operation. The functioning interface between the IFMIS and e-procurement is operational from the beginning of financial year 2016/17. The usage of the interface protocol is currently limited to the e-procurement pilot sites.

► DLI 4: Percent of MDAs receiving unqualified audit opinion (Percentage)

	Baseline	Actual (Previous)	Actual (Current)
Value	32.00	--	52.86
Date	09-Oct-2014	--	25-Nov-2016

**Comments**

DLI was achieved. Out of 160 audit reports issued by OAG for the year ended 30th June 2015, 83 audit reports received unqualified opinions which is equivalent to 52.86%.

► DLI 5: Percent of sub-districts using simplified accounting and financial reporting application (Percentage)

	Baseline	Actual (Previous)	Actual (Current)
Value	21.00	--	100.00



Date	30-Jun-2013	--	25-Nov-2016
<b>Comments</b> SEAS has been rolled out to all 416 sub-districts/Sectors and the DLI has been achieved for all years of the program. MINECONFIN and the Office of the Auditor General confirmed during the last mission that Sectors are able produce financial statements and undertake reconciliations and submit reports to districts using SEAS.			

► DLI 6: Number of Government PFM staff with at least foundation-level professional finance qualifications (Number)

	Baseline	Actual (Previous)	Actual (Current)
Value	294.00	--	417.00
Date	09-Oct-2014	--	25-Nov-2016

**Comments**

The DLI has been achieved as per the definition in the verification protocol. Out of 417 Government Staff with at least foundational level of professional accounting qualifications, 70 have qualification, 305 intermediate level, and 42 foundational level. After noting that the baseline number of 294 was not correct as the 92 students were still at the foundation level but in the final program documents they were captured as if they had completed that level and the DLI definition does not count the PFM staff who qualify with IPSAS qualification and Certified Accounting Technicians (CATs), an official request for restructuring was sent to the WB for approval.

► DLI 7: Increased production of economic statistics and dissemination in time for strategic planning and decision making (Text)

	Baseline	Actual (Previous)	Actual (Current)
Value	Last comprehensive agricultural survey dates from 2008 (experimental agricultural survey was conducted in 2013); no systematic program of business or labor statistics, GDP with base year 2011. Full national agricultural survey conducted based on lessons learned from experimental survey and report produced and disseminated	--	The integrated business enterprise has been conducted and disseminated.
Date	09-Oct-2014	--	25-Nov-2016

► DLI 8: Open Data initiative extended to progressively include more surveys and administrative sources of data (Text)

	Baseline	Actual (Previous)	Actual (Current)
Value	National Data Archive (NADA), from which survey	--	Micro data of EICV4 poverty survey (2013/14) has been



microdata can be downloaded by anyone free of charge, established in 2010; no access to administrative data produced by line ministries.

released on NADA.

Date	09-Oct-2014	--	25-Nov-2016
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## Results

### Results Area

#### Intermediate Results Area

Enhanced National and Subnational Revenue Collection

Improved National and Subnational transparency and accountability in the use of public funds

Improved use of public data for decision making

### Project Development Objective Indicators

#### ► PDO Indicator 1: Tax to GDP ratio (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	14.20	15.90	16.30	17.40
Date	30-Jun-2013	29-Apr-2016	25-Nov-2016	30-Jun-2018

#### ► PDO Indicator 2: Improved national and sub-national transparency and accountability in the use of public funds, measured by the percent of entities submitting monthly financial statements by due date (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	40.00	0.00	0.00	80.00
Date	09-Oct-2014	29-Apr-2016	25-Nov-2016	30-Jun-2018

#### Comments

95 % of budget entities are submitting their monthly financial statements on time [TBC]. However, MINECOFIN does not find it meaningful to disclose the statements. The indicator is therefore on track to being partially achieved.



► PDO Indicator 3: Share of MDAs using official statistics for both analysis of current developments for short-term decision making and analysis of trends for longer-term policy formulation (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	68.00	--	--	75.00
Date	09-Oct-2014	29-Apr-2016	25-Nov-2016	30-Jun-2018

Comments

The indicator is measure every second year and a measurement is not due at this time.

Overall Comments

Intermediate Results Indicators

► Intermediate Results Indicator 1: Hours per year spent paying taxes (Hours, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	113.00	109.00	124.00	100.00
Date	09-Oct-2014	29-Apr-2016	25-Nov-2016	30-Jun-2018

► IRI 1.2: Increase tax collection measured by the number of districts using automated revenue collection system (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	30.00	30.00	11.00
Date	09-Oct-2014	29-Apr-2016	25-Nov-2016	30-Jun-2017

► IRI 1.3 Percentage of active small and micro tax payers file taxes using e-tax portal, against number of active taxpayers (percentage) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	69.30	88.60	90.00	87.00
Date	09-Oct-2014	29-Apr-2016	25-Nov-2016	30-Jun-2018



► IRI 2-1. Proportion of MDAs receiving unqualified audit opinion (percent) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	32.00	38.00	53.00	47.00
Date	30-Jun-2013	29-Apr-2016	25-Nov-2016	30-Jun-2017

► 2.2 Proportion of sub-districts (Sectors) using a simplified accounting and financial reporting application (percent) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	100.00	100.00	80.00
Date	09-Oct-2014	29-Apr-2016	25-Nov-2016	30-Jun-2018

► 2.3. Gap between annual budget and the 2nd year MTEF in previous year (percentage) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	20.00	--	3.60	11.00
Date	30-Jun-2014	29-Apr-2016	25-Nov-2016	30-Jun-2018

► 3.1 Annual national agricultural survey conducted (yes/no) (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	N	Y	Y
Date	30-Jun-2013	29-Apr-2016	25-Nov-2016	30-Jun-2018

► 3.2. Annual labor market statistics collected and disseminated (yes/no) (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	N	Y	Y
Date	09-Oct-2014	29-Apr-2016	25-Nov-2016	30-Jun-2018

Overall Comments