

PROGRAM-FOR-RESULTS INFORMATION DOCUMENT (PID)
CONCEPT STAGE

Report No.:PID0004014

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Program Name	Rwanda Public Sector Governance Program For Results
Region	AFRICA
Country	Rwanda
Sector	Central government administration (60%) Sub-national government administration (40%)
Lending Instrument	Program For Results
Program ID	P149095
Borrower(s)	Rwanda
Implementing Agency	Ministry of Finance and Economic Planning (MINECOFIN)
Date PID Prepared	May 8, 2014
Estimated Date of Appraisal Completion	July 7, 2014
Estimated Date of Board Approval	December 17, 2014
Concept Review Decision	Following the review of the concept, the decision was taken to proceed with the preparation of the operation.

I. Introduction and Context

A. Country Context

1. **Rwanda's development performance over the past decade is one of the best in the world.** A highly strategic approach to development, which has galvanized domestic and external resources around nationally-defined medium and long term goals, has delivered high economic growth (8% per annum), a significant decline in poverty (declined by 14% between 2001 and 2011) and a modest reduction in inequality. Non-material measures of wellbeing have also improved, with impressive progress across Millennium Development Goals.

2. While Rwanda has done extremely well in the past decade, it is time to focus on challenging second-generation reforms to underpin the transition to middle-income status by 2020. In order to realize the country's aspiration, the Government formulated the second Economic Development and Poverty Reduction Strategy (EDPRS 2) covering 2013-18 with the overall objectives of accelerating growth and further reducing poverty, including extreme poverty¹. Of particular note is that the EDPRS 2 identifies a catalytic role for the public sector in

¹ The EDPRS 2 includes four thematic areas: (i) economic transformation to achieve high and sustained growth and restructure the economy towards services and industry, (ii) rural development to bring the national poverty rate below 30%, (iii) productivity and youth employment to ensure growth and transformation are supported by appropriate skills, and (iv) accountable governance to improve service delivery and increase citizen participation and satisfaction with delivery of development. It is also supported by foundational and cross-cutting issues. The foundational issue areas are macroeconomic stability, demographics, food security, basic education, primary health care, rule of law, PFM, and decentralization. The cross cutting issue areas are capacity building, environment, gender, regional integration, HIV/AIDS and non-communicable diseases, disaster management, and social inclusion.

private sector-led development. In order for the public sector to play the catalytic role, public financial management (PFM) reforms need to further progress. For example, securing fiscal space and reducing aid dependency (currently 30-40% of the budget is financed by aid) require mobilizing domestic resources further (Rwanda's tax to GDP ratio at 14% is much lower than the regional average over 20%). More effective and efficient use of public resources require improving the alignment between the national objectives and allocation of public resources as well as enhancing transparency and accountability.

3. Improving PFM at the subnational level is equally important. Since 2000, Rwanda has implemented decentralization in a phased approach with a purpose of bringing government closer to citizens. As a result, roles of subnational governments have increased mainly in the area public service delivery accompanied by a substantial increase in financial resources they manage especially since the second half of the 2000s. Transfers from the central government to districts increased from 1% of domestic revenues in 2002 to 31% in FY2013/14 budget. Despite significant improvement in service delivery (e.g., access to health centers improved from 63% in 2006 to 81% in 2011), important challenges remain to deliver basic services to the poorest citizens. Only 1% of the poorest 40% households had access to electricity in 2011 and there is great inequality in access to services across districts. Efficient and effective use of the increased financial resources require improvement of subnational PFM, which is expected to contribute to better provision of public services especially to the poorest citizens.

B. Sectoral (or multisectoral) and Institutional Context of the Program

4. As a post-conflict country, Rwanda has made remarkable progress in rebuilding the core institutions in the public sector since the genocide in 1994. Its leadership has demonstrated strong commitment and resilience to overcome a difficult environment and has made significant progress in achieving peaceful political settlement and national security with dividends to citizens in terms of access to services and poverty. The government has established its legitimacy and authority and maintained the rule of law. The effectiveness of government and institutions and control of corruption has been remarkable in maintaining Rwanda as a low corruption country. Rwanda has very robust anticorruption laws and oversight institutions (e.g., the Ombudsman, National Prosecution Authority and Independent Auditor General, the Penal Code, Law No. 76/2013) which empowers the Ombudsman to prosecute cases of corruption and Whistle Blower Protection Law 2013 for controlling corruption and the leadership has been committed to the fight against corruption. Although the public sector has been significantly reformed, Rwanda still faces significant capacity weaknesses and shortages in core skills and competencies vis-à-vis its ambitious development objectives under the EDPRS 2.

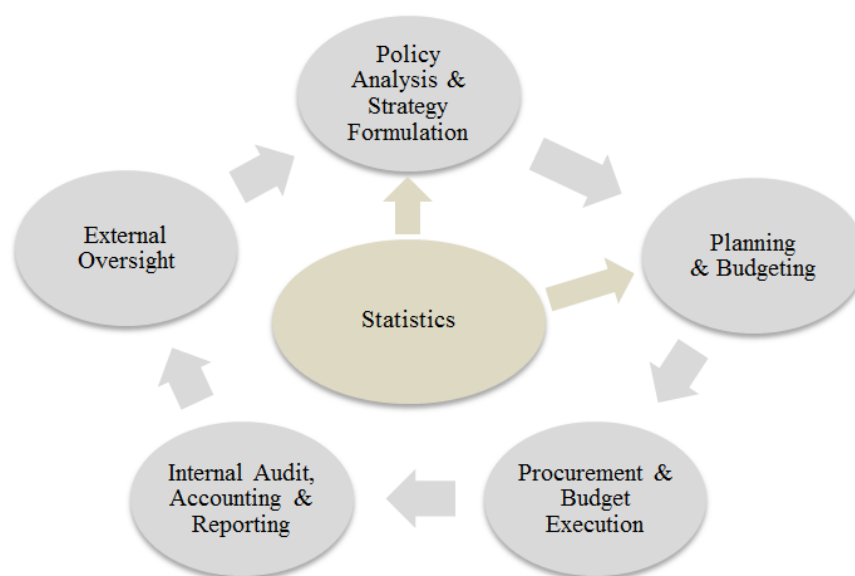
5. PFM is regarded as a key sector of public sector governance in Rwanda, as it cuts across different sectors as well as different levels of government². The main objective of the PFM sector is “to ensure efficient, effective and accountable use of public resources as a basis for economic development and poverty eradication through improved service delivery”. The government embarked on comprehensive PFM reforms more than five years ago with the comprehensive Public Financial Management Reform Strategy (PFMRS) in 2008-12. Building

² For example, the EDPRS 2 states that “**Rwanda's public finance management system is the platform for the efficient management of the nation's resources.** Its reporting, audit and oversight functions are essential elements in providing effective Accountable Governance” (Para 6.27).

on progress of PFMRS, the PFM Sector Strategic Plan (SSP) 2013-18 was formulated in 2013 to advance reforms in the sector. Besides the PFM SSP, the Governance and Decentralization SSP focuses on improvement of PFM at the subnational level (i.e., fiscal and financial decentralization).

6. Statistics is critical for evidence based policy making, planning and budgeting towards efficient and effective use of public resources. Statistics plays a foundational role in the PFM cycle more specifically in “policy analysis and strategy formulation” as well as in “planning and budgeting” (Figure 1). For example, performance-based budgeting is instrumental for effective and efficient use of public resources³. Without accurate and timely statistics and use of it, performance-based budgeting cannot function. In Rwanda, the National Strategy for Development of Statistics (NSDS) covering 2009-14 has contributed to establishing foundation for development of the statistics sector. Building on successful implementation of the NSDS, the government has formulated the second NSDS (NSDS 2) covering 2014-19. In recognizing these important roles of statistics in the PFM cycle, one of key strategic objective of NSDS 2 is to “improve statistical advocacy and integrate use of statistics in decision making” and the proposed Program for Results operation (the PforR operation) supports the government to implement this strategic objective.

Figure 1: Illustrative Areas to be Supported by the Proposed Operation



Source: World Bank Staff

7. Programs to be supported by the PforR operation are a subset of Government’s own programs. National and subnational PFM as well as statistics to support effective PFM cut across three sectors strategies. The PforR operation will support selected programs, sub-

³ According to Performance-Based Budgeting (World Bank/CLEAR, 2011), performance budgeting aims to improve the effectiveness and efficiency of public expenditure by linking the funding of public sector organizations to the results they deliver. It uses systematic performance information (indicators, evaluations, program costings, etc) to make this link. The impact of performance budgeting may be felt in improved prioritization of expenditure, and in improved service effectiveness and/or efficiency.

programs and strategic areas essential to achieve the program development objective of the proposed operation through the results areas (Figure 2). The boundaries of the PforR operation were made based on strategic relevance, government demand as well as support of other development partners.

Figure 2: Boundaries of the program supported by the PforR

Government Programs		World Bank Program for Results: To support the government of Rwanda in improving PFM at the national and sub-national levels
Strategy	Program, Sub-Program / Strategic Areas	Government Programs supported by the PforR
PFM SSP	<ol style="list-style-type: none"> 1. Economic Planning and Budgeting <ol style="list-style-type: none"> (1) National Development Planning (2) Economic Policy Formulation (3) Public Investment Programming (4) Policy Based Budgeting 2. Resource Mobilization <ol style="list-style-type: none"> (1) Tax Policy formulation (2) Tax Administration (3) External Finance 3. Budget Execution, Internal Control, Accounting & Reporting <ol style="list-style-type: none"> (1) Budget Execution (2) Treasury Management (3) Internal Audit (4) Accounting & Reporting (5) Public Procurement (6) Fiscal Risk Management in Public Enterprises 4. External Oversight and Accountability <ol style="list-style-type: none"> (1) External Audit (2) Legislative Oversight 5. Electronic Service Delivery and IFMIS <ol style="list-style-type: none"> (1) IFMIS (2) Integrated Personnel & Payroll Systems (IPPS) 6. Fiscal Decentralization <ol style="list-style-type: none"> (1) Resource Mobilisation by Local Administrative Entities (2) Facilitation of Fiscal Transfers (3) Strengthening PFM Systems and Capacity at subsidiary Level 7. Coordination of PFM Sector Activities Management <ol style="list-style-type: none"> (1) PFM Coordination and Management (2) Coordination of HR Training & Capacity Building (3) Monitoring & Evaluation 	<ol style="list-style-type: none"> 1. Economic Planning and Budgeting <ol style="list-style-type: none"> (1) National Development Planning (3) Public Investment Programming (4) Policy Based Budgeting 2. Resource Mobilization <ol style="list-style-type: none"> (2) Tax Administration 3. Budget Execution, Internal Control, Accounting & Reporting <ol style="list-style-type: none"> (1) Budget Execution (2) Treasury Management (3) Internal Audit (4) Accounting & Reporting (5) Public Procurement 4. External Oversight and Accountability <ol style="list-style-type: none"> (1) External Audit 5. Electronic Service Delivery and IFMIS <ol style="list-style-type: none"> (1) IFMIS 6. Fiscal Decentralization <ol style="list-style-type: none"> (1) Resource Mobilisation by Local Administrative Entities (2) Strengthening PFM Systems and Capacity at subsidiary Level 7. Coordination of PFM Sector Activities Management <ol style="list-style-type: none"> (1) Coordination of HR Training & Capacity Building (2) Monitoring & Evaluation
Governance and Decentralization SSP	<ol style="list-style-type: none"> 1. Legal framework and Sectoral Decentralization 2. Service Delivery 3. Fiscal and Financial Decentralization 4. Capacity building 5. Local Economic Development 	<ol style="list-style-type: none"> 3. Fiscal and Financial Decentralization

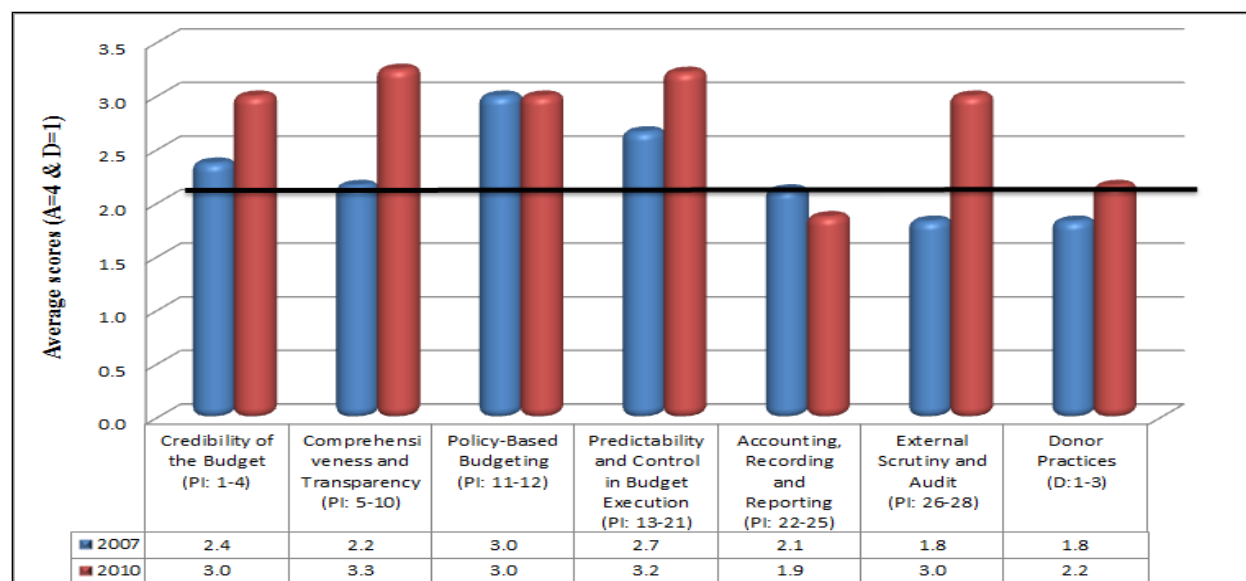
	6. Volunteerism, Participation, Accountability and Democratization	
NSDS 2	<ol style="list-style-type: none"> 1. Strengthen civil registration system, administrative records, surveys and other sources of data. 2. Improve quality and dissemination of statistics and public statistical literacy. 3. Improve statistical advocacy and integrate use of statistics in decision making. 4. Develop capacity within NSS. 5. Consolidate coordination within NSS. 6. Improve resource mobilization and build strategic partnerships 	<ol style="list-style-type: none"> 1. Strengthen civil registration system, administrative records, surveys and other sources of data. 2. Improve quality and dissemination of statistics and public statistical literacy. 3. Improve statistical advocacy and integrate use of statistics in decision making. 4. Develop capacity within NSS.

Source: World Bank Staff

National and Subnational PFM

8. Progress to date⁴: A number of significant improvements in PFM have taken place in the last five years. At the national level, the improvement is evidenced in the Public Expenditure and Financial Accountability (PEFA) assessment. The comparison between 2007 and 2010 shows improved scores in all but one category (Figure 3 and Annex 4). Other assessments such as sector public expenditure review reports, public expenditure tracking survey reports and independent mid-term and end-term evaluations of the Public Financial Management Reform Strategy (2008-2012) showed improvement. At the subnational level, the 2010 PEFA assessed four districts found a satisfactory nature and scope of the external scrutiny of subnational governments (Annex 5).

Figure 3: PEFA Performance between 2007 and 2010



⁴ The Government plans to conduct the national PEFA and subnational PEFA with 8 districts in the second half of 2014.

9. Remaining challenges and proposed solutions: Despite the progress, there are remaining challenges. The PFM SSP⁵ structured around the PFM cycle has identified key challenges and proposed solutions in each program, which are translated into a foundation for defining sector priorities and outcomes until FY2017/18 (Annex 7). For example, in the second program on resource mobilization, key challenges are inadequate domestic revenue mobilization resulting in aid dependency at the national level and lack of discretionary revenues at the subnational level⁶. Also, program and performance-based budgeting have been identified as an area for improvement under the first program on economic planning and budgeting. Across the PFM sector and more specifically under program 7 on capacity building, capacity and skill shortages are identified as key bottleneck. This issue is more pronounced at the subnational level, especially on core PFM areas such as accounting, auditing, budgeting, and reporting.

10. Institutional Context: The Ministry of Finance and Economic Planning (MINECOFIN) is the lead ministry of the PFM SSP. Other government ministries and agencies such as Rwanda Revenue Authority (RRA), Rwanda Public Procurement Authority (RPPA), the Office of Auditor General for State Finances (OAG) and Parliament (especially the Budget Committee and Public Accounting Committee) play key roles in the SSP. The Ministry of Local Government (MINALOC) is the lead ministry of the Governance and Decentralization SSP. Subnational PFM in the fiscal and financial decentralization program has been a joint work between MINECOFIN and MINALOC coordinated with the Rwanda Governance Board (RGB), National Capacity Building Secretariat (NCBS) and subnational governments. Within the government, a PFM Reform Steering Committee, comprising representatives from the implementing agencies and development partners, oversees the implementation of the PFM Sector Strategic Plan. A Sector Working Group (SWG) functions as a discussion forum on strategic issues between the government and development partners. Details at the program and sub-program levels are handled by Technical Working Groups (TWGs)⁷. On the Governance and Decentralization SSP, a Sector Working Group (SWG), co-chaired between MINALOC and Germany, functions as the main discussion forum and relevant government agencies, development partners, civil society organizations (CSOs) etc. participate. Major development partners are Germany, the Netherlands, Belgium, and UNDP. Also, the Decentralization Program Steering Committee (DPSC) is the committee to discuss strategic issues among government institutions. At the district level, the Joint Action Development Forum (JADF) functions as the coordination structure.

Statistics

11. NSDS 2: The NSDS 2 for 2014-19 will soon be sent to Cabinet for the final approval. The two overarching objectives of the NSDS 2 are to produce relevant, reliable and timely statistics to monitor the progress of the EDPRS 2 and to strengthen and prepare the National Statistical System (NSS). The NSDS 2 will support the changing requirements in terms of nature and periodicity of data as Rwanda approaches middle-income status by 2020. The expected outcome of the NSDS 2 is a strengthened and well-coordinated NSS that is able to constantly

⁵ Annex 6 includes summary table of the PFM SSP

⁶ The fiscal and financial decentralization program in the Governance and Decentralization SSP has also identified revenue mobilization challenges at the local level (Annex 8).

⁷ The Development Partner Consultative Group (DPCG) decided to discontinue the SWG in September 2013. Instead, a new operational arrangement consists of technical discussion groups and strategic discussion group were formulated, although their functions are very similar to the SWG and TWG.

monitor development outcomes and spur effective decision-making and public accountability.

12. Progress to Date and remaining challenges: During the first NSDS (2009-2014), the National Institute of Statistics of Rwanda (NISR) made significant progress in the quality, timeliness and dissemination of data, mainly in the social and demographic domain. NISR consistently implemented the main social surveys and the 2012 Population and Housing Census according to a pre-published timetable. In addition, solid progress was made on data access and dissemination through the creation of a National Open Data Archive (NADA), where survey microdata can be readily downloaded for further analysis, and the establishment of an Open Data Portal, which has greatly improved citizens' access to statistical information. During the NSDS 1 period, Rwanda moved up 20 places on the World Bank's Statistical Capacity ranking, from 73rd (out of 149 countries with valid data) at the end of 2008 to 53rd at the end of 2013⁸. Focusing on Sub-Saharan Africa, Rwanda ranked sixth in 2013⁹ up from 10th place in 2008. There remain however important gaps to be addressed by NSDS 2. These gaps relate in particular to the relative lack of economic statistics (data on agriculture, businesses, and labor market activity are scarce) and the low capacity within the National Statistical System. In addition, the efforts to improve the frequency and quality of certain types of statistics need to be accompanied by improved access to data for users of statistics. The Bank's Open Data Readiness Assessment¹⁰ found that there is room to improve data dissemination, which will result in better and more use of data through an expansion of NISR's ongoing Open Data agenda.

13. Institutional Context: NISR was established in 2005 as the coordinating agency of NSS, comprised of all agencies and ministries that provide statistical information to the public for planning and decision-making. NISR is governed by a Board of Directors, which determines the priorities of NISR and approves the action plan of the NSS. Since 2007, NISR has been funded by both the Government and a multi-donor basket fund including UN agencies, DFID, the European Union, and the World Bank. All plans and activities of NISR need to be approved by a steering committee, chaired by the Government Chief Economist and consisting of Government representatives, civil society and academia, and development partners. The steering committee meets every quarter.

C. Relationship to CAS/CPS

14. The Country Partnership Strategy (CPS) for the Period FY2014-18¹¹. To support government aspirations and development priorities articulated in the EDPRS 2, the CPS sets out how the combined World Bank Group resources can best help Rwanda achieve its nationally defined goals and targets and fulfill its ambitions of becoming a modern economy in which growing prosperity is shared across the population.

15. Accountable Governance to be supported by the PforR operation is one of the three themes in CPS. In order to maximize impact with limited resources, the CPS has identified the following areas to concentrate IDA resources: energy, urban development, rural development,

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<http://web.worldbank.org/WBSITE/EXTERNAL/DATASTATISTICS/EXTWBDEBTSTA/0,,contentMDK:22284270~menuPK:9248396~pagePK:64168445~piPK:64168309~theSitePK:3561370,00.html>; accessed in February 2014

⁹ Fifth when excluding South Africa.

¹⁰ Rwanda Open Data Readiness Assessment prepared for the Government of Rwanda in July 2013.

¹¹ The CPS is being finalized and will be presented to the Board Meeting in May 2014.

social protection and accountable governance¹². These areas are further grouped into three themes:

Theme 1: Accelerating economic growth that is private-sector driven and job-creating,

Theme 2: Improving the productivity and incomes of the poor through rural development and social protection,

Theme 3: Supporting accountable governance through PFM and decentralization including likely IDA investment in fostering stronger results in PFM, fiscal decentralization, in statistical systems and open data.

The PforR operation aims to support the EDPRS 2 in general and theme 4 on accountable government in particular, and therefore is fully consistent with Theme 3 of the CPS.

D. Rationale for Bank Engagement and Choice of Financing Instrument

Rationale for Bank Engagement

16. The Bank has comparative advantage in supporting national/subnational PFM and statistics. The Bank has been long engaged in these areas, and consolidating our engagement into the PforR operation is likely to bring further results. The Bank has provided support to these areas through its operations including budget support operations such as the Poverty Reduction Support Grant (PRSG) and Poverty Reduction Support Financing (PRSF) series and the Statistics for Results project (P124129). Most recently, the Bank prepared the Decentralized Service Delivery support DPO (P145114) including national/subnational PFM (Annex 9 describes the Bank's engagements in PFM and its link with government's PFM reforms). Furthermore, the Bank has been co-chairing the PFM SWG and is a core member of the Decentralization SWG, the main discussion forums between the government, development partners and other stakeholders. The Bank is also an active member of the statistics steering committee. On this basis, the PforR operation will be able to consolidate Bank's comparative advantage in these areas.

17. Support from the government and other development partners on the proposed operation. During the identification mission in February 2014, an initial consultation was conducted with the government and other development partners. They were supportive to the preparation of the PforR operation. Development partners requested the Bank to ensure complementarity with existing and planned support by them in these areas.

Rationale for Choice of Financing Instrument

18. The choice of the PforR instrument for the proposed operation can be justified by its key expected benefits (i) to improve the efficiency of government expenditure programs by using program systems; (ii) to disburse directly against results; (iii) to help build institutions and capacity under the program(s) and (iv) to enhance partnership with other development partners in supporting the same government program of expenditures.

19. Improve the efficiency of government expenditure programs by using program systems: Government's expenditure programs reflect its development objectives articulated in the EDPRS 2 and the SSPs. However, as evidenced by the aid decline in mid-2012, fluctuation

¹² Five criteria such as (i) alignment with the EDPRS 2, (ii) Bank's comparative advantage, (iii) within World Bank Group synergies; (iv) client demand and (v) risk are used to identify the areas to concentrate IDA resources.

of aid flows to budget constraints the execution of government expenditures. Therefore, by anchoring disbursement against results, the PforR operation will provide a better predictability to budget financing¹³. Also, the scope of the PforR operation (national/subnational PFM and statistics) will have direct impact on improving the quality of government expenditures. Moreover, analytical works (existing and planned) and accompanying technical assistance will support the government in improving the efficiency of government expenditures.

20. Disburse directly against results: A PforR instrument is a good fit for Rwanda where its national development strategy (EDPRS 2) and SSPs are results-based with established monitoring and evaluation (M&E) mechanisms¹⁴. The PforR operation will augment the government's own efforts to strengthen its results-based development management. Moreover, through its support to statistics development, the PforR operation will directly benefit the results-based monitoring and evaluation system of Rwanda.

21. Help build institutions and capacity under the program(s): By using the government's own PFM, procurement, and M&E systems, the PforR instrument is expected to strengthen the systems. Furthermore, in Rwanda, capacity constraints (including institutional, organizational and human) at both central and subnational levels have been the key challenges. By including capacity building elements in disbursement linked indicators (DLIs), the PforR operation aims to address the capacity constraint.

22. Enhance partnership with other development partners in supporting the same government program of expenditures: The Bank has had strong partnership with other development partners through SWGs on PFM and Decentralization, as well as the statistics steering committee. By jointly supporting the government's own programs and expenditures in a complementary manner, the PforR operation will further improve partnership with other development partners.

II. Program Development Objective and Results

A. Program Development Objective(s)

23. The Program Development Objective (PDO) of this operation is to support the government of Rwanda in improving public financial management (PFM) at the national and sub-national levels.

B. Key Program Results

24. In order to achieve the PDO, the PforR operation aims to achieve the following results.

- Increased efficiency in national and subnational revenue collection;
- Improved national and subnational transparency and accountability in the use of public

¹³ The new CPS anticipates different combinations of instruments that might both protect the Government from volatility in financing flows and, at the same time, still offer some flexibility in the financing that is delivered. While the last CAS was anchored around budget support, CPS proposes less emphasis on development policy instruments. In its place, the Government has requested that we disburse part of their IDA17 allocation in the form of program for results (PforR) operations. While the previous CAS disbursed 66 percent in the form of budget support, this CPS is likely to disburse the same proportion as a mix of PforR and Development Policy Operations.

¹⁴ As an evidence of this, the Bank's PRSG series were based on the government's own results monitoring system, the Country Performance Assessment Framework (CPAF).

funds; and

- Improved use of public data for decision-making.

III. Proposed Program-for-Results Operation Context¹⁵

A. Description

25. During the identification mission, the team identified elements of the Government program to be supported by the PforR operation. Building on initial consultations with the government as well as taking other development partner programs into account, the team identified potential government programs and outcomes, preliminary DLIs, milestones and outcome indicators that the PforR operation could support (Figure 4 on the boundaries of the program supported by the PforR and potential DLIs, Annexes 10 includes illustrative results chain between government programs, activities, outputs, intermediate outcome, outcomes, and outcome indicators).

26. There are 9 potential DLIs to be streamlined at a later stage of preparation. Building on the results chain, at this stage, there are 9 potential DLIs including 7 DLIs on national/subnational PFM and 2 DLIs on statistics (Annex 11 and 12 describe the DLI matrix and descriptions of potential DLIs in details). As illustrated in Figure 4, potential DLIs are selected from government programs to be supported by the PforR operation and expected results areas to represent critical indicators to achieving the PDO.

Figure 4: Program Boundaries for the PforR, Results Areas, Potential DLIs towards PDO

Government Programs supported by the PforR	Results Area	Potential DLIs	PDO / Results
<u>PFM SSP</u> 1. Economic Planning and Budgeting (1) National Development Planning (3) Public Investment Programming (4) Policy Based Budgeting 2. Resource Mobilization (2) Tax Administration 3. Budget Execution, Internal Control, Accounting & Reporting (1) Budget Execution (2) Treasury Management (3) Internal Audit (4) Accounting & Reporting (5) Public Procurement 4. External Oversight and Accountability (1) External Audit 5. Electronic Service Delivery and IFMIS	Improving Multi-year Fiscal Management	DLI 1: Multi-year fiscal management	PDO: To support the Government of Rwanda in improving PFM at the national and subnational levels Results: <ul style="list-style-type: none"> • Enhanced national and subnational revenue collection; • Improved national and subnational transparency and accountability in the use of public funds through (i) publicly available and
	Enhanced national and subnational revenue collection	DLI 2: Enhanced national revenue mobilization; DLI 3: Centralization of subnational revenue collection	
	Modernization of budget planning and execution	DLI 5 on E-procurement	
	Strengthening accounting and financial reporting at the national and subnational levels.	DLI 4 on monthly financial statements; DLI 7 on subsidiary entities using simplified accounting and reporting application	
	Enhanced efforts by national and subnational authorities to meet audit standards	DLI 6 on the proportion of MDAs receiving unqualified opinion;	

¹⁵ The government shared their proposed DLIs in January and the expenditure framework in February linked with the proposed DLIs. These materials helped the identification mission effectively conducting dialogues with the government. The World Bank team conducted further dialogues during the assessment mission in Mar-Apr 2014.

(1) IFMIS 6. Fiscal Decentralization (1) Resource Mobilisation by Local Administrative Entities (2) Strengthening PFM Systems and Capacity at subsidiary Level 7. Coordination of PFM Sector Activities Management (1) Coordination of HR Training & Capacity Building (2) Monitoring & Evaluation <u>Governance and Decentralization SSP</u> 3. Fiscal and Financial Decentralization			timely fiscal data; (ii) accounting by non-budget agencies and (iii) audit outcomes; • Improved use of public data for decision making through (i) a functioning open data initiative and (ii) quality economic statistics (national accounts, agriculture statistics, and labor statistics)
<u>NSDS 2</u> 1. Strengthen civil registration system, administrative records, surveys and other sources of data. 2. Improve quality and dissemination of statistics and public statistical literacy. 3. Improve statistical advocacy and integrate use of statistics in decision making. 4. Develop capacity within NSS	Better statistics for policy making and public finance management	DLI 8: Increased production of economic statistics	
	Accountability and Capacity on Statistics	DLI 9: Open Data	

Source: World Bank Staff

IV. Initial Environmental and Social Screening

27. The proposed program is not expected to present any significant environmental and social risks or impacts, since the proposed nature of activities that does not include any civil works. The positive social effects of the proposed program are considered potentially significant, as the main objective of the program is to improve quality and accessibility of public services, which can significantly change the quality of life of citizens, especially the poor and vulnerable population. The results identified in the project do not require any civil works that may have negative impacts on environment. Compliance will be closely monitored by the Client with regular implementation support from the Bank. An Environmental and Social Systems Assessment (ESSA) will be undertaken during preparation to identify potential risks, impacts and benefits and to evaluate relevant policies, procedures and capacity to implement. Where necessary, the assessment will define measures to avoid, minimize or mitigate the impacts and risks and maximize environmental and social benefits. The district governments already have some experience of implementing and supervising implementation of social and environmental measures under ongoing World Bank operations.

V. Tentative financing

Source:

Borrower/Recipient

(\$m.)

TBD

IDA	100,000.000
Others (specify)	TBD
Total	TBD

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