

REPUBLIC OF RWANDA



**CAPACITY DEVELOPMENT AND BUILDING A
CAPABLE STATE**

RWANDA COUNTRY REPORT

KIGALI, AUGUST 2007

ACRONYMS

ADB	-	African Development Bank
AGF	-	African Governance Forum
AGO	-	Auditor General's Office
APRM	-	African Peer Review Mechanism
AWEPA	-	Association for West European Parliaments
AU	-	African Union
CAPMER	-	<i>Centre d'Appui aux Petites et Moyennes Entreprises au Rwanda</i> (Center for the Promotion of Small and Medium Enterprises)
CSO	-	Civil Society Organization
DFID	-	Department for International Development
EALA	-	East African Legislative Assembly
EDPRS	-	Economic Development and Poverty Reduction Strategy
GOR	-	Government of Rwanda
GDP	-	Gross Domestic Product
HIDA	-	Human Resource and Institutional Capacity Development Agency
HIV/AIDS	-	Human Immuno-deficiency Virus/Acquired Immuno-Deficiency Syndrome
ICT	-	Information Communication Technology
KHI	-	Kigali Health Institute
MIDA	-	Migrations pour le Développement en Afrique
MIFOTRA	-	Ministry of Public Service and Labour
MINALOC	-	Ministry of Local Government, Good Governance, Community Development and Social Affairs
MINECOFIN	-	Ministry of Finance and Economic Planning
MINEDUC	-	Ministry of Education
MINISANTE	-	Ministry of Health
MSCBP	-	Multi-Sector Capacity Building Programme
NSDP	-	National Skills Development Policy
NCDC	-	National Curriculum Development Centre
NHRC	-	National Human Rights Commission
NICI	-	National Information and Communication Infrastructure
NIS	-	National Institute of Statistics
NTB	-	National Tender Board
NGO	-	Non- Governmental Organization.
NSDP	-	National Skills Development Policy
NURC	-	National Unity and Reconciliation Commission
NUR	-	National University of Rwanda
PAP	-	Pan African Parliament
PPP	-	Public -Private Partnership

PPMER	-	<i>Projet de Promotion des Petites et Moyennes Entreprises Rurales</i> (Small and medium rural enterprise promotion project)
PRSP	-	Poverty Reduction Strategy Paper
RNEC	-	Rwanda National Examination's Council
RIEPA	-	Rwanda Investment and Export Promotion Agency
RRA	-	Rwanda Revenue Authority
RPSF	-	Rwanda Private Sector Federation
RWDA	-	Rwanda Workforce Development Agency
SFAR	-	Student Financing Agency for Rwanda
TOKTEN	-	Transfer of Knowledge through Expatriate Nationals
UN	-	United Nations
UNDP	-	United Nations Development Programme
UNECA	-	United Nations Economic Commission for Africa
UNISIA	-	United Nations Special Initiative for Africa
VUP	-	Vision 2020 Umurenge Programme

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1. EXECUTIVE SUMMARY

1. This report analyses capacity development initiatives, challenges and strategies in Rwanda, with a view to the construction of a capable state. It is based on the outcome of extensive national consultations. These consultations were carried out in preparation for a country report on capacity development to be presented at the seventh session of the African Governance Forum (AGF VII) to be convened in Ouagadougou, Burkina Faso, from 24 to 26 October 2007, under the theme “Building the capable state”.

2. The AGF is a collaborative programme of the United Nations Development Programme (UNDP) with the United Nations Economic Commission for Africa, (UNECA) and African governments, within the framework of the United Nations Special Initiative for Africa (UNISIA). Its main objective is to promote good governance by periodically bringing together African leaders, representatives of the private sector and civil society and other development stakeholders to exchange views with development partners on major challenges and opportunities for good governance.

3. In Rwanda, consultations were carried out through a series of workshops bringing together key national stakeholders from central government ministries, institutions and agencies, local government, parliament, the judiciary, the private sector and civil society. National strategy and planning documents were also consulted and key stakeholders interviewed.

4. The Rwanda country report outlines capacity building initiatives in all the sectors, including building a capable human resources base and strengthening the organizational and institutional framework for effective and accountable governance. It reviews the process of entrenching democratic governance and the rule of law, ensuring peace and security, unity and reconciliation and inclusive and accountable governance. The report also presents a brief overview of the economic development and elimination of extreme poverty agenda, because economic and social empowerment of the people is one of the pillars of building a capable state.

5. Realizing that development will best be achieved through investment in the people, Rwanda’s most important and abundant resource, the government has embarked on an extensive programme of human resources development. The education system has been restructured to fill the enormous skills and competence gaps and enable the public sector to meet the expectations of the people. In the area of governance, the constitutional and legislative reforms have set the foundations for democratic governance. Reforms in the judicial sector, public service and local government were intended to bring governance closer to the people, reinforce good governance and ensure efficient and effective services delivery. Initiatives geared at achieving accountable and inclusive governance include accountability and transparency policies, accompanied by appropriate institutions to monitor their implementation.

6. Rwanda's economic development and poverty reduction agenda is focused on economic growth favouring the poor and underpinned by good governance. In the Rwandan experience, a capable state needs to be able to provide efficient and effective services to the people. Productive activities cannot develop in the absence of a healthy and educated population that is engaged and participate fully involved in their own development. Transparent and accountable governance are the cornerstones of sustainable development and the creation of a state capable of meeting its obligations to the people.

7. Results show that Rwanda has made remarkable progress in a number of sectors, but that challenges remain. National unity and reconciliation and eliminating the ideology of genocide are priorities for the Government of Rwanda. Entrenching the culture of democracy and rule of law in a population that has been scared by decades of misrule has been addressed by a number of governance and administrative reforms. There are challenges of mobilizing adequate resources to achieve the ambitious targets that have been set. Inadequate financial resources, poor infrastructure, and still weak human resource base continue to constrain the attainment of set objectives. The challenge it is to change the mind-set and develop a results-oriented management culture and reduce the dependence syndrome.

8. Rwanda's innovative programmes based on national heritage were identified as best practices in constructing a capable state. They include mechanisms for citizens' participation, community-based healing and reconciliatory justice and effective service delivery and social inclusion.

9. It is clear that building a capable state is a complex and continuous process, but the central element is to put the people at the heart of the process and to empower them to fully participate in their own development and governance.

2. INTRODUCTION

10. The focus of deliberations at the AGF VII, to be held in Ouagadougou, Burkina Faso, in October 2007, is “Capacity and Capacity Building for Development” under the central theme of “Building a Capable State”. Twenty seven countries, including Rwanda, have been invited to attend this forum and each participating country has been tasked to prepare and organize consultations at all levels bringing stakeholders together in order to gather views on the above conference key theme.

11. It is important, here, to review the correlation between capacity development and building a capable state. Building a capable state rests on the capacity of the people and institutions, as well as an enabling environment for developing and implementing programmes to efficiently and effectively manage and deliver service to the citizens. A capable state must have a clear mission and vision, driven by an engaged society and committed leadership. Responsive capacity building facilitates good governance in all spheres and provides non-state actors with the space to actively participate in social, political and economic affairs of the nation.

12. Capacity building should be understood in its broad sense, based on three pillars:

- Human resources development which equips individuals and enables them to perform effectively;
- Organizational development including management structure, processes and procedures;
- Institutional development and legal frameworks, partnerships and networking.

13. It should be a long-term and dynamic process that builds upon and respects existing value system and fosters self-esteem. It should be context specific but based on both local and global perspectives.

14. The Rwanda Country report summarizes the results of national consultations and exchange on initiatives and strategies, as in capacity development and analyses challenges and lessons learnt in the process of constructing a capable state.

3. NATIONAL CONSULTATIONS

15. The objective of the national consultations was to bring together a cross-section of national development stakeholders, in order to share experiences, challenges met and to record initiatives and strategies put in place for constructing a capable state, as a basis for a country report to inform the deliberations at the AGF VII.

16. A National Focal Point, to guide the national consultation process and develop an action plan, was set up and included the Ministry of Public Service and Labour (MIFOTRA), the UNDP, and the Human Resources and Institutional Capacity Development Agency (HIDA).

17. A National Steering Committee, coordinated by MIFOTRA, provided overall leadership and strategic guidance to the preparatory work for the AGF VII. This committee was made up of three ministries and the UNDP.

- The Ministry of Public Service (MIFOTRA) as the coordinating ministry;
- The Ministry of Finance and Economic Planning (MINECOFIN); and
- The Ministry of Local Government, Good Governance, Community Development and Social Affairs (MINALOC)

18. UNDP played a key role by providing financial support and participating in the in-country preparatory processes. The Government of Rwanda provided the necessary political support and sensitized the people and mobilized institutions under its mandate to actively participate in the consultations between July and August 2007.

19. Opinion on on-going and planned capacity development initiatives, the challenges faced and recommendations for future action were sought from a cross-section of Rwandan society, through a series of workshops. The workshops brought together, in turn, representatives of local government institutions, central government, ministries, departments and agencies, officials of Parliament and the judiciary, and members of the private sector and civil society.

20. The workshops also reviewed the concept of the capable state and related capacity development concerns. Participants gave an overview of the process of nation and state building in Africa and the linkage between capacity development and effective governance and points to the interplay between capacity creation, utilization and retention and the need to understand capacity development in its comprehensive nature, which includes human, organizational and institutional aspects.

21. Participants deliberated and exchanged ideas on six areas which helped to map out aspects of capacity development and the road map to building a capable state:

- On-going and planned capacity building initiatives;
- Challenges faced;
- Lessons learned;
- Areas that require improvement;
- Best practices;
- Way forward.

22. In addition to the workshops, a number of key policy documents were consulted and officials interviewed. Other sector strategies, including the agricultural sector, infrastructure, legal and judicial sector were also consulted. Documents consulted included Rwanda's development Vision 2020, PRSP1, EDPRS draft and the national investment policy.

4. BUILDING A CAPABLE STATE: THE RWANDA EXPERIENCE

23. ***'My vision of Rwanda is a united country that feels itself as an integral part of the international family of nations, a country that is developed and has eradicated poverty, a country that is democratic and, above all, a stable country at peace with itself as well as with its neighbours.'*** H.E President Paul Kagame, President of the Republic of Rwanda.

24. A capable state has been defined as one that is able to maintain peace, stability and security and to ensure the economic well-being of its citizens and effectively and efficiently deliver basic services to the people. It was further defined as one with a clear mission and vision translated into good policies and programmes, possessing adequate and capable human resources and capable institutions to carry them out. This state should have committed and visionary leadership, able to deliver good governance and justice, in an inclusive, transparent and accountable manner.

25. A capable state was also defined as one that is politically independent with a degree of financial autonomy, while maintaining good relations with other nations. Emphasis was put on the need for a strong national identity, adequate and capable human resources, as well as coherent policies, strategies, programmes and vision for national development.

26. Rwanda's national agenda for building a capable state should be seen in the light of historical and recent developments, including the impact of the 1994 Genocide, and its aftermath of insecurity and the spread of the genocide ideology, not only in the country but throughout the region. In spite of the formidable task of reconstructing and rebuilding the fabric of a shattered nation, the Government of Rwanda has undertaken a number of measures to build a stable and capable state, based on the principles of democratic governance and respect for human rights. Rwanda's greatest asset in this process has been having visionary and committed leadership.

27. The National Constitution of 2003 is the corner-stone of democratic governance. It provides for equality and equity for all Rwandans and sets the basis for the rule of law. The subsequent presidential, parliamentary and local government elections provided the people of Rwanda with representatives of their own choice and a channel for effective participation in their own governance. Constitutional and legislative reforms have laid the foundation for peace, security and stability.

28. Rwanda's development Vision 2020 is predicated on the principles of building a capable state, characterized by good governance, the rule of law and efficient delivery of services to the citizens. The national development vision and strategies foresee the need for competent and able human resources in order to meet the requirements for a knowledge-based economy. Therefore, the Government of Rwanda has undertaken an ambitious and comprehensive capacity development programme to re-establish and strengthen governance institutions. A number of key reforms have also been undertaken

to streamline and strengthen these institutions. These reforms were carried in the following sectors: public service, judicial, territorial administration and within the public financial management. More reforms are planned in various sectors. Details are given under the relevant sections in this report.

29. A comprehensive programme of decentralization and local government reform is geared at giving the people a say in their own governance and development, with major responsibilities for planning and development implementation and basic services provision, being devolved to the districts and lower administrative units, right down to the village level.

30. Concerted efforts have been invested in building the institutional and legal framework for capacity development, including the review of relevant laws and enacting new ones.

4.1 Human and institutional capacity building initiatives in Rwanda

31. In the past, capacity building efforts in Rwanda have been characterized by stand-alone, overlapping and duplicative interventions, leading to inefficiency and wastage of resources. Rwanda's response to this challenge was the development of Multi-Sector Capacity Building Programme (MSCBP), set up in 2001, after wide consultation with stakeholders. The programme is geared to address five capacity building problem areas:

- Policy and programme formulation , implementation and monitoring;
- Human resource development;
- Institutional capacity building;
- Information generation, sharing and dissemination;
- Promotion of private-public partnership.

The MSCBP is formulated with a view to achieving the following strategic objectives:

- Closing gaps in long term human resources development;
- Improving the overall institutional environment for development management;
- Enhancing government ability to recruit, motivate and retain a critical mass of technical and professional skills;
- Attaining sustainable improvements in capacity and performance of individual government organizations;
- Meeting challenges and harnessing opportunities from new technologies and globalization;
- Building capacity for effective coordination of capacity building programmes.

Institutional framework

32. The Human Resources and Institutional Capacity Development Agency (HIDA) was established to manage and coordinate activities of the MSCBP. The agency is currently coordinating a number of national capacity development initiatives, in collaboration with other government institutions. Notable among these are:

- A nation-wide skills audit, with a view to developing a comprehensive, integrated national skills development policy and strategy, based on actual identified needs;
- A programme to strengthen local training institutions;
- Functional reviews and institutional audits in government , with a view to assessing the effectiveness of public sector reforms and identifying non-core functions that would be more efficiently carried out by out-sourcing from the private sector;
- A comprehensive assessment on the on-going and planned capacity interventions in the country;
- A programme to strengthen the capacity of public sector institutions to effectively manage their core functions;
- Establishing and strengthening a national monitoring and evaluation framework to facilitate and track progress in the implementation of the EDPRS.

Details of some of these interventions are given under the relevant sections in this report.

33. The purpose of this multi-sector initiative and the setting up of HIDA was to ensure adequate consultation, proper needs assessment and planning, in order to avoid the pitfalls of supply-driven and uncoordinated initiatives.

Public Service Reforms

34. Since 1998, the Government of Rwanda has undertaken a process of civil service reforms with the main objective of transforming management, to bring about public service efficiency in ministries, public institutions and specialized bodies. The reforms are intended to improve the quality of service to the public, increase effectiveness, eliminate corruption and to ensure equity, transparency and accountability. Ministries and province structures and functions have been redesigned and laws governing civil service and labour are under review and new ones are being introduced. New salary scales based on job classifications, equity and motivation are meant to attract and ensure retention of a corps of qualified and competent civil servant. A support programme to mitigate the effects of reform includes facilitating education for those wishing to upgrade their qualifications or a package to support those wishing to go into the private sector, thus at the same time supporting private sector development.

4.1.1 Human resources development

35. Surveys in the country have revealed significant gaps in human resource capacity, particularly in technical specializations in technology, health and the agricultural sector. Reasons for this lie in the effects of genocide, which considerably reduced national human capital and in previous education systems which were not adapted to providing required skills to drive economic development. In spite of concerted efforts in capacity creation, significant constraints were identified in capacity utilization and retention. They include inadequate resources to provide appropriate incentive packages to attract and retain qualified and competent personnel, lack of confidence and job security in some sectors, problems of task definition and misallocation of skills in appointments. In order to bridge this human capital gap, a number of initiatives and programmes have been put in place.

The nation-wide skills audit

36. A comprehensive nation-wide skills audit is being conducted to form the basis for the preparation of the National Skills Development Policy. The audit includes extensive data gathering, institutional self-assessment across the sectors, and group discussions. The purpose of this exercise is to map existing skills and requirements and identify gaps, so that skills development strategies are based on the real situation on the ground. A report and a draft national skills development policy are expected by the end of 2007.

Restructuring of the national education system

37. The government has invested in an ambitious long-term programme to restructure the national education system and provide education for all the children of school-going age. This placed Rwanda among the countries to benefit from the “Fast Track Initiative”, with an expected assistance package of US\$ 24 million in 2006 and US\$ 26 million in 2007. This initiative has seen an increase in primary school enrolment rates to 95% (97% for girls and 94.7% for boys). There has also been a marked increase in the number of students at secondary school level, although enrolment in higher education institutions remains below Sub-Saharan Africa. There is an intensive teacher training programme, including a distance learning programme (*I-yakure*) to upgrade the skills of already working teachers. In order to widen the field of qualified teachers, two high level teacher training colleges have been established, one focusing on the arts and social sciences and another for science and technology. Head teachers have been trained in school management and HIV/AIDS management in the school environment. Special emphasis has been put on teaching science and technology, especially encouraging girls to take the subjects. Improvement in infrastructure has seen the number of secondary school class-room rise by 26%

38. A concerted drive to improve standards in Rwanda’s higher education has seen enrolment in public universities rise from 27 987 in 2005 to 37 157 in 2006. A National Council for Higher Education has been set up to oversee issues of qualification and quality assurance. The weak capacity in teaching is being addressed through the Rwanda National Qualification Framework. High quality education based on international standard will be ensured through the Quality Assurance and Accreditation Framework. The Student Financing Agency (SFAR) has been set up to manage higher education

study loans and scholarships and ensure equitable and transparent allocation of these funds.

Strengthening local training institutions

39. A programme to strengthen local training institutions is intended to enable these institutions to deliver effective in-country training. This is currently focusing on developing the capacity of two institutions of higher learning, the National University of Rwanda and the School of Finance and Banking. It entails strengthening human and material resources of the two institutions as well as twinning with international training institutions, training of trainers, extension of training space, and curriculum development.

Emphasis on Vocational Education and Technical Training

40. A programme for restructuring vocational education and technical education and training is envisaged with components for adapting supply to demand and forging linkages between vocational and technical training, on the one hand, and on-the-job training, on the other. This sub-programme is intended to address industrial needs for technicians and artisans and to provide skills to ensure employability, either as employees or as self-employed entrepreneurs. In addition, the vocational education and training incorporates the needs of the disadvantaged groups in society such as the disabled, handicapped, orphans and demobilized soldiers. The private sector is expected to contribute to skills development to create human capital. They include the proposed Rwanda Workforce Development Agency (RWDA) for creating a critical mass of Rwandan technical skills, based on the Singapore model. Laws have been revised to attract the private sector to invest in education.

Sector-specific training

41. Specific training to meet identified skills requirements in institutions in different sectors has been carried out, in areas such as strategic planning, financial management, public resources management and accounting, strategic planning, procurement, tendering and other public resources management tools, environment, health and sanitation, especially for local government officials. In the judicial and legislative sectors, programmes included legal training for judges, magistrates and prosecutors as well as social services personnel, including *Gacaca* officials. Training in leadership and democratic governance was also carried out across the board.

42. In support of the government policy to promote the use of ICT and move to e-Government, training in ICT has been carried out for all public service personnel according to specified needs. The private sector and civil society organizations were equally motivated to have ICT competent employees. Language training in all the sectors reinforces the government policy of bilingualism, to create competitiveness within the integrated economies in the region.

43. Professional development has been encouraged throughout the public service and Rwandans in the public and private sectors have undertaken post-graduate and professional courses through a wide range of part-time, long-distance and on-line courses, some arranged through government programmes, others on private initiative.

44. Initiatives in the private sector and civil society have focused on strengthening leadership, financial management, negotiation skills and entrepreneurship and the management of cooperatives. Social awareness programmes to support the human capacity development initiatives include awareness and support programmes on HIV/AIDS, peace, justice and unity and reconciliation and increased use of the media. National initiatives have been complemented by programmes like Migration for Development in Africa (MIDA) and Transfer of Knowledge and Technical Expertise Network (TOKTEN) which bring back expatriate nationals to fill the short-term capacity gaps in various sectors.

4.1.2 Strengthening governance structures

45. Accountable and democratic governance is the corner stone of a capable state. All national programmes cannot succeed in the absence of good governance. Rwanda's governance programme seeks to maintain peace and security, not only in the country, but in the region and the world. It seeks to strengthen good relations with other countries, to promote national unity and reconciliation among Rwandans, pursue reforms to the justice system and uphold human rights and the rule of law. Empowering citizens to participate and own their social, political and economic development in respect of rights and civil liberties is critical for the attainment of the above.

46. A number of public sector reforms have been undertaken to increase accountability and transparency and ensure citizens participation in their own political, social and economic governance. They include expanding decentralization and enhancing accountability at all levels of government, enhancing public sector capacity and strengthening public financial management and increasing the transparency and predictability of policy-making. In addition the programme puts emphasis on creating a conducive environment for private sector growth by developing 'soft infrastructure' through such initiatives as commercial justice, business and land registration procedures, improving economic freedoms and the regulatory and licensing environment, thus promoting the principles of modern corporate governance.

Political governance

47. The National Constitution of 2003 was a land mark in entrenching the principles of good governance, respect for human rights and the rule of law. It provides for equality and integrity of all Rwandans. Rwanda's political governance agenda puts focus on strengthening and improving the existing political system. It includes reforms to improve the extent of competition in executive and legislative elections, checks and balances to eliminate excesses and ensure separation of powers, and inclusive politics to promote free participation by all citizens in achieving peace and political representation.

48. The Presidential and Parliamentary elections held in 2003, following promulgation of the National Constitution, provided Rwandans with representatives of their own choice and a channel to participate in their own governance. At local level elections were held for leaders at all levels from the cell leaders to district mayors. Measures are undertaken to strengthen the capacity of the legislative to initiate, scrutinize and amend laws, to hold the executive accountable and supervise taxation and public expenditure. Efforts have

been made to improve citizens' access to government information for more accountability and transparency in public affairs management.

Justice

49. Ensuring justice in the post-genocide Rwanda is, at the same time, a prerequisite for a capable state and great challenge. In addition to the weaknesses of the pre-1994 judicial system, war and genocide compounded the situation by destroying both the human and physical capacity. Major challenges facing the judiciary include a large backlog of cases, building the skills and knowledge of a young judiciary, issues arising out of a combination of civil and common law systems, and inadequate budgetary and other resources.

50. The Government has embarked on a comprehensive reform of the judiciary, in order to address problems of an unstructured and inefficient system. This reform started by fulfilling the constitutional provision for an independent and autonomous judiciary, headed by the Superior Council of the Judiciary. The structure of the courts and the trial proceedings have also been reformed, replacing the previously uncoordinated system of 4 Supreme Courts with one. The reform also includes streamlining of the recruitment process, supported by a large-scale training and qualifications upgrading programme. It includes motivational factors such as improved incentive packages and better remuneration structure for judges and prosecutors. Other capacity development initiatives in the judicial sector include a massive programme of rehabilitating infrastructure and providing the necessary equipment for a more efficient and effective justice system. One key strategy is to develop an electronic court records system, using appropriate software.

Gacaca: community-based reconciliatory justice

51. In the aftermath of genocide and the disintegration of the justice system that it caused, rendering justice and trying the large number of genocide cases was a daunting task. Rwanda was also faced with the challenge of promoting national unity and reconciliation. The government adopted the *Gacaca* justice system, based on traditional community conflict resolution, not only to try the cases but to promote healing and reconciliation among the people of Rwanda. In this system based at village level, the community elects people of integrity (*Inyangamugayo*) as judges. Trials take place in the open in the presence of all residents. People give testimony, confess crimes and give information on events during the genocide; what they saw, heard and experienced. This process has greatly contributed to national reconciliation and healing and has provided a wealth of information that will make it possible to eradicate the genocide ideology.

52. This process is carried out in five phases: raising awareness about Gacaca and increasing knowledge about the law, election of judges, information gathering and trials, and reintegration of prisoners back into the community through community work, in lieu of certain categories of sentences (*Imirimo nsimbura gifungo*, or *Travaux d'intérêt général*, *TIG* in French.). This process has had tremendous impact on the reconciliation process and national cohesion. Large number of suspects have confessed their crimes and asked pardon from the victims and the nation as a whole. The process has also

provided a lot of information on events during the genocide thereby contributing to healing through truth.

Peace, security, and stability

53. A safe, secure and stable nation is among the prerequisites of a capable state. Strategies to strengthen democracy, the rule of law and respect for human rights in Rwanda have contributed to a safe and secure environment for all Rwandans and non-Rwandans living in the country. Rwanda has also endeavoured to create a climate of peace and security, not only on the national territory, but in the region and beyond, by maintaining and strengthening good relations with all countries and cooperating with other members of the international community in elaborating and maintain international law.

54. Other strategies have included enhancing the capacity of national security institutions, reorganizing and modernizing the army, and setting up a national police force for the first time in the history of the country. The Rwanda Defence Forces have been recognized for discipline and professionalism and have been called upon for a number of peace keeping missions. An ambitious programme of demobilization and reintegration, both for the national army and ex-combatants including Ex-FAR, has contributed to national development and unity and reconciliation. Other initiatives have included the rebuilding and reorganization of the prisons system and the introduction of the community policing programme.

Regional and international cooperation

55. Rwanda enjoys good relations with most countries in the world, particularly countries in the region. As a member of major regional organizations, Rwanda is a key player on the economic and political scene in the region. Rwanda belongs to the Common Market of Eastern and Southern African countries (COMESA) and has recently joined the East African Community. It is also a member of the “*Communaute Economique pour les Pays des Grands Lacs*” (CEPGL).

56. Rwanda’s position in the region has made it a key player in effort to bring lasting peace and stability in the region. Rwanda has participated closely in negotiations and implementation of peace agreements and restoring peace and stability in the region, particularly in the International Conference on the Great Lakes Region. Rwanda has participated in United Nations and African Union peace keeping missions.

National unity and reconciliation

57. The key challenge to national unity and reconciliation is to combat the prevalence of the genocide ideology in the country and the region. A number of measures have been taken, since 1994, to eradicate genocide and other divisive ideologies and to promote unity and reconciliation among Rwandans. A National Unity and Reconciliation Commission (NURC) was set up in 1999 to reinforce the institutional framework and put in place mechanisms for building a culture of peace and reconciliation. The commission has focused on combating the ideology of genocide and other discriminatory and divisive tendencies and consolidating human rights and national unity. It educates and

mobilizes the people through civic education, research and publications on peace, unity and reconciliation. It also carries out training on peace, conflict resolution and mediation, researches and documents best practices. The commission works closely with the justice sector and Parliament, and with private and civil society organizations to systematically mainstream unity and reconciliation in their programmes.

58. The legal environment for community-based mediation and arbitration has been strengthened, in order to build trust and tolerance among and between individual citizens. Unity clubs have been formed in the villages and joint economic activities are encouraged as a means of achieving peace and reconciliation, through better standards of living. *Umuganda* communal work provides an appropriate forum to discuss progress and constraints. National education syllabus and curricula are being adapted to mainstream unity and reconciliation in the system.

Gender equality and women's empowerment

59. Rwandan society, like many others, has been characterized by inequalities between men and women. In Rwanda, these inequalities have been exacerbated by unprecedented distortions in social relations caused by the 1994 genocide. The Government of Rwanda, however, is convinced that full participation of all strata of the population is a prerequisite for a stable and capable state. Since 1994, therefore, Rwanda has been distinguished for its integration of women in the reconstruction process, the protection of the rights of women and girls to economic development and to own property, their right to education and social services, particularly in the rural zones. Significant steps have been taken to ensure that women are given equal opportunities to fully participate in decision-making. Rwanda currently has the highest representation of women in parliament in the world, and women are well represented in decision-making positions in the public and private sectors and civil society.

60. A Ministry of Gender and Family Promotion in the Prime Minister's Office, is in charge of coordinating all actions related to the integration of a gender dimension at all stages of policy and development, mobilizing resources for gender promotion and the rights of children and families and empowering women in all other areas. The National Women's Council is organized in executive committees at all administrative levels, up to the grassroots. It is a strategy for integrating women in decision-making mechanisms and constitutes a mobilization and capacity building forum. Women in the private sector and civil society have organized themselves in umbrella organizations and chambers in order to further strengthen their organizational capacity. A Gender Observatory, provided for in the constitution, is in the process of being set up.

Freedom of the press and media development

61. In order to give citizens' a voice and the right to public information, and in order to promote development and unity and reconciliation, the press and media sector has been liberalized and strengthened. The purpose of the revised Rwanda Media Law is to harmonize it with the current situation, and to raise professional standards and streamline regulatory mechanisms. Local and international private radio stations and newspapers have mushroomed and new ones are being constantly established. The President of the Republic holds monthly 'meet the press' sessions and press

conferences whenever necessary. Government officials are encouraged to explain government policies and programmes through interactive forums, on radio and television and in the written press. Particularly popular programmes include the question and answer, *Kubaza bitera kumenya*, where government officials present policies and projects at an open forum including journalists and the general public, and answer telephone questions from those unable to physically be present. Private FM radios have debate programmes at which government officials explain and answer questions on policies, projects and programmes the people have a chance to air their views. The sector has been further strengthened by the setting up of the High Council of the Press, which monitors all issues of press freedom and development. Nevertheless, a challenge remains in increasing literacy levels, developing a culture of reading and critical analysis among the population and developing capacity for a responsible and professional media industry in the country.

Accountability, transparency and citizens' participation

62. A capable state has been defined as one that practices inclusive governance through empowering citizens and providing them with space to fully participate in their own political, social and economic development.

63. Mechanisms for all-inclusive citizens' participation in local decision-making and governance processes have been reinforced at various levels. Particular emphasis has been placed on ensuring citizens' voice as clients of local government, paying particular attention to the needs of women, youth, children and disadvantaged groups. Awareness and civic education campaigns have been conducted to inform the population about electoral processes, freedom of expression, political rights, civil liberties, duties and responsibilities. A sound regulatory environment for civil society is constantly improved to encourage development and effective public /private partnership in for development and to creating a dynamic and engaged society. A robust monitoring and evaluation system to effectively monitor and evaluate good governance programmes and social welfare will be established to inform decision-making. Capacity for data collection, analysis and management will be developed, including Citizens Report Cards and Community Score Cards.

64. There is continuous dialogue with non-state actors. A civil society policy has been drafted to strengthen civil society participation in design, implementation and monitoring of development. In the civil society sector, strict internal regulations and code of conduct and ethics are strictly observed and the sector has a forum to exchange and address any constraints that may arise.

65. Accountability and transparency initiatives and institutions have been set up in various sectors. They include the Auditor General Office, the Office of the Ombudsman, the Rwanda National Examinations Council (RNEC), the National Tender Board (NTB) and the Student Financing Agency (SFAR). Strict planning, budgeting, procurement and public expenditure procedures are supported by appropriate manuals and regulations to reinforce the culture of transparency and accountability.

Decentralization and pro-poor development

66. Over-centralized administration and lack of citizens' participation were identified as major limiting factors in building a capable, transparent and accountable state.

67. Rwanda's decentralization and community development policy focuses on creating a dynamic local economy through the ability of communities to drive their own development under a dynamic local government. It is intended to ensure participation of the community and ownership of their development for more sustainable poverty reduction. This has far-reaching capacity building implications. The challenge is to build capacity at central government level to coordinate activities in decentralized entities and to empower local communities to participate effectively in the development process. The policy seeks to reinforce the capacity of districts to plan and consult with communities, allowing them to identify their own development priorities, define strategies and participate in their implementation. Development planning, budgeting and implementation activities have been devolved to the district and sector levels, while the ministry and provincial level have a coordination role to ensure that government policies are appropriately implemented. Joint Action Forums bring together all local development actors, including community based organizations, donors, district committees, NGOs and community-based organizations, to discuss development needs, set priorities and define strategies. These forums will ensure inclusive and holistic development planning and implementation by bringing together all development stakeholders at district and sector level, in order to ensure coherence and demand-driven rather than supply-driven development initiatives.

Public financial management reforms

68. From 2001, the government has embarked on a comprehensive reform of public financial management aimed at modernizing the country's public financial management infrastructure, regulatory framework, policies and systems, at central and local government levels. Specific reforms to budget policy and the management of expenditure include modernization of the accounting function through implementation of the new Organic Budget Law, professionalization of accounting and training on the law and regulations. A separate internal audit unit has been established under the ministry of finance, with the responsibility of leading the internal audit improvement and modernization.

69. Continuous capacity development is necessary for autonomous public institutions responsible for overseeing transparency and accountability, including the Rwanda Revenue Authority for revenue mobilization, the National Tender Board to ensure good and transparent tendering practices and the Auditor General's Office that ensures transparency and accountability in public financial management. Parliamentary oversight is assisted by a Supreme Audit Institution, as a prerequisite for an effective system of checks and balances based on the rule of law.

Corporate governance

70. In order to promote an enabling environment and effective regulatory framework for economic growth, the government is undertaking a wide range of legal and judicial reforms to bring its laws and regulations into conformity with international and regional standards. A number of drafts for laws are being prepared or examined by parliament. They include the Investment code, Intellectual Property Code, Microfinance and Banking law, Environment Law and Money Laundering law. Draft laws are planned in the areas of insolvency and bankruptcy, commercial disputes resolution, competition and consumer protection, as well as a Companies Act.

71. An inter-ministerial Task force has been set up to monitor the implementation of standard and codes and to raise awareness of corporate governance issues in the public and private sector. Relevant regulatory bodies, including the Rwanda revenue Authority (RRA), Rwanda Environment Management Agency (REMA), Rwanda Bureau of Standards (RBS) and the National Tender Board (NTB) are monitored to ensure that they are active in enforcing the laws.

Private sector development

72. Policies to create conducive environment for sustainable development and economic development have been developed. The government's policy of supporting and reinforcing the private sector and creating a conducive environment for investment includes the mobilization and organization of the private sector through the Rwanda Private Sector Federation and its chambers. Private/public partnerships have been created across the board in order to ensure inclusive governance.

73. The setting up of the Rwanda Privatization Authority demonstrates the government's commitment to reducing its involvement in the business and commitment to supporting private sector growth. Under the programmes of the agency, the privatization of public enterprises is almost complete. The policy is intended to boost private sector development and entrepreneurship. Institutions to ensure a competitive and cost-effective business environment include the Rwanda Investment and Export Promotion Agency (RIEPA), the small and medium enterprise promotion centre, *Centre d'Appui aux Petites et Moyennes Entreprises au Rwanda* (CAPMER), the small and medium rural enterprises promotion project, *Projet de Promotion des Petites et Moyennes Entreprises Rurales* (PPPMER), and the Private Sector Federation (PSF) and its chambers.

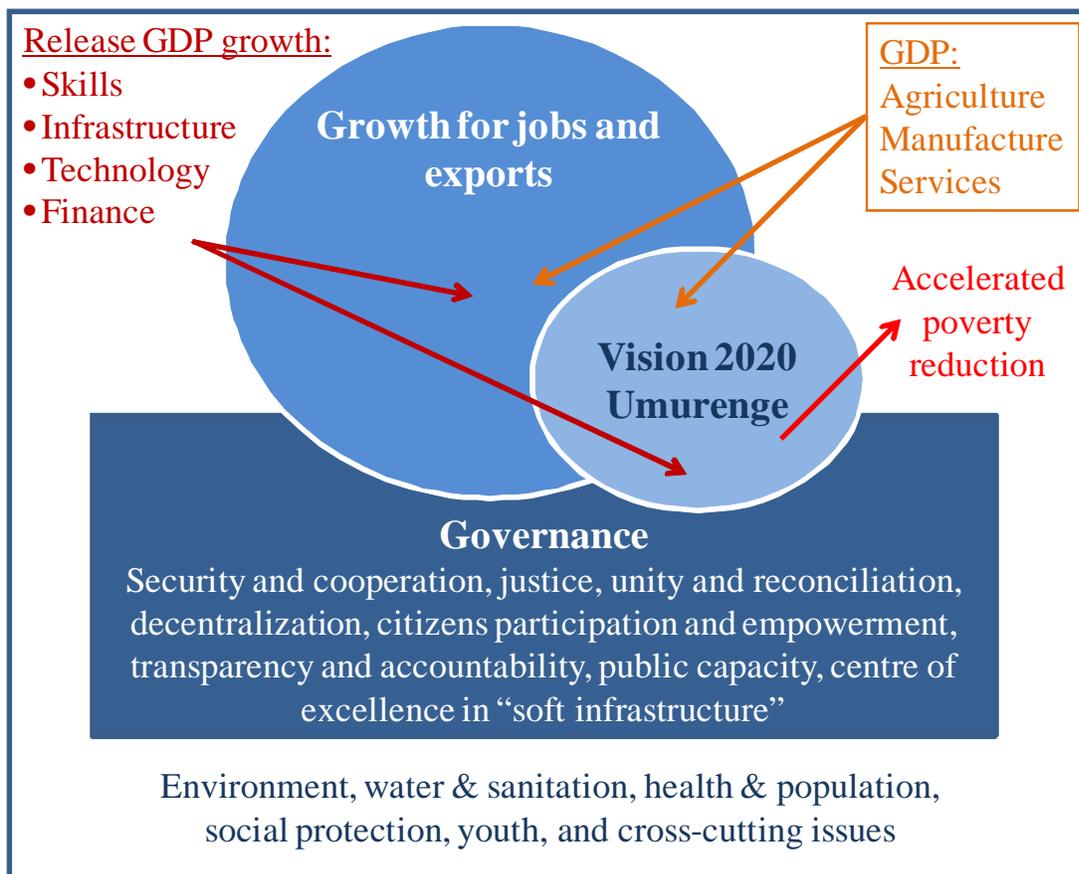
74. Private sector development is a central pillar of Vision 2020 and goes hand in hand with privatization of public enterprises to promote entrepreneurship. RIEPA was established to promote and facilitate investment in the country and provide incentives for investors.

75. A lot of effort has been put into promoting investment in the rural areas and the development of the private sector. Institutions like CAPMER and PPMER have been set up to support the entrepreneurs for a more sustainable private sector and poverty reduction.

Economic development and poverty reduction

76. Wide-ranging capacity constraints were identified as a major impeding factor in the implementation of the PRSP1. The EDPRS seeks to address these constraints for more effective progress towards achieving the Millennium Development Goals (MDGs) and the country's Vision 2020. It builds on achievements in human capital development and promotes three inter-dependent flagship development programmes: Sustainable Growth for Jobs and Exports; Vision 2020 *Umurenge*; and Governance¹. Taken together, the flagship programmes constitute a comprehensive agenda of economic growth favouring the poor and underpinned by good governance.

Figure 0.1 Pro-poor growth anchored in good governance



Source: Government of Rwanda, EDPRS 2008-2012

77. Capacity development initiatives in the governance sector have been discussed in the previous section. This section will concentrate on the growth for jobs and export sector and Vision 2020 *Umurenge* that address poverty eradication more directly.

Growth for Jobs and Exports Programme

78. The growth for jobs and export programme aims to make the Rwandan business environment more competitive and to lay the foundation for strong private sector growth. Policy interventions to drive this programme include the development of skills and capacity for productive employment; improving the infrastructure, especially energy, transport and communications; promoting science, technology and innovation; widening and deepening the financial sector; promoting opportunities in agriculture, manufacturing and services priority sectors of the economy; and improving governance across the sectors. In order to achieve these targets, the importance of a good policy and governance environment cannot be overemphasized.

79. Opportunities for growth have been identified in three sectors of the economy: raising agricultural productivity; increasing the contribution of manufacturing sector; and development of the service sector.

80. Raising agricultural productivity and ensuring food security is intended to be done through intensifying soil conservation measures, increasing livestock rearing to raise asset ownership among the poor and developing marshlands for growing high value crops such as rice. Extension of irrigation and greater use of improved seed are encouraged for increased and more sustainable production. Special attention will be paid to access to food by the most disadvantaged and vulnerable rural households with particular attention to women, people living with HIV and AIDS, orphans and child-headed households. Strengthening this sector is also expected to increase employment opportunities for youth in the short term.

81. In the long-run, the main source of job creation in Rwanda will pass from the primary to the secondary and tertiary sectors. To prepare for this transition, measures will be taken to enhance the production of competitive and high value manufacturing goods for sale in local, regional and international markets. The new Industrial policy focuses on five main strategic objectives, namely; enhancement of the performance of the existing manufacturing sector; development of new product lines; export promotion strategies; incentives for foreign direct investment; and promoting resource-based manufacturing.

82. The potential comparative advantages have been identified in financial services, tourism, transport and logistics services, health services and education services which have already contributed significantly to economic growth over the last decade. The emphasis will be put on widening and deepening the financial services sector as the sector has been tipped to be a strong potential source of comparative advantage in the region. This will require further opening up of the sector to foreign capital and modern, dynamic management and technologies. This planned opening up will bring in the required skills for the financial sector whose development further depends on the existence of strong “soft infrastructure”, good regulatory governance, and macro-economic stability.

1. Government of Rwanda. Draft Economic Development and Poverty Reduction Strategy, 2008-2012. Kigali, 2007.

Tourism is another important sector for both employment and foreign exchange earnings. Rwanda has a substantial advantage in the tourism sector which offers many investment opportunities. It is intended to promote tourism which is ecologically friendly and environmentally sustainable.

83. All these plans will be of no consequence if the population remains trapped in the vicious circle of poverty and poor health. Poor health reduces household savings, constrains learning ability, lowers productivity and leads to low quality of life. In order to improve the health sector, the government plans to undertake six major interventions. The first is to improve reproductive health services and family planning in order to reduce maternal, infant and child mortality and slow population growth. Measures for reducing the incidence of communicable diseases including malaria, tuberculosis and AIDS will be intensified through improved prevention, care and treatment. Other measures include decreasing the prevalence of childhood diseases through immunisation, reducing the rate of chronic and acute macronutrient malnutrition and micronutrient deficiencies, improving the environmental health and hygiene conditions of the population and improving the national mental health programmes.

Strengthening economic infrastructure

84. Weak economic infrastructure remains a key challenge for development in Rwanda. The infrastructure development sector has focuses on five sub-sectors: transport, energy, housing, ICT and meteorology. The main strategies for this crucial sector include greater involvement of the private sector and decentralized entities in policy implementation, local community participation on a community contract basis, promotion of regional initiatives and enhancement of capacity and coordination mechanisms. Various initiatives to improve the sector have been undertaken, including the rehabilitation and maintenance of the road network, development of alternative methods of transportation, such as the proposed extension of the railway from Isaka, in Tanzania, to Kigali, upgrading the airport at Kanombe, studies for a new airport in Bugesera and some water transport schemes.

85. In the energy sub-sector there are efforts to increase access to electricity for enterprises and households through an ambitious biogas development programme and increasing the national hydro-electricity grid.

86. Issues of habitat are of great importance in Rwanda, given the land scarcity and the dislocations caused by genocide and past bad governance. It is envisaged that by 2020, 70% of the population will be living in rural grouped settlements (*imidugudu*) and 30% in urban areas. Sound policy and strategies for urbanization and *imidugudu* have been developed with the involvement of all stakeholders, in order to boost the sector.

87. Efforts have been made to widen access to ICT among the population and to promote ICT for e-Governance, education and capacity building, and use by the private sector. ICT infrastructure and networks are being extended throughout the country, including pilot telecenter and public kiosks projects, development of an IT park, and

increased band-width connectivity. This sector is expected to raise employment by creating up to 20 000 jobs a year by 2020.

A national coordinating body, the Rwanda Information Technology Authority (RITA) has been set up to support the development and implementation of the Information and Communication Infrastructure plan – NICI Plan. RITA coordinates all national ICT initiatives and projects, facilitates the work of IT divisions and departments in government institutions and provides advisory services and technical support services. It is responsible for developing standards and guidelines, promoting public awareness and education on the role of ICT to the general public.

88. Another project is the e-government project whose objective is to improve efficiency and effectiveness of some internal processes of government, and management and delivery of services in selected key sectors. This project serves as an enabler for growth and development through the use of technology.

Promoting science and technology and innovation

89. Realizing that without a large natural resources base to depend on and that development in Rwanda will have to be centred on the people, the government has adopted a policy of promoting science, technology and innovation. The National Science and Technology Innovation Policy recognizes that an effective approach to capacity building must include policies to promote knowledge acquisition, creation and transfer, as well as building a culture of innovation.

Vision 2020 Umurenge

90. *Vision 2020 Umurenge (VUP)* is an innovative pro-poor growth programme aimed at eradicating extreme poverty by the 2020. The central principle of this programme is to release the productive capacities of the poor and extremely poor in order to lift them out of extreme poverty in a cost-effective and sustainable fashion. The programme balances socio-economic transformation (economic growth, job creation and poverty eradication) with local participation mechanisms to ensure ownership and sustainability. The programme is based on three principles: releasing the productive capacities of the poor, fostering sustainable progress ; and initiating and implementing change management.

Releasing productive capacities

91. VUP will revive public works but the works have to be planned and based on identified needs to build community assets and they must use community-based participatory approaches, such as *Ubudehe*, a traditional culture of collective action of solidarity and mutual help has been adopted by the Government of Rwanda as an appropriate approach to fight poverty at community level. Innovative credit package, accessible to the poor without collateral, foster entrepreneurship and off-farm employment opportunities. These packages are designed to make the best possible use of scarce resources, involve the private sector at local level, and provide people with incentives to improve their own productive capacities. Finally, VUP includes direct support to improve access to social services and thereby expand access to social services including health and education. It also encourages the development of appropriate skills in such areas as handcrafts and social service activities. The selection

of public works and proposals for credit packages is driven by a participatory planning process in order to promote the identification and prioritization of community needs.

Fostering sustainable progress

92. VUP will foster sustainable progress by creating off-farm employment in the rural areas and thereby facilitating the eventual transition to a modern knowledge-based society according to Rwanda's Vision 2020. It will accelerate the process of monetization and development of a formal economy, thereby ensuring long-term sustainability. VUP will rationalize and improve the effectiveness of social protection programmes by redirecting them to the neediest people, including the land less and those unable to work.

Change management

93. VUP seeks to bring about change in the efficiency of poverty reduction to ensure that economic growth translates into poverty reduction and real per capita consumption growth. In order to effectively manage this change, the notion of inter-connectedness across line ministries needs to be instilled. The need for a coordinated response to the problem of poverty eradication needs a change of attitudes through pro-active interventions in all sectors.

94. The flagship programmes in the EDPRS provide an opportunity to make a difference in poverty eradication, in comparison with previous strategies that showed limitations of isolated interventions.

There are other complementary interventions to achieve the EDPRS targets. These are:

- Managing the environment and ensuring optimal utilization of natural resources
- Improving water resource management and access to safe drinking water and sanitation
- Strengthening health programmes a, as well as slowing down the population growth rate
- Integrating and extending social protection
- Supporting youth participation in economic and social development.

4.2 Challenges

95. In spite of the efforts outlined above, Rwanda's road map to building a capable state still faced major challenges.

96. Although Rwanda has achieved certain of the MDGs, such as gender equality in primary school enrolment and reducing HIV prevalence, the country is on track to attaining several others, such as preventing the rise of malaria incidence, the targets for reducing consumption poverty, under-5 mortality rates and stunting due to child malnutrition still pose a challenge.

97. With regard to Vision 2020 targets, the country is on track for several indicators, including the aggregate investment rate, the growth of industry and services, the growth of the urban population, the use of chemical and organic fertilisers, literacy, life expectancy, and gender equality in tertiary education and in parliamentary representation.

98. However, performance has been much weaker in some other areas. Per capita income has not risen as fast as hoped, and the 2020 target of US\$900 now seems out of reach. The national savings rate has fallen since 2000 and the number of non-agricultural jobs is less than half the target for 2010. Economic inequality has not decreased, and while secondary school enrolment has risen, it has reached only 25% of the 2010 targets. The admission rate to tertiary education is also well below that required to create the knowledge base needed to accelerate the growth of a skill-intensive services sector. Of greatest concern, is the rise in the total fertility rate which implies that population growth is higher than planned.

4.2.1 Entrenching democracy and the rule of law

99. Entrenching a democratic culture, accountability and transparency in the population that has been scared by decades of bad governance and divisive politics that led to genocide and the destruction of the moral fabric of the nation, requires strong and sustained strategies supported by adequate resources. In the context of Rwanda, the persistence of the genocide ideology in the country and the region as a whole, constrains the attainment of a secure and stable environment that underpins economic growth and prosperity. In spite of considerable progress, justice, unity and reconciliation and empowering the people, politically, socially and economically remain high on the priority of the Government of Rwanda.

4.2.2 Capacity utilization and retention

100. In the area of human resource development, capacity utilization and retention remain a major constraint. An insufficient skills base is compounded inadequate skills development framework for utilization and retention. The public sector, in particular faces the challenge of attracting and retaining competent and highly qualified personnel, because of more attractive remuneration packages in the private sector and international organizations. Recent public sector reforms have addressed the issue with incentives in professional development through study scholarships, housing and transport facilitation through soft loans, and others. Human resources development institutions are still inadequate and often lack specialized trainers and experts. Rwanda needs to capitalize on its comparative advantage to scale up human resource development initiatives, in order to create a competitive human resource base in the context of regional integration and globalization. The civil society sector has particular problems of shortage of qualified

human resources and inability to retain those they have because of inadequate financial resources to provide incentives to the workers.

4.2.3 Resources constraints

101. As a developing country, resource constraints constitute a major limiting factor to national development. These constraints include inadequate financial resources, poor social and economic infrastructure including transport, communications, and energy, including relevant equipment and materials. Lack of data and appropriate information management structures and systems limit efficient planning and policy formulation.

4.2.4 Conceptual issues

102. Conceptual challenges remain in certain sectors, including the limited interpretation of what capacity building really entails, which limits the impact of interventions. This calls for a paradigm shift in the way capacity development is approached. There is a need to adopt a total systems approach and address all the aspects of the capacity of individuals, organizations and systems. Strategies need to be consolidated and reinforced to further develop planning and monitoring and evaluation tools and structures. A great information gap and problems of knowledge and information generation and management impede planning and informed policy development. The setting up of the National Institute for Statistics will go a long way in addressing this challenge.

103. Decentralized planning and programme implementation as well as initiatives to promote citizens' ownership of the development process need to be reinforced, in order to replace supply-driven initiatives by the more sustainable demand driven initiatives. The functioning of public sector institutions needs to be strengthened further by increasing the capacity to translate policies into concrete programmes and enhancing coordination and monitoring and evaluation mechanisms. More emphasis needs to be put in comprehensive needs assessment and implication of all stakeholders in the conception, planning and implementation of programmes.

4.3 Best Practices

104. A strong national identity and vision were identified central components of a capable state. The Government of Rwanda has adopted a number of programmes based on Rwanda's cultural heritage to tackle key development issues by engaging the people and ensuring accountable governance.

4.3.1 Results-oriented performance and accountable governance

105. *Imihigo* is a performance contract containing development targets for the district during a given period. These targets are based on development priorities identified by the people themselves, through all the different levels of local government. The contracts are signed between the President of the republic and district mayors, who have to report regularly the President and the people on progress in implementing these

contracts. This has greatly enhanced people's participation in their own development and reinforced the concept of results-oriented governance. It is also an effective mechanism for evaluation and monitoring of development activities.

106. Another aspect of promoting citizens' participation and ownership of their development is the community work carried out every last Saturday of the month at village level throughout the country (*Umuganda*). During *Umuganda* all inhabitants come together to carry out beneficial activities to the community and to discuss issues of national and local interest and plan for development. This provides a good forum for transmission of public information and gives the people a voice in governance.

4.3.2 Promoting citizens participation and social inclusion

107. The decentralization process and the local government reform programme are an important step in bringing governance and decision-making closer to the people. Development planning and implementation as well as delivery of basic services are now based at district level, with input from the grass roots, right down to the village level. The government has adopted the concept of 'Joint Action Forums' at district and sector levels. These forums bring together all development stakeholders (local authorities, community –based organizations, NGOs and development partners) for a holistic and integrated approach to development planning and implementation. One of the three flagship programmes in the EDPRS, *Vision 2020 Umurenge*, is specifically tailored to eradicate extreme poverty by 2020, by targeting the very poor and most vulnerable in order to unleash their productive capacity and provide them space to fully participate in their own development.

108. *Ubudehe*, a traditional culture of collective action of solidarity and mutual help has been adopted by the Government of Rwanda as an appropriate approach to fight poverty at community level. This system of communal work, which is embedded in the Rwanda mind-set, benefits the poor and promotes social dialogue, solidarity and unity. It increases the people chance to participate in planning and decision making and empowers women and the vulnerable groups.

109. Public/private partnerships with the private sector and civil society and engaging them in development processes is a basis for inclusive and sustainable development.

4.3.3 Healing and reconciliatory justice

110. The traditional community-based justice system, *Gacaca*, has played a key role in rendering justice in the aftermath of genocide and the social dislocation caused by its effects. It has accelerated the trial of genocide cases, provided invaluable information that will be useful in formulating strategies for eliminating genocide and related ideologies. Most importantly, however, it has contributed enormously to the healing process and the promotion of unity and reconciliation, as perpetrators confess their crimes and ask for pardon, both to the victims and the nation as a whole. Another conflict resolution mechanism, *Abunzi*, are elected by the people at community level to

manage minor social conflicts, reconcile the people thereby reducing tensions in the community and forestalling the development of conflict situations.

4.3.4 Gender equality and women's empowerment

111. Rwanda's gender equality and equity policies are enshrined in the national Constitution which provides for at least 30% for women in parliament and other decision-making instances. As a result of this and the political leadership's commitment to equality, Rwanda is currently in the number one position world-wide in terms of women's representation in parliament with 48.8% representation. It also occupies one of the highest places as regards the number of women in decision-making positions and heading some of the country's most important institutions. A national Council for Women with representatives at all governance levels coordinates the implementation of gender and women empowerment policies and programmes.

4.3.5 Transparency and accountability

112. A culture of accountability and transparency forms a good foundation for a stable and democratic state. This requires the support of strong oversight institutions. The setting up and reinforcing of independent institutions like the office of the Auditor General, the Office of the Ombudsman, the NTB, RNEC and similar institutions has greatly enhanced accountability, justice and the war on corruption.

113. Deliberate promotion of ICT and other technologies is meant to ensure the development of a modern and self-reliant state and to position Rwanda for competitiveness in the integrated regional economies and globalizing world.

5. CONCLUSIONS AND RECOMMENDATIONS

114. In spite of considerable challenges, progress has been made in a number of areas. A good foundation for democratic and accountable governance has been set and progress has been noted in national unity and reconciliation, and in restoring peace and security in the country and in the region. Rwanda enjoys excellent relations with other countries and development partners. Initiatives to increase citizens' participation and ownership of their development are bearing fruit and significant steps have also been made in social-economic reconstruction. Rwandans need to take advantage of the prevailing visionary leadership and good political will to construct a stable and capable state.

115. More programmes and resources are still required, however, to drive the ambitious development targets the country has set. Further mechanisms for improving the functioning of public sector institutions, to improve their human material and physical capacities need to be enhanced.

116. Skills gaps continue in all sectors, particularly in the capacity to translate policies into concrete programmes. There is a need to further consolidate the coordination of capacity development initiatives and to review and analyse factors impeding effective utilization and retention of existing capacity.

117. Capacity weaknesses in the private sector and civil society were recognized and it was recommended that more effort should be invested in strengthening these sectors, which are crucial for national development.

118. The importance of matching capacity development initiatives and reforms with needs and development policies, based on wide consultation was emphasized, as was the need to focus on practical skills to drive a knowledge-based economy. These initiatives should be accompanied effective monitoring and evaluation mechanisms. The consultancy system in the country needs to be reviewed in order to avoid always having to import technical skills which is very costly and does not ensure continuity and institutional memory. Much remains to be done in developing a results-oriented culture and work ethic. The performance contracts are a step in the right direction.

119. Emphasis should be put on institutional capacity building and creation of a conducive environment for performance, rather than individual training. Performance indicators should be clearly set to facilitate monitoring and evaluation and knowledge sharing systems should be put in place.

120. Civil society needs to be more pro-active in capacity development because of its privileged position of being closer to the people, particularly in the decentralized government structures. The private sector should be encouraged to participate more in capacity development planning and implementation, particularly in human resources and infrastructure development, as they are the prime beneficiaries. In general, it was also strongly recommended that budgetary provision for capacity building should be increased.

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GLOSSARY OF KINYARWANDA TERMS

<i>Abunzi</i> :	Stems from the word 'Kwunga', to reconcile. These are elected officials at community level who manage minor social conflicts, and reconcile people and thereby reducing tensions in the community.
<i>Gacaca</i> :	Literally, 'on the lawn'. This is the traditional reconciliatory justice adopted by the Government of Rwanda to handle some categories of genocide cases. It is based on the traditional practice of community conflict resolution carried out openly with the participation of the whole community.'
<i>Imihigo</i> :	A performance contract containing development targets at district level based on priorities identified by the people. It is based on a traditional practice of setting achievement goals in a public forum.
<i>Imirimo nsimbura gifungo</i> :	General community work carried out by released genocide Prisoners, in lieu of some sentences.
<i>Inyangamugayo</i> :	People of integrity. This term is used for the elected community judges in Gacaca courts.
<i>I-Yakure</i> :	Literally= from far. Distance learning
<i>Kubaza Bitera Kumenya</i> :	Literally, 'inquiry leads knowledge'. Popular radio and television phone-in programme where national issues and international concerns are debated.
<i>Ubudehe</i> :	A traditional form of collective action of solidarity and mutual help
<i>Umudugudu</i> :	Village. Community regrouped settlement and smallest administrative unit.
<i>Umuganda</i> :	Community work at village level of general common interest
<i>Umurenge</i> :	Administrative unit below the district level