



CTB

Republic of Rwanda



**MINISTRY OF FINANCE AND
ECONOMIC PLANNING**

ANNUAL REPORT - STUDY AND EXPERTISE FUND 2013 RWA1309111 PAREC



The platform for the biological study of Lake Kivu

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Acronyms

AFD	French Development Agency
BTC	Belgian Development Agency
CPPR	Belgian-Rwandan development cooperation portfolio performance review
ESIA	Environmental and Social Impact Assessment
EWSA	Energy Water and Sanitation Authority
ICEIDA	Icelandic Cooperation
JLCB	Joint Local Consultative Body
M&E	Monitoring and Evaluation
MINECOFIN	Ministry of Finance and Economic Planning
MININFRA	Ministry of infrastructure
MS4	Project MINISANTE IV
PAREC	Programme d'Appui à la Réalisation d'Etudes et de Consultation (Program of support for the execution of studies and consultancies)
PAREE	Programme d'Appui à la réalisation d'Etudes et d'Expertise (Program of support for the execution of studies and expertise)
RMH	Rwanda Military Hospital
SPH	School of Public Health

1 Intervention at a glance

1.1 Intervention form

Intervention name	Rwanda-Belgium Study and Expertise Fund / Support program to implement Studies and Consultancies
Intervention Code	RWA1309111
Location	Rwanda
Budget	1.154.935,95 €
Partner Institution	MINECOFIN
Date of implementation Agreement	October 26th, 2010 – October 25th, 2015
Duration (months)	60
Objective	To finance studies and expertise (fully or partially)

1.2 Budget execution

Total Budget	Expenditure year 2013	Balance	Total Disbursement rate
€1,154,935.95	€896,911.14	€258,024.81	78%

National execution official ¹	BTC execution official ²
Tom Butera	Ahmad Parsa

¹ Name and Signature

² Name and Signature

2 Context

2.1 General context

PAREC is a fund managed by MINECOFIN and BTC, in close collaboration with the Belgian Embassy in Rwanda, to finance studies and consultancies as requested by certain institutions and Government Agencies of Rwanda

Applicants firstly present their requests to MINECOFIN. Once accepted by MINECOFIN and BTC, the study or consultancy is implemented with the administrative assistance of the PAREC secretariat, which is composed of a MINECOFIN representative and another from BTC.

In the course of 2013, eight studies were undertaken and three completed, of which two were already underway during the previous year.

During a meeting of the PAREC steering committee on 31 October 2013, an important decision was taken: No longer will MINECOFIN and BTC be responsible for signing the contracts financed by PAREC. Rather, they will only register a 'no objection' before the contracts are signed by the requesting institution, thus increasing their ownership and accountability.

2.2 Management context: execution modalities .

Although it is not its role, the PAREC secretariat is becoming more and more involved in the funded studies and consultancies. It needs to very actively participates in the tender process and in the following implementation stages of the signed contracts, in order to have the process moving at a reasonable pace .

During 2013, the Specific Agreement signed on 23 October 2006 was terminated and the new Specific Agreement, signed on 28 October 2010, became operational.

Mr. Janvier Ahimanishyize, previously representing MINECOFIN in the secretariat of PAREC, has left the Ministry. He has been replaced by Mr. Tom Butera who now collaborates with BTC at the secretariat of PAREC.

The execution modalities of the intervention are considered "appropriate". However, in order to improve the quality and to speed up implementation of the studies,, improvements would be required in the study management processes of the requesting entities

Dialogue is currently ongoing towards modifying the modalities of implementation of the fund in order to have the PAREC fund even more used and to improve the follow up and the speed of the studies. This will require the preparation and the signature of a new Specific Agreement.

2.3 Harmo-context

Collaboration with the AFD (French Development Agency) whilst undertaking the ESIA (Environmental and Social Impact Assessment) study has been useful in terms of

exchanging information and expertise (AFD providing expert advice on TOR). AFD was to contribute financially to the ESIA, but ultimately this did not eventuate.

Other BTC supported institutions are aware of the existence and potentialities of the PAREC;. Some motivate their anchoring Ministry to request studies by the fund, or to support the requesting Ministry in initiate their own studies. . For example, the Health Project (MS4) has supported PAREC during the tender process of the study for the Rwanda Military Hospital.

No information is currently available on the existence of any similar mechanisms, be they Rwandan or connected to other donor agencies.

3 Analysis of progress made

3.1 Studies

3.1.1 Progress of studies

Progress of studies ³	A	B	C	D	Comments (only if the value is C or D)
1 – Scientific Guidance Study for an integrated transition process towards Rwandan-Belgian cooperation in the Health Sector.			X		All activities are finished and the financial report has been received and accepted by BTC. Only the final narrative report remains outstanding. Globally the activities have been slowly implemented.
2 – Biological Study of Lake Kivu		X			
3 - Elaboration of the plans and monitoring the construction works of the Karongi Museum.			X		The consultant activity was to supervise the construction work of the Museum. As the construction work took more time than what was planned, the consultant supervising the activity was obliged to increase his delay and finished his consultancy late.
4 - Procedures manual for EWSA				X	The study has been put on hold because of the Government's decision to split EWSA into two institutions. In 2014 ,MINECOFIN and BTC will discuss with EWSA before deciding what to do with this study.
5 - 6 Films on renewable energy			X		The 6 films are ready, but the process of acceptance by the museum has taken much more time than expected
6 - Consultancy services to strengthen the safety health and environment programs of the Rwanda Military Hospital				X	Only one bidder has answered to the tender and the evaluation committee has not accepted the offer. In 2014 PAREC has to discuss with RMH to decide whether or not to continue with the study.
7 - Environment and social impact assessment of KARISIMBI and KINIGI		X			

³ A: Ahead of schedule
 B: On schedule
 C: Delayed, corrective measures are required.
 D: Seriously delayed (more than 6 months). Substantial corrective measures are required.

8 - Development Assistance Database for MINECOFIN			X		The activity is ongoing. It is monitored directly by MINECOFIN. The component financed by PAREC is finished.
9 - Geothermal Expert Advisory Committee			X		By the end of the tender process, it became apparent that the need for this activity no longer existed and the tender was cancelled accordingly.

3.1.2 Analysis of studies completed

Title of study:	Scientific Guidance Study towards an integrated transition process towards Rwandan-Belgian cooperation in the Health Sector.
<i>Describe, in a few sentences, for who the study was organised, and what it was about</i>	The study was undertaken by the School of Public Health of the National University of Rwanda. It is intended to support the SPH in better following the Rwandan-Belgian Bilateral Cooperation in the Health Sector
<i>Have the studies been used as intended?</i>	Thanks to the study, the health program has been boosted by scientific support as intended.
<i>To what did the study contribute?</i>	The study contributed towards producing articles and a capitalization workshop on health, particularly urban health
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did they impact the study or the use of the study?</i>	It was challenging to get the SPH to proactively perform their required tasks, at scientific and contract management level.

Title of study:	Finalizing the Plans and Monitoring the Construction Works of the Karongi Museum
<i>Describe, in a few sentences, for who the study was organised, and what it was about</i>	The study was undertaken by the Institute of National Museums of Rwanda to prepare the plans, and survey the construction of the new Museum in Karongi.
<i>Have the studies been used as intended?</i>	The study was of high quality and contributed substantially towards the construction of the new museum, as intended.
<i>To what did the study contribute?</i>	The study has contributed to a building that answers to the needs of the Institute of National Museums of Rwanda
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did they impact the study or the use of the study?</i>	It was requested that the study scope be expanded to include other aspects of the museum (gardens, exhibition spaces), but the request was denied due to a previous extension.

Title of study:	Environment and social impact assessment of KARISIMBI and KINIGI
<i>Describe, in a few sentences, for who the study was organised, and what it was about</i>	The study was organised for EWSA to assess the environmental and social impact assessment of two sites where geothermal exploration was to start.
<i>Have the studies been used as intended?</i>	The study will be used as intended once the geothermal exploitation activities begin.
<i>To what did the study contribute?</i>	The study has aided the relevant authorities in receiving the necessary authorisation to commence exploratory drillings.
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did they impact the study or the use of the study?</i>	<p>The study has begun an interesting discussion about standards of compensation and which are to be used; World Bank standards or Rwandan standards.</p> <p>As the exact sites for the exploratory drillings in Kinigi are not yet known, a complementary study will be undertaken once the sites are identified to precisely determine compensation plans.</p>

3.2 Expertise

3.2.1 Progress of expertise

Expertise in Progress⁴	A	B	C	D	Comments (only if the value is C or D)
1 Geothermal Expert Advisory Committee				X	The ToR were deemed too vague and limitative, in terms of scope, budget and duration. The procurement process has not been completed. It is now cancelled. A short term solution has been found through a collaboration with ICEIDA (Islandic Cooperation) for the most urgent need, related to exploration expertise. Additional firms will be procured for other types of expertise, when the geothermal development program is at a more advanced stage.

⁴ A: Expertise completed in year N
B: Expertise ongoing
C: Expertise in preparatory phase: preparation going as planned (writing ToR, procurement procedure, etc.)
D: Expertise planned but delayed

3.2.2 Analysis of expertise

Title of expertise – name of expert:	Geothermal Expert Advisory Committee
<i>Describe, in a few sentences, what the expertise is/was about</i>	Expertise was provided to help the geothermal development program (GDP) of Rwanda, led by the Geothermal development unit of EWSA, advance as quickly, reasonably, affordably and safely as possible. Further expertise and guidance will be provided throughout the exploration and development processes to ensure a high quality of all work undertaken within the GDP
<i>To what extent is the expertise delivering results?</i>	The expertise has not yet started
<i>To what has the expertise contributed?</i>	The expertise has not yet started
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did these impact the expertise and the result of this expertise</i>	<p>The original idea was to procure a group of 6 individual consultants, each an expert in one field, who could act individually or as a team (expert committee). Constraints became evident during the procurement process however (how would collaboration and coordination among the individual consultants work?; what about the impartiality of consultants who might have links with companies involved in field operations?; what would be the activation modalities of their support?). The ToR were deemed too vague and limitative, in terms of scope, budget and duration.</p> <p>For these reasons, the procurement process has not yet been completed. Collaboration with ICEIDA and ISOR is being discussed and additional firms will be procured, when the geothermal development program is at a more advanced stage.</p>

3.3 Budget execution

See annex “Budget versus year 2013” Report.

According to the accounts for 2013, the project has disbursed €896,911.14; amounting to more than half of the total budget. This apparent high amount of expenses in 2013 is in reality the result of an accountancy adjustment, and does not reflect the real disbursements. The expenses actually incurred in 2013 are approximately 310,000 Euros. The rest of approximately 580,000 Euros comes from the disbursements done between 28 October 2010 (date of the new Specific Agreement) to 31 December 2012. In the years 2010 to 2012, this amount has been by mistake allocated to the previous PAREC project. This situation had to be corrected : during 2013 it has been transferred to the new PAREC.

3.4 Quality criteria

Relevance:

Ensuring that each request is accepted by MINECOFIN and BTC, having received a 'no objection' from the Belgian Embassy in Rwanda, means that the studies and expertise provided are in line with local and national priorities.

The score B has been attributed to relevance because in a few cases previously authorised studies – while relevant - were in sectors other than those prioritised by Belgian cooperation in Rwanda.

Efficiency:

While the budget of each study and expertise has generally been respected, it was sometimes very difficult to have activities executed on time (by the partner institution). In some cases, the extended execution of a study or expertise was justified by contextual reasons, but more often it was due to a lack of proactive management by the requesting party.

The score C has been attributed to efficiency.

Effectiveness:

In the majority of the cases, the studies have contributed to their intended objectives. But in a few, the studies have not produced a result that added value to the relevant sector. The score B has been attributed to effectiveness.

Sustainability:

The results of some studies (see “Environment and social impact assessment of KARISIMBI and KINIGI” or “The Biological Study of Lake Kivu”) have had an impact on the decision making process of Ministries, Agencies and related projects. The results of other studies such as “the Elaboration of plans and Monitoring of the Construction Works of the Karongi Museum” are used for their own purposes.

The score B has been attributed to sustainability.

Criteria	Score
Relevance	B
Efficiency	C
Effectiveness	B
Sustainability	B

3.5 Risk management

Risk Identification			Risk analysis			Risk Treatment			Follow-up of risks	
Description of Risk	Period of identification	Risk category	Probability	Potential Impact	Total ⁵	Action(s)	Resp.	Deadline	Progress	Status
Delays in the implementation of the studies and expertise funded by PAREC.	Q2 2013	Development and operational	High	Medium	C	To be in closer contact with the beneficiaries of the studies and expertise in order to identify in advance the reasons for delays and to find solutions when possible	Project secretariat	Ongoing process	More collaboration with the beneficiaries but little progress because of the external factors causing delays.	Ongoing
Lack of ownership by the beneficiary requesting funding from PAREC for studies and expertise.	Q3 2012	Development and operational	Medium	High	C	To build awareness and keep close and regular contact with the beneficiary of the PAREC funds in order to increase ownership.				
Legal issues and delays in completing certain activities, due to a lack of manpower in PAREC	Q3 2013	Development and operational	High	High	D	To discuss the possibility of having a part time employee responsible for PAREC with MINECOFIN and the Belgian Embassy	BTC Representati on	Q1 2014	A discussion has begun and concrete proposals will be presented to MINECOFIN	Started

5

Potential impact	High	B	C	D
	Medium	A	B	C
	Low	A	A	B
		Low	Medium	High
Probability				

4 Steering and Learning

4.1 Action Plan

Action plan	Source	Actor	Deadline
Maintaining close contact with the beneficiaries of the studies and expertise by meeting with them monthly or weekly when required.	3.1.1 – 3.5	PAREC Secretariat	2014
Improving the follow-up phases of the entire process for each study and/or expertise; from the tender process through to execution	3.1.1 – 3.5	PAREC secretariat	2014
Suggesting to MINECOFIN that changes be made to the modalities of the fund to make it more flexible and responsive and to provide it with the manpower necessary to effectively support requesting institutions		Belgian Embassy and RR BTC RWA	Q1 2014
Transfer funds from the balances of closed projects to PAREC in order to increase its financial capacity. Decision taken by the CPPR		BTC finance department	According to close of projects

4.2 Lessons Learned

Lessons learned	Target audience
To increase personal involvement with the PAREC secretariat throughout the entire process of each study or expertise - from its inception (TOR & Budget) until the end (final execution report) - towards improving the quality of the studies and expertise and to reduce delays. This requires increased human resources, and a funding mechanism to pay for them (not the case currently).	Steering Committee
It is necessary to formalise exchanges between MINECOFIN and BTC in the process of approval of the studies and expertise	MINECOFIN & BTC
It is important to build awareness and continue publicising the existence of the funding intervention program in order to receive enough requests for studies and expertises.	Ministries and governmental agencies
There is a risk that realized studies are under utilized, as its results are not well disseminated by the partner. Considering they have been financed by public funds, they should as much as possible been openly shared. Discussion on-going with Minecofin (point raised at ComPar)	

4.3 Proposals

It has been suggested to have a new Specific Agreement and Manual of Procedures to operationalize the following improvements :

- Improving the quality of studies and expertise will not only be achieved through procurement (consultancy offices or individual consultants) but also via recruitment of required BTC contracted experts (employees);
- Expanding the objectives of the Study Funds to include the issues of sustainability and the monitoring of completed projects/programs;
- Studies and expertise could also be requested by Belgium (Embassy or BTC). All requests are processed by the steering committee, which decides on the acceptability;
- The daily co-management of the program for studies and expertise would be done by BTC and funded by the budget of the program itself through a service level agreement between the program and BTC;
- For each study and expertise, the request shall precise the mode of managing the procurement process and monitoring of the contract execution, either through co-responsibility or Belgian liability (Regie) or national responsibility (national execution).

5 Annexes

5.1 “Budget versus current (y – m)” Report

Budget vs Actuals (Year to Month) of RWA1309111

Project Title : **PAREC**
 Budget Version: **D02**
 Currency : **EUR**
 YtM : **Report includes all closed transactions until the end date of the chosen closing**
 Year to month : 31/12/2013

	Status	Fin Mode	Amount	Start to 2012	Expenses 2013	Total	Balance	% Exec
A BALANCE FOR NEW STUDIES AND EXPERTISE			1.154.935,95	0,00	896.911,14	896.911,14	258.024,81	78%
01 balance for new studies and expertise			-63.109,26	0,00	0,00	0,00	-63.109,26	0%
01 balance for new studies and expertise		REGIE	0,00	0,00	0,00	0,00	0,00	?
02 BALANCE FOR NEW STUDIES AND EXPERTISE		COGES	-63.109,26	0,00	0,00	0,00	-63.109,26	0%
02 ALLOCATED FUNDS			1.214.945,21	0,00	894.003,31	894.003,31	320.941,90	74%
01 GISEMENT EOLIEN		COGES	17.311,43	0,00	17.213,49	17.213,49	97,94	99%
02 STRATEGIE NAT.P.VOLT		COGES	9.060,01	0,00	9.014,20	9.014,20	45,81	99%
03 LIGNE ENERGIE RURAL		COGES	58.250,00	0,00	58.228,51	58.228,51	21,49	100%
04 MUSEE DE L'ENVIRONNEMENT KARONGI		COGES	43.363,77	0,00	51.867,66	51.867,66	-8.503,89	120%
05 APPUI SCIENTIFIQUE/ESP		COGES	63.000,00	0,00	58.519,02	58.519,02	4.480,98	93%
06 PUBLIC SECTOR CAPACITY BULDING		COGES	60.000,00	0,00	48.787,43	48.787,43	11.212,57	81%
07 ETUDE DE FAISABILITE DVPT		COGES	62.000,00	0,00	61.429,81	61.429,81	570,19	99%
08 PROCEDURE MANUAL EWSA		COGES	96.000,00	0,00	57.574,59	57.574,59	38.425,41	60%
09 KIVU LAC BIOLOGICAL BASELINE STUDY		COGES	287.400,00	0,00	215.917,90	215.917,90	71.482,10	75%
10 INSTITUT NATION.MUSEES RWANDA		COGES	53.000,00	0,00	48.904,93	48.904,93	4.095,07	92%
11 GEOTHERMAL VALIDATION WORKSHOP		COGES	50.000,00	0,00	46.630,83	46.630,83	3.369,17	93%
12 DAD		COGES	70.000,00	0,00	66.272,14	66.272,14	3.727,86	95%
13 GEOTHERMAL ADVISORY BOARD		COGES	128.500,00	0,00	0,00	0,00	128.500,00	0%
14 STUDY ON SMART SUBSIDIES TO		COGES	30.500,00	0,00	0,00	0,00	30.500,00	0%
15 ESIA		COGES	186.560,00	0,00	153.642,80	153.642,80	32.917,20	82%
03 IMPREVUS			3.100,00	0,00	2.907,83	2.907,83	192,17	94%
01 FRAIS ADMINSTRATIFS ET FINANCIERS		COGES	100,00	0,00	54,49	54,49	45,51	54%
		REGIE	0,00	0,00	0,00	0,00	0,00	?
		COGEST	1.154.935,95	0,00	896.911,14	896.911,14	258.024,81	78%
		TOTAL	1.154.935,95	0,00	896.911,14	896.911,14	258.024,81	78%

Budget vs Actuals (Year to Month) of RWA1309111

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	Status	Fin Mode	Amount	Start to 2012	Expenses 2013	Total
02 AUTRES FRAIS		COGES	3.000,00	0,00	2.853,34	2.853,34
99 Conversion rate adjustment			0,00	0,00	0,00	0,00
99 Conversion rate adjustment		COGES	0,00	0,00	0,00	0,00
		REGIE	0,00	0,00	0,00	0,00
		COGEST	1.154.935,95	0,00	896.911,14	896.911,14
		TOTAL	1.154.935,95	0,00	896.911,14	896.911,14

5.2 Decisions taken by the JLCB and follow-up

Decision to take					Action	
Decision to take	Period of identification	Timing	Source	Actor	Action(s)	
Approval of the Procedure Manual of PAREC	Q3 2011			Steering Committee	The Procedure Manual of PAREC was prepared and approved by the steering committee	
Approval of the Steering Committee Internal Working Regulation	Q3 2011			Steering Committee	The Steering Committee Internal Working Regulation was prepared and approved by the steering committee	
MINECOFIN and BTC will no longer put their signatures on the contracts. They will give a separate no objection before the signature of the contract.	Q4 2013			MINECOFIN and BTC	To give no objection to the new contracts	MII a
Clarify the situation of the 3 studies ("Geothermal Expert Advisory Committee" – EWSA, "Study of the Rwanda Military Hospital for Safety, Health and environment programs" – RMH and the study for "Smart Subsidy to the Private Sector for Green Energy" – MININFRA) not yet started.	Q4 2013			PAREC secretariat	The secretariat of PAREC must contact the beneficiaries and clarify the situation	I se
Clarify what will happen to the study of "EWSA's Procedure Manuel which currently seems	Q4 2013			PAREC secretariat	The secretariat of PAREC must contact EWSA to clarify the situation	I se

irrelevant after the split of EWSA.						
Every time that a contract for a study or activity is signed, the amount of the budget of that study or activity can be replaced by the real amount of the contract.	Q4 2013			Finance department of BTC	To update regularly the finance documents	se
To consult with line Ministries to gather their request for studies, including TOR. MINECOFIN will then submit a priority list to BTC and Embassy of Belgium.	Q4 2013			MINECOFIN		MI
To present for approval a written proposal with details on how the fund managed in own management (Regie) could work.	Q4 2013			BTC		

1 Intervention at a glance

1.1 Intervention form

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Total Budget	Expenditure year 2013	Balance	Total Disbursement rate
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National execution official ¹	BTC execution official ²
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