

REPUBLIC OF RWANDA



MINISTRY OF LOCAL
GOVERNMENT

Enabel

RESULTS REPORT 2018-2019

RWANDA DECENTRALIZATION SUPPORT PROGRAM (RDSP)

Component 2: Support to District Development Plans/DDP RWA1309011



LCF- supported shoemaking project in Nyagatare

September 2019

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Acronyms

ASAP	As soon as possible
AP&B	Action-plan and budget (annual)
BDC	Business Development Centres
BDEU	Business Development and Employment Unit (at District level)
BTC	Belgian Development Agency, now Enabel
CB	Capacity Building
CD	Capacity Development
CDCs	Community Development Committees
Cf.	Confer
CoK	City of Kigali
DAC	OECD's Development Assistance Committee
DCB	District Capacity Building
DCBPs	District Capacity Building Plans
DDPs	District development plans
DEL CO	Enabel Co-Manager of the Program
DfID	UK's Department for International Development
DG	Directorate General
DIP	Decentralization Implementation Policy
ECD	Enhancing the Capacities of Districts
EDPRS 2	The 2nd Economic Development and Poverty Reduction Strategy
EKN	Embassy of the Kingdom of the Netherlands
Enabel	Belgian Development Agency, formerly BTC
ETR	End-of-Term Review
GBS	Gender Budget Statement
GIZ	German Corporation for International Cooperation GmbH
GMO	Gender Monitoring Office
GoR	Government of Rwanda
HR	Human Resources
HRM	Human Resources Management
IFMIS	National Integrated Financial Management Information & System
IP	Implementing Partner under RDSP (institution)
JADF	Joint Action Development Forum (at District level)
JSR	Joint Sector Reviews
KfW	German Development Bank
LCF	Local Competitiveness Facility (piloted with LODA under RDSP)
LED	Local Economic Development
LGs	Local Governments
LODA	Local Administrative Entities Development Agency
M&E	Monitoring and Evaluation
M/F	Male/Female
MIFOTRA	Ministry of Public service
MINALOC	Ministry of Local Government



MINECOFIN	Ministry of Finance and Economic Planning
MTEF	Medium Term Expenditure Framework (sometimes also called MTBF : Medium Term Budget Framework)
MTR	Mid-term Review
NST	National Strategy for Transformation
O&M	Operation and Maintenance
OC	RDSP Outcome, implemented by an IP or OI
OI	Outcome implementer under RDSP (individual)
PCU	Program Coordination Unit (based at SPIU MINALOC)
PFM	Public Finance Management
PIM	Program Implementation Manual
PPP	Public-Private Partnerships
PS	Permanent Secretary
PSF	Private Sector Federation
RALGA	Rwanda Association of Local Government Authorities
RDB	Rwanda Development Board
RDSP	Rwanda Decentralization Support Program
RGB	Rwanda Governance Board
RWA	Rwanda
RWF	Rwandan Francs
SC	Steering Committee (of the RDSP program)
SPIU	Single Project Implementation Unit
SSP	Sector Strategic Program
SWG	Sector Working Group
TA/NTA	Technical Assistant/National Technical Assistant
TC	RDSP Technical Committee
TFF	Technical and Financial File
ToT	Training of Trainers
ToR	Terms of Reference
TT	Thematic Themes
TWG	Technical Working Group under a SWG



1 Intervention at a glance

1.1 Intervention form

Intervention title	RDSP Rwanda Decentralization Support Program – Support to District Development Plans/DDP
Intervention code	RWA1309011
Location	MINALOC-RWANDA
Total budget	11,150,000 EURO
Partner Institution	Ministry of Local Government (MINALOC) Local Administrative Entities Development Agency (LODA) Districts
Start date Specific Agreement	June 30, 2015
Date intervention start /Opening steering committee	October 13, 2015
Planned end date of execution period	June 30, 2020
End date Specific Agreement	December 12, 2020
Target groups	LODA, Districts and Local Multi-stakeholders (Private companies, cooperatives, CSO, etc.)
Impact	To sustainably enhance the capacity of LGs to deliver services and to develop an enabling environment for LED in respect of best governance practices
Long Term Outcome	Districts' capacity to develop a sustainable environment for LED is enhanced
Short Term Outcomes	6. LED infrastructure implemented in 30 Districts and the City of Kigali 7. Innovative economic partnership projects are implemented through LCF in 4 pilot Districts to enhance pro-poor LED 8. LODA external Grants to support DDP's implementation is executed in compliance with PFM regulatory framework
Year covered by the report	Fiscal Year 2018-2019 (July 2018-June 2019)
Mid Term Review	Conducted in October/November 2018 by Particip/MDF

1.2 Budget execution

Outcome	Budget (EUR)	Expenditures						Balance	Disb. rate end of FY 18/19
		FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	Total		
	11.150.000	2.176.940	3.323.060	3.361.084	467.872	708.110	10.037.066	1.112.934	90%
OC 6	8.267.047	2.176.940	3.323.060	2.766.547	-	-	8.266.547	500	100%
OC 7	2.696.404	-	-	585.959	430.346	690.349	1.706.654	989.750	63%
OC 8	70.864	-	-	8.578	37.526	17.761	63.865	6.999	90%
General Means	115.685	-	-	-	-	-	-	115.685	0%



1.3 Self-assessment performance

1.3.1 Relevance

	Performance
Relevance	A

DDP consists of 3 short term outcomes, of which the first (OC6: Support to District Local Economic Development (LED) infrastructure in 30 Districts and City of Kigali, through LODA) was already finalized by the start of 2017-2018, in line with the intended intervention logic.

The intervention contributes to:

- Vision 2020,
- EDPRS II and the National Strategy for Transformation (NST1),
- The Decentralization policy,
- The Governance and Decentralization Sector Strategic Plan (SSP) new version (2018-2024),
- The National strategy for community development and local economic development,
- The National Local Economic Development Policy (draft 2019)
- The District Development Strategies (DDS) and District LED Strategies.

As in the previous years, the DDP part of RDSP remains in line with Rwanda national policies and priorities. OC 7 regarding LCF and OC8 regarding Public Finance Management (PFM) remain embedded in National and local policies and priorities as it focusses on creating an access to finance solution as well as financial education and business mind-set development at local level which are among other factors creating an enabling environment for private sector development. In this momentum, the private sector will be the backbone of local economic development by creating extra revenues for local decentralized entities through taxes, creating new jobs for youth and women and reducing poverty.

The overall goal of LCF is in line with NST1, focusing on sectors that are key economic drivers with the potential to contribute significantly to job creation and productive employment. Priority sectors include agriculture; tourism; manufacturing and ICT. A business benefitting from LCF should create extra jobs in the District (in particular for "poor"); increase salaries of existing jobs; expand, adding extra value to the District economy; redistribute profit that the company is making.

The high score on relevance is also confirmed by the mid-term review of the first call of LCF, in which an external consultancy firm awarded the Relevance of LCF with an A score.

1.3.2 Effectiveness

	Performance
Effectiveness	A

Outcome Level (see fig. 1):

For almost all outcomes of DDP, indicator targets were met or exceeded. While the –now closed- OC 6 has proven to be effective (see infra); the other outcomes are showing very positive signs in this regard; yet constant steering, especially regarding LCF is happening in order to remain as effective as possible, which also shows in the A score awarded to LCF Effectiveness in the midterm review of Call 1, which was confirmed with a score of 4/5 with the end term review undertaken this FY.



For OC 7 (LCF) there are very high indicator values, well beyond end targets and in one case even performing to a tenfold of the expected target. This is partly due to a very conservative targeting attitude during the inception phase of the program, combined with good performance of LCF. International standards for the specific items being measured under these indicators were followed and it was hard to anticipate the actual results. It is of course still a very successful results attainment, even when reconsidering the low target values.

OC 2B (previously reported on under RDSP-ECD and now operationally reported under RDSP-DDP for coherency purposes as it supported LCF preparatory phase) also performed very well. OC 8 did not perform so well due to a reduction of the scope and budget of this outcome to make it manageable by the available human resources.

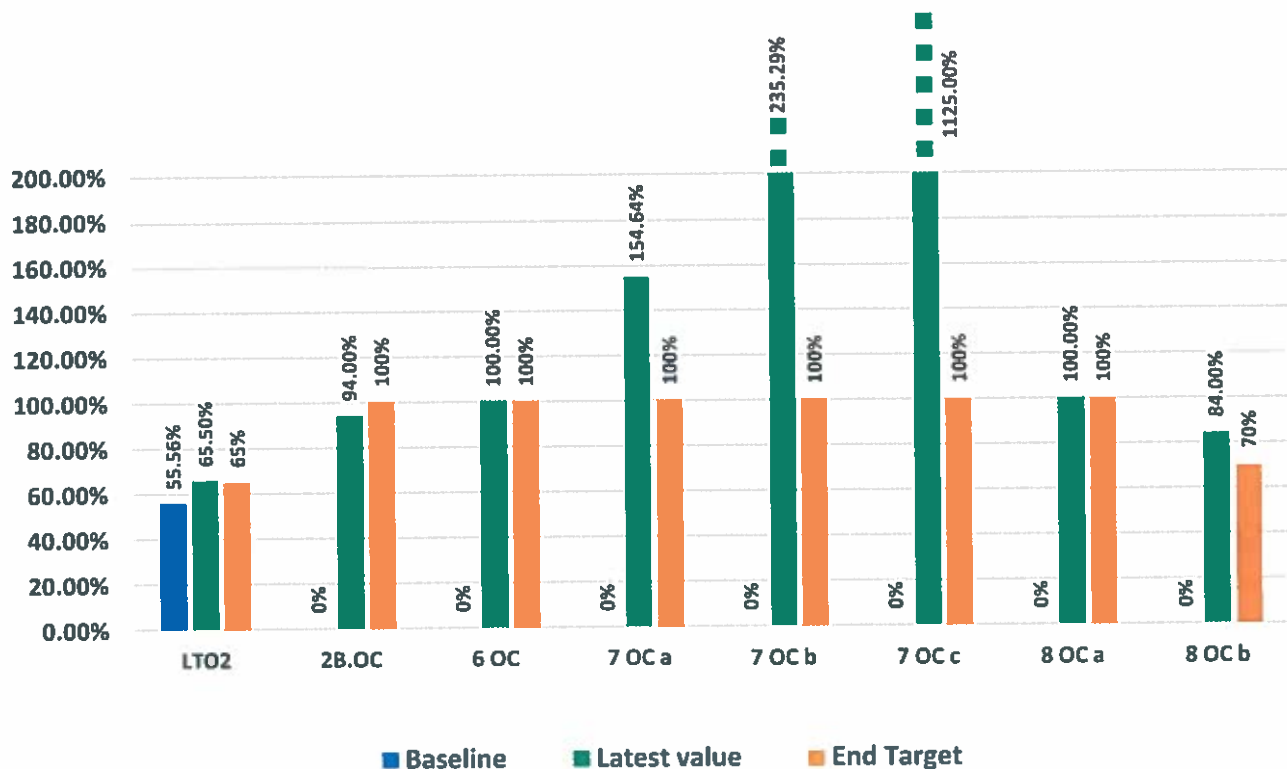


Figure 1: DDP latest results achievement at Outcome level as compared to RDSP End Targets. Details on each indicator are provided under the respective outcome sections of this report. Full indicator forms are available as part of the RDSP baseline report.

Output Level (see Fig. 2):

Nearly all output level indicators reach well above 75% of implementation rate except outputs under OC8, due to the reduction of this outcome in scope and budget. For outputs under OC 7 (LCF) high indicator values are due to a conservative estimation of targets at the inception phase.



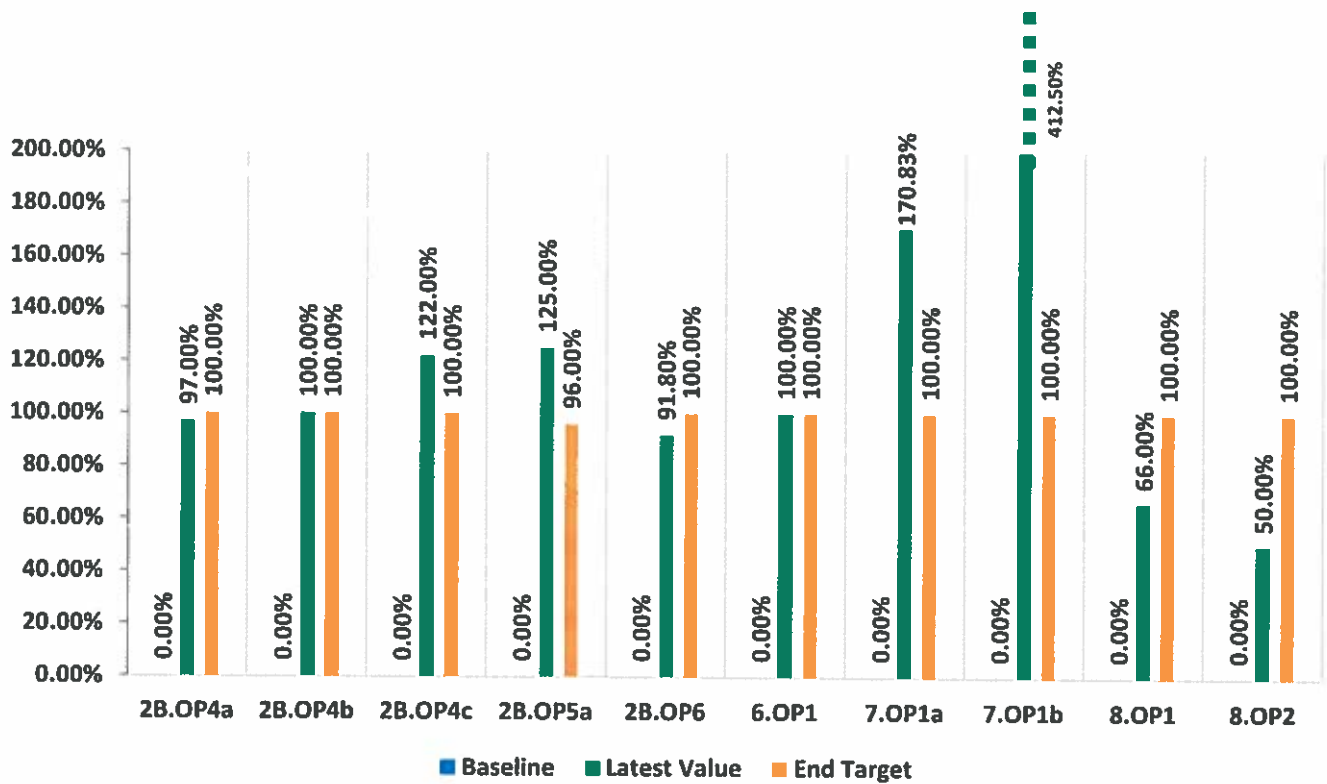


Figure 2: DDP latest results achievement at Output level as compared to RDSP End Targets. Details on each indicator are provided under the respective output sections of this report. Full indicator forms are available as part of the RDSP baseline report.

1.3.3 Efficiency

	Performance
Efficiency	B

DDP has been executed rather efficiently as confirmed by the mid-term reviews (of both the program and of LCF) and end-term review of LCF call 1. Joint recommendations made under OC 8 on improving the management of Districts investment projects contributed to improvement of the efficiency of such activities. Action-plans on implementation of OC 8 recommendations were jointly developed and agreed with LODA.

For OC 7 (LCF), FY 2018-2019 saw the disbursement of 233,977,938 RWF in 4 pilot districts for a total 27 projects out of 41. The businesses which received the grants have acquired new and modern equipment to be used in production processes, others have hired skilled staff to improve the quantity and quality of the products. While the efficiency of disbursement has had its hiccups, often this was due to the rigorous procedures which were put in place to ensure that everything would run correctly. It caused some delays along the way, but also pushed the LODA secretariat and the BDEUs at district level to work closely together. The delays also made clear an array of issues with capacity, especially at local level, which would subsequently be addressed through capacity building and coaching. This ensured that the support given would have a more broad and sustainable impact across the institutions, which is ultimately the goal of the program.



Under Outcome 8 of the program, recommendations on improving the management of investment projects by Districts and LODA's supervision of the same were developed and agreed upon with LODA and other involved development partners (see Annex 4.8.)

1.3.4 Potential sustainability

	Performance
Potential sustainability	B

Due to high score on previous categories such as Relevance and Effectiveness, the potential sustainability of DDP is generally positive; strengthened knowledge management efforts, ensuring of ownership by LODA and districts and early outset of planning for the closing have been seen over FY17-18 and have been carried through during this FY.

As for LCF, A number of factors strongly suggest that the results achieved at the beneficiary level will continue beyond the funding period:

- Business partnership sustainability: A strong foundation for business partnerships has been laid although much still remains to be done to buttress it and bring about a change in the dominant single proprietorship business mind set.
- Economic sustainability: Most of the businesses produce for the local market where sufficient demand for their products exist and is likely to grow with the impressively high economic growth that Rwanda has been able to record over the past two decades.
- Enabling regulatory and legal environment: The on-going 'Made in Rwanda' campaign is also a timely effort by the Government. Promotion of private sector as an engine of growth via a diverse set of efforts by the Government and development partners provides further support. Finally, commitment by Government to allocate resources to the program clearly demonstrates ownership of both the process and outcomes.
- Capacity sustainability: Capacity building that has been provided to both the beneficiaries and the Business Development and Employment Units (BDEUs) at the District are also critical.

The joint monitoring mission of District infrastructure projects undertaken under OC 8 provides a prioritized list of recommendations on identified weak performance areas. Implementation of these recommendations and monitoring of the same will enhance local performance in infrastructure management in a sustainable way.

1.4 Conclusions

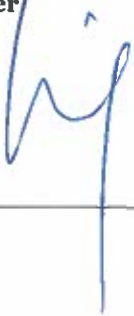
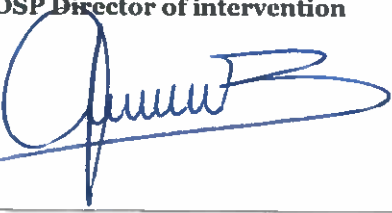
RDSP-DDP's performance as assessed through regular M&E remains good in 2018-2019, with a high likelihood to achieve or go beyond almost all target values. The external End-term evaluation of the Local Competitiveness Facility (LCF) Call 1 provided a positive image of the impact of LCF's mechanism as a tool to support local businesses development, especially in terms of turnover and job creation. LCF reached relatively high scores on effectiveness to reach targets and its relevance in terms of alignment with national policy by answering the needs of SMEs to gain access to finance.

RDSP's steering and management structures continue to function well. Planning, and budgeting processes keep on being aligned with those of the Government. Financial management remains 'on-budget' and integrated in IFMIS. Implementing Partners are committed. RDSP technical assistance generally functions well and remains appreciated by IPs. Positive, effective collaboration is experienced throughout the program,



which supports results-orientation and joint problem solving. Steering Committee decision-making and general steering of RDSP are effective.

In 2019-2020, RDSP will generate its final results, further increase knowledge management and knowledge-sharing, ensure a clean and smooth closing process, and support IPs to implement exit and sustainability strategies. These efforts will mostly revolve around LCF, even if RDSP will also ensure to share lessons learned regarding support to infrastructure investments with Enabel, MINALOC and LODA in the context of preparations for an upcoming Belgium-supported intervention on Urbanization.

Enabel execution official	National execution official
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2 Results Monitoring

2.1 Evolution of the context

2.1.1 General context

Rwanda Decentralization Support Program (RDSP) is a 4.5 years duration project funded by Belgian Government through its development agency (Enabel). Primary beneficiaries of the project include LODA, MINALOC, RGB, RALGA and all Districts as well as companies (both formal and informal) supported by LCF. For the DDP part of the program, RGB and RALGA are not very much involved.

In 2018-2019, the transformation of the former implementing agency of the Belgian governmental cooperation (BTC) into Enabel began to be well felt at intervention level, under leadership of the newly appointed Enabel Managing Director, Mr. Jean Van Wetter. Among changes felt at RDSP was the implementation of a new array of digital tools and platforms such as 'Pilot' monitoring tool and 'UBW' management tool to provide a more modern and integrated working environment. Also, a new Enabel Resident Representative arrived in Rwanda and took leadership for the development of a new Belgium-Rwanda cooperation portfolio. RDSP and its partners contributed to portfolio development, especially for the part on Urbanisation.

The National Strategy for Transformation (NST1) 2018-2024 elaborated in 2018 to replace the Economic Development and Poverty Reduction Strategy (EDPRS2, 2013-2018) was developed as implementation instrument of the reminder of Vision 2020 and will also cover the first four years of a new 30-year Vision for the period up to 2050, known as Vision 2050 and also embraces the Sustainable Development Goals (SDGs).

The NST 1 is built on 3 pillars:

- The Economic Transformation Pillar: The Overarching objective of the Economic Transformation pillar is to: Accelerate inclusive economic growth and development founded on the Private Sector, knowledge and Rwanda's Natural Resources.
- The Social Transformation Pillar: the overarching goal for the Social Transformation Pillar is to Develop Rwandans into a capable and skilled people with quality standards of living and a stable and secure society.
- The Transformational Governance Pillar: The overarching goal for the Transformational Governance Pillar is to consolidate Good Governance and Justice as building blocks for equitable and sustainable National Development.
- The Governance and Decentralization Sector Strategic Plan for 2018-2024 was elaborated alongside the NST 1 to guide the sector in contributing to relevant NST pillars. RDSP supported the development of Governance and Decentralization Sector Strategic Plan for 2018-2024.

2.1.2 Institutional context

In terms of Institutional anchorage, the Ministry of Local Government (MINALOC) remains central in coordinating Governance and Decentralisation sector, and RDSP continued to be coordinated and steered under MINALOC. With RDSP support, MINALOC recruited a SPIU coordinator. More DP-supported programs began to be managed by the SPIU which eveloved from being mostly a RDSP PCU to becoming a more extended structure. The SPIU M&E specialist left MINALOC, having found another job. With the end of RDSP in sight, it is unclear whether she will be replaced.

A new LED Division manager was appointed at LODA and became central in managing and coordinating RDSP support to LODA. The LODA LED Division Manager also became the Chair of the TWG on LED,



with the RDSP co-manager becoming co-Chair (taking over from the Netherlands Embassy). At LODA, some turn-over was also experienced in relation to implementation of RDSP support. This slightly affected implementation but adequate measures were taken to mitigate arising issues.

LCF is managed through a complex institutional set up which enables a strong collaboration and consultative mechanism among stakeholders. Being a pilot program, LODA benefited many contributions to the program from a variety of expertise from wide range of development players. LCF is governed by the below contract arrangement:

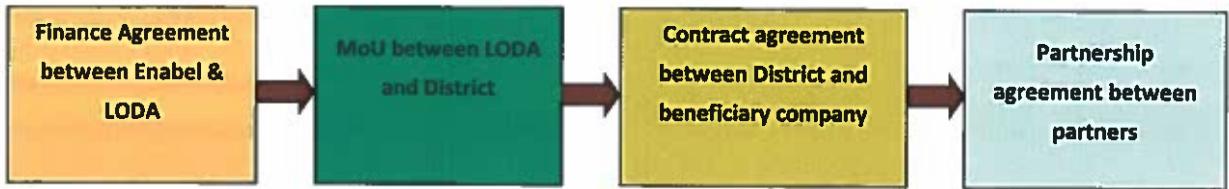


Figure 3: LCF contracting framework

Different bodies are involved in LCF governance: LCF Technical Committee at LODA level; LCF Investment Committee; LCF Secretariat at LODA level; LCF Secretariat at District level; Evaluation Committee at District level; Project Committee at the level of the project. The figure below visualizes the LCF governance and management arrangement.

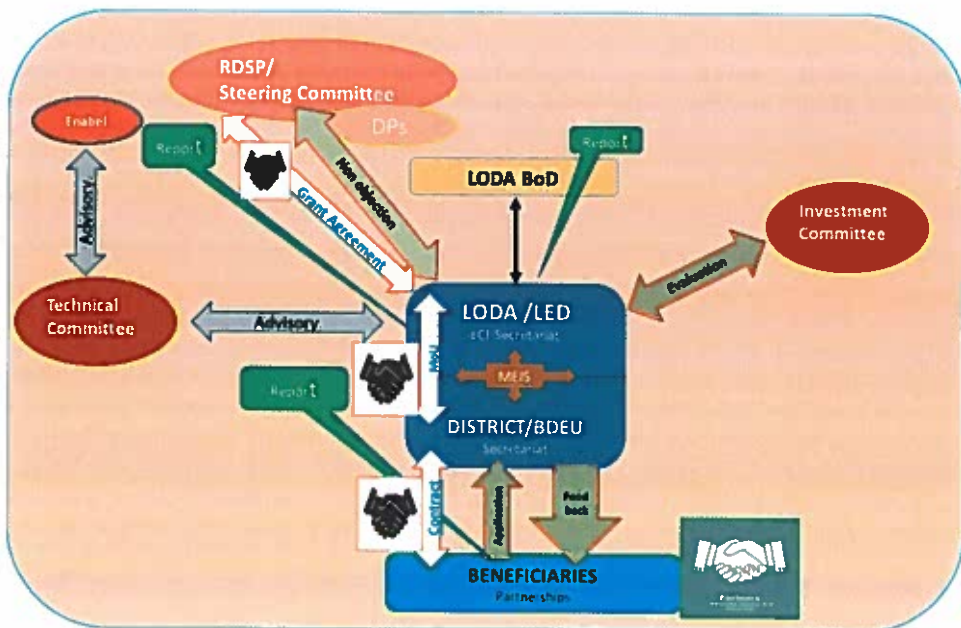


Figure 4: LCF Governance structure

2.1.3 Management context: execution modalities

For the now closed OC 6, the modality used with LODA was National Execution (NEX) where fund of Enabel contributed to the basket fund of LED in LODA together with National Budget, Netherlands Embassy, KFW. LODA used this fund putting together to finance LED projects in all Districts and City of Kigali.

LCF is executed under grant agreements between Enabel, MINALOC and LODA and a complex decision-making and implementation structure involving a large number of stakeholders. This created strong synergy



with other RDSP components and other actors in local economic development as well as enabled access to a wide range of expertise relevant to SMEs and cooperative development. On the other hand, the complexity of LCF execution modalities caused significant delays in terms of decision making as well as funds transfers (RDSP to LODA, LODA to districts, districts to projects). Extending across the same levels, reporting and approval processes also regularly face delays.

The OC 8 is self-managed by Enabel.

RDSP planning closely follows the National Planning and Budgeting process, starting in October with the first Planning and Budgeting Call Circular issued by MINECOFIN, and ending with National budget approval by the National Assembly. The Rwandan Fiscal year extends from July to June, and Enabel aligned with this national planning and reporting period. RDSP provides Monthly financial reports and Quarterly Progress reports to MINECOFIN through MINALOC. In addition to this, quarterly PILOT reports and Annual results reports are submitted to Enabel (the latter is also presented to the program's steering Committee).

2.1.4 Harmonization context

RDSP-DDP directly works with different Development Partners (DPs), mainly Netherlands Embassy, KfW and GIZ in the area of Governance, Decentralization and LED. The most important activity this regards is the joint annual monitoring of Districts LED infrastructure supported by LODA.

Activities carried out under RDSP-DDP in 2018-2019 which directly involved other Development partners included the Joint Monitoring Mission of District infrastructure projects (see Annex 4.8) as well as LCF cooperation with APEFE to provide industrial attachment for TVET students under an internship program.

LCF benefited from other RDSP-ECD outcomes like the 'Knowledge Management' which implemented as a qualitative evaluation using the methodology of "Most significant change" to inform stakeholders on the key changes. Also, through support to sector coordination (Outcome 4 of RDSP-ECD; see separate RDSP-ECD annual report) the RDSP program continues to contribute to enhanced overall coordination processes and policy framework for alignment and harmonization of all Donor-supported interventions in the sector.

Collaboration with other development partners through technical working group and ad hoc meetings also contributed to harmonisation of planned activities (the RDSP co-manager co-Chairs the LED TWG under the Governance and Decentralisation sector).

In November 2019, with RDSP support, MINALOC hosted a national LED conference which brought together LED stakeholders including DPs and Government (central and local level).





Picture: national LED conference. From left to right: MINALOC Director-General of Planning, Belgium Ambassador, Minister of Local Governments and Enabel in Rwanda Resident Representative

In June 2019, the program also supported the Minister of Local Governments to organise a very successful 'High-Level Breakfast Dialogue' that was very well attended at strategic level by development partners with a stake in decentralisation. This offered a key opportunity to present LCF.

2.2 Performance Long Term outcome



2.2.1 Progress of indicators

LONG-TERM OUTCOME 2: Districts' capacity to develop a sustainable environment for LED is enhanced					
Indicators	Baseline value	Target '16-'17	Mid-term target 2017-2018	Target '18-'19	End Target 2020
LTO2: % multi-stakeholders satisfied with the quality and inclusiveness of LED processes in 4 pilot Districts	55.56%	/	Target: 60% Value: 62.5%	Target: 65%	Target: 65% Value: 67.5

2.2.2 Analysis of progress made

The indicator for this outcome has been monitored for the first time since the baseline during a mid-term monitoring study by an external firm, this was part of a larger monitoring study of several RDSP indicators (both ECD and DDP) that was financed through OC 5 of RDSP ECD.

This indicator provides an insight in the extent to which the concerned multi stakeholders themselves feel about their involvement in a number of selected LED-processes in their respective districts. It provides the



multi-stakeholders with the opportunity to voice their satisfaction or concerns with the LED-processes affecting their lives, and may also provide information regarding challenges and areas of improvement. By inclusiveness of the selected LED-processes we mean that these processes accommodate the respective interests and perspectives of the multi-stakeholders (private sector, LG's and CSO's), and that all segments of the population (women, youth, vulnerable persons, etc.) and other LED stakeholders are equally involved. Involvement implies both direct and indirect participation through representatives, councils, interest groups, JADF, etc. In order to measure this 'inclusiveness' as objectively as possible, respondents were requested to indicate their satisfaction with the overall participation of the process.

According to the firm that performed the monitoring study: "LED being a new concept, during interviews respondents revealed that the concept was not well understood by different stakeholders. That is why in the last two years, more efforts was to emphasize and explain what LED is, how different it is from PPP, etc., LODA and RALGA have intervened to help people understand how to engage different stakeholders in LED related activities. Capacity building has taken too much time but of course at the same time implementing LED related projects because they even contribute significantly to the achievement of performance contract (Imihigo). At least now guidelines are there for the demarcation of LED projects like investment policy by RDB and PPP."

The involvement of LED stakeholders is seen in every output as per RDSP log frame. The following activities contributed much in achievement of the long-Term Outcome:

- District LED Strategy: mobilizing efforts of all district actors in a coordinated, inclusive and planned manner in order to achieve Local Economic Development (LED).
- LG project management manual: enhancing the management of LED infrastructure at district level
- Operation and maintenance of LG infrastructures: aims at managing the infrastructures properly and serve the intended purpose

2.2.3 Potential Impact

The impact intended by the Rwanda Decentralization Support Program it to *"sustainably enhance the capacity of LGs to deliver services and to develop an enabling environment for LED in respect of best governance practice"*. The long-term outcome of the DDP program, to *"Enhance districts' capacity to develop a sustainable environment for LED"* is a necessary and logical step in obtaining this impact, and a complement to the Long-Term Outcome of the ECD part of the program (*"Districts' capacity to deliver quality services, including on Local Economic Development, is efficiently and effectively enhanced"*). Since the progress of this outcome is positive (targets surpassed by 2.5%), the outlook of RDSP effectively contributing to the intended impact is positive.

2.3 Short-term outcome 2B: LCF well designed, prepared and managed in 4 pilot Districts for LED

Note: this outcome was previously reported on under RDSP-ECD. We now report on it under RDSP-DDP for coherency purposes as it supports LCF.

2.3.1 Progress of indicators



Indicators	Baseline value	Target '16-'17	Mid-term target 2017	End target & 2018-2019 value
2B.OC: % of LCF partnerships projects' implementation reports that are in line with set reporting standards	0	/	Target: 70% Value: 94%	Target: 100% Value: 95%

2.3.2 Progress of outputs

Progress of outputs ¹	Progress:				Output Indicator	Baseline 2018	End target & effective value 2018-2019
	A	B	C	D			
2B.1. Stakeholders in 4 pilot Districts are ready for LCF implementation					Number of awareness meetings on LCF at sector level	0	Target: 76 Effective value ² : 74
		X			Number of LCF documents published on LODA-LCF website	0	Target: 6 Value: 6
					Number of concept notes submitted to LCF secretariat	0	Target: 192 Value: 200
2B.2. Technical assistance and capacity development provided in 4 pilot districts for well-conceived LCF projects		X			Number of companies that have received CB during call for proposals	0	Target: 96 Value: 120
2B.3. Technical assistance and capacity development provided in 4 pilot districts for well-managed LCF projects		X			% of quarterly reports from LCF partnership projects submitted	0	Target: 70% Value: 80%

2.3.3 Progress of main activities

Progress of activities ³	Progress:			
	A	B	C	D
2B.1.1. Hire and pay LCF Fund Manager		X		

¹A: The output is ahead of schedule; B: The output is on schedule; C: The output is delayed, corrective measures are required; D: The output is seriously delayed (more than 6 months). Substantial corrective measures are required.

² This value was not measured, however meetings took place in most sectors of the 4 pilot districts

³ A: The activities are ahead of schedule; B: The activities are on schedule; C: The activities are delayed, corrective measures are required;

D: the activities are seriously delayed (more than 6 months). Substantial corrective measures are required.



2B.1.2. Monitoring the implementation of project partnerships that received funding from LCF		X		
2B.1.3. Capacity building for LCF beneficiaries (Finance, marketing, general business management, project management CD workshops for LCF beneficiaries, BDEU staff and LCF secretariat)			X	
2B.1.4. (New) Provide Salary for 1 LODA business development specialist		X		

2.3.4 Analysis of progress made

Since June 2018 a LCF Fund Manager is in place to conduct the day to day management of LCF. She is involved in capacity building towards beneficiaries and BDEU staff and he is crucial for the efficient management of LCF and the sustainability; she is the main GoR person trained in LCF management, besides district staff.

Awareness meetings for LCF Call 2 took place in all sectors of each district and all information on LCF was made available on an LCF website in English and Kinyarwanda. All LCF beneficiaries are helped to prepare the concept notes to be submitted to the LCF Secretariat.

After signing of contracts with the beneficiaries of call 2 projects in September-October 2018, all projects were support technically in terms of receiving trainings and coaching on procurement, reporting, general business management, project management, financial management, marketing and partnership. This capacity building was done jointly by NTAs, BDEU staff and consultants. Also, all projects received regular monitoring visits from BDEUs, LODA and NTAs. The monitoring is related to implementation of the agreed upon activities, procurement and financial management

LCF beneficiary projects have reported on activity progress on quarterly basis, the reports are generally aligned with the requirement. However, some of the reports get returned to beneficiaries for adjustment after review by the BDEU when they do not meet the requirements. In general, the quality is medium. All projects have submitted reports, with some delays but not substantial. the progress is at 94%.

The submission and cross check of progress report and financial execution report led to early identification of potential risks both technical and managerial. The BDEU staff and NTAs provide regular coaching of LCF beneficiaries based on different issues generally detected from the analysis of quarter report. Reporting from District to LODA is usually delayed with one or two weeks. The quality is reasonable but could be further improved.

2.3.5 Potential Impact

The short-term outcome, namely that *LCF is well designed, prepared and managed in the 4 pilot districts*, is influenced by the reporting flow and quality. Reporting faces some delays compared to official deadlines. The quality of reports content is medium and the fund manager, BDEU staff and NTAs provide support to beneficiaries to further improve.

The short-term outcome is contributing to the long-term outcome (enhance District capacity to deliver quality services including LED) because well-managed LCF projects have a high likelihood of becoming sustainable and hence make a positive contribution to the local economy (e.g. creating jobs, increasing economic growth of the district).



The LCF fund manager plays a crucial role in the day-to-day management of LCF. The business development specialists support the LCF fund manager and the NTAs especially in capacity building activities. The activities related to monitoring and capacity building are both important to ensure that the funded projects achieve their results, are not mis-managing funds and are really making a lasting contribution to LED in their respective districts.

2.4 Short Term Outcome 6: LED infrastructure implemented in 30 Districts and the city of Kigali



This Short-term outcome was only implemented for two years, and therefore not in 2018-2019. However, we are providing below an update on indicator values and potential impact.

2.4.1 Progress of indicators

Indicators	Baseline value	Target year 16-17	Mid-Term Target 17-18	Target & Effective Value 18-19
6.O.C: % of RDSP-supported projects that are completed	0%	Target: 60% Value: 78%	Target: 80% Value: 78%	Target: 100% Value: 100%

2.4.2 Potential Impact

LODA with support of the Netherlands Embassy commissioned an “Outcome evaluation and satisfaction survey of Infrastructures Established in Local Administrative entities”. The final report published in January 2017 states the following: *“The (...) survey is a testimony of the pivotal role played by various infrastructures in the positive transformation of citizens’ lives. (...) the combination of different projects in different areas is a guarantee for development. However (...) there is a need to address the challenges and take into account the recommendations that were pointed out by the evaluation: Infrastructures were not exploited to their best use (...). In most cases, a system of regular maintenance, renovation and ownership (...) needs to be reinforced. It is recommended that capacity building in planning, monitoring and evaluation especially by applying already designed tools be among the strategies to improve the management and use of availed infrastructures (p. 17).* By combining support for infrastructure development, for management performance monitoring (under RDSP-DDP), as well as capacity development for infrastructure management (under RDSP-ECD), the program adequately addresses the identified issues, with a better outlook for enhanced, sustainable impact.

2.5 Short Term Outcome 7: Innovative economic partnership projects are implemented through LCF in 4 pilot Districts to enhance pro-poor LED

2.5.1 Progress of indicators

Indicators	Baseline value	Target year 16-17	Mid-Term Target 17-18	Target & Effective Value 18-19
7.0C1: Number of people additionally employed in companies supported by LCF	1862	/	Target: 560 Value: 1369	Target: 560 Value: 866
7.0C2: Number of companies which developed or manage at least one additional step in the value chain	0	/	Target: 16 Value: 40	Target: 33 Value: 40
7.0C3: Number of new products, services, processes or capabilities developed in LCF funded projects	0	/	Target: 4 Value: 45	Target: 4 Value: 45
7.OP1a: Number of economic partnership projects funded	0	/	Target: 24 Value: 35	Target: 24 Value: 41
7.OP1b: Number of companies involved in supported partnerships	0	/	Target: 48 Value: 99	Target: 48 Value: 99

2.5.2 Progress of Outputs

Progress of outputs	Progress ⁴ :				Output Indicator	Baseline 2018	Targets & Effective Value 2018-2019
	A	B	C	D			
OUTPUT 1: Support to LCF projects provided in 4 pilot Districts (96%)		x			7.OP1a: Number of economic partnership projects funded	0	Target: 24 Value: 41
		x			7.OP1b: Number of companies involved in supported partnerships	0	Target: 41 Effective value :99

⁴ A: The output is ahead of schedule; B: The output is on schedule; C: The output is delayed, corrective measures are required; D: The output is seriously delayed (more than 6 months). Substantial corrective measures are required.

2.5.3 Progress of main activities under this output

Progress of activities ⁵	Progress			
	A	B	C	D
1. Contract signing with beneficiaries	✓			
2. Funds disbursement 1 instalment			✓	
3. Monitoring of grant utilization using MEIS		✓		

2.5.4 Detailed LCF Budget Execution Report

DISTRICT	N°	Project name	Project Total Budget (2018-2019)	Total Transferred
GAKENKE	1	Beyond the Gorillas Experience Ltd	32,000,000	0%
	2	AFRIDUINO Ltd	9,000,000	0%
	3	NATURAL HEALING CENTER LTD	32,000,000	0%
	4	IBY'IWACU COMPANY Ltd	32,000,000	0%
	5	COOPERATIVE DUHAGURUKE MATABA	32,000,000	0%
	6	TUVEMUMANEGEKA COMPANY LTD	32,000,000	0%
	7	KANYAMASHOKORO Investment	31,588,075	0%
	8	COMPANY IBENGEZA LIMITED	32,000,000	0%
	9	ENTERPRISE GILBERTMPENZI	32,000,000	0%
	10	KOTUIKAMU	32,000,000	0%
	11	Zone des Entreprises Agricoles du Nord (ZEAN Ltd)	32,000,000	0%
	12	KOPERATIVE TWIHANGIRE UMURIMO	32,000,000	0%
SUB TOTAL PROJECTS GRANTS			358,788,075	0%
GISAGARA	1	KOTURU-MUGANZA	30,648,000	40%
	3	BRILLANT SOAP LTD	31,752,000	40%
	3	CODAS	6,922,944	40%
	4	CROIX ROUGE RWANDAISE/GISAGARA	8,000,000	40%
SUB TOTAL PROJECTS GRANTS			77,322,944	
NYAGATARE	1	SMART BUSINESS CENTER LTD	31,248,000	50%
	2	NYAGATARE MIXED FARMERS LIMITED	22,380,000	50%
	3	B&J Company Ltd	11,200,000	50%
	4	KIPOTEPRO LTD	7,200,000	50%
	5	IBYISHIMO ART AND DESIGN LTD	8,000,000	50%
	6	NYAGATARE ICE CREAM AND YOGHURT	32,000,000	50%
	7	UCC	32,000,000	50%
	8	Cooperative COAMN	32,000,000	50%
SUB TOTAL PROJECTS GRANTS			176,028,000	88,014,000
RUTSIRO	1	KINUNU AGROPROCESSING Ltd	38,000,000	100%
	2	NIBAN WINE COMPANY LTD	30,400,000	40%

⁵ A: The activities are ahead of schedule; B: The activities are on schedule; C: The activities are delayed, corrective measures are required;

D: the activities are seriously delayed (more than 6 months). Substantial corrective measures are required.

DISTRICT	Nº	Project name	Project Total Budget (2018-2019)	Total Transferred
	3	BIAO COMPANY LTD	7,200,000	40%
	5	CAVABON	22,400,000	40%
SUB TOTAL PROJECTS GRANTS			92,300,000	69,841,000
Total 41 Projects 704,439,909				211,857,381
Management Fees 26,345,213				17,181,909
Grand Total= 31% 730,784,232				229,039,290

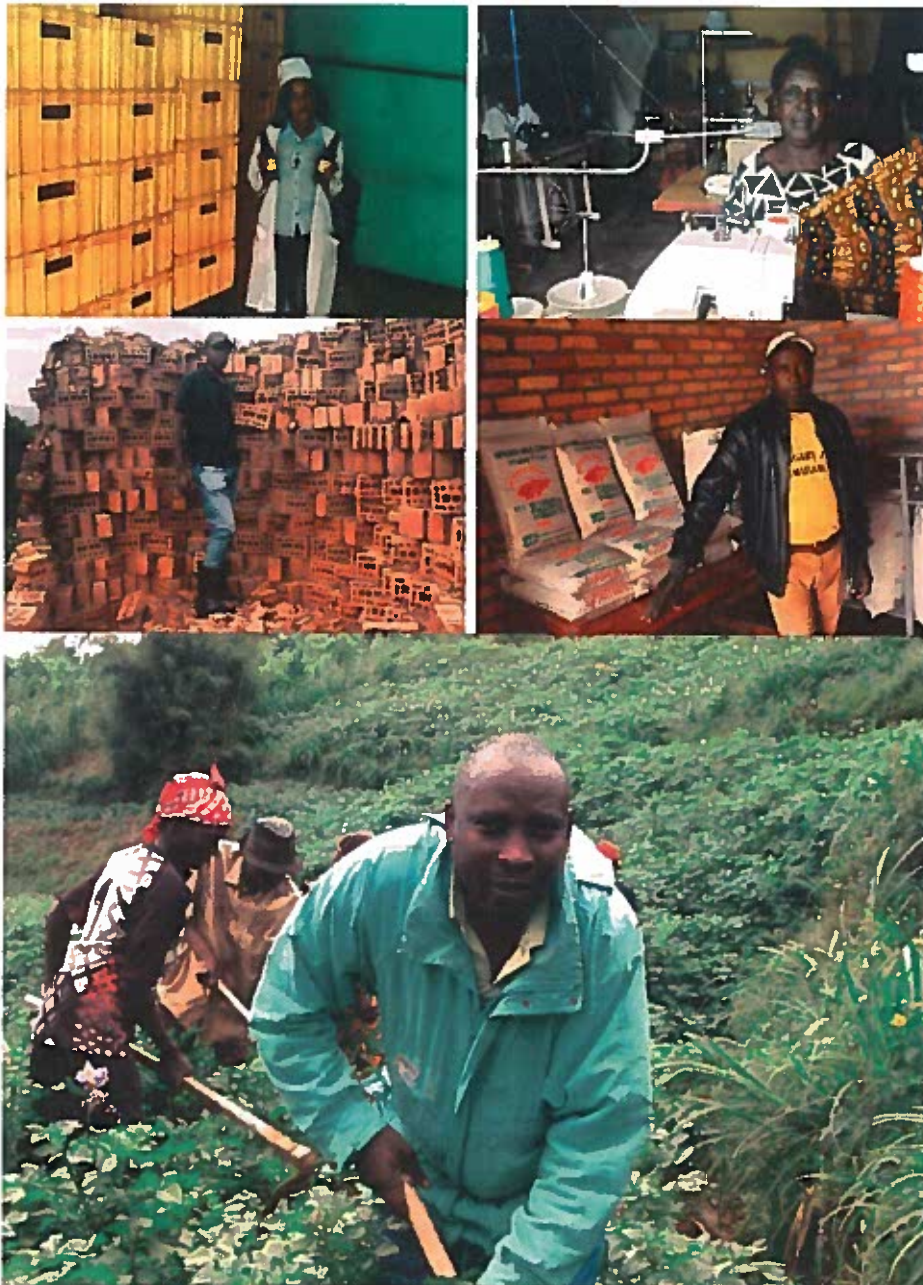
Note: 4 projects were cancelled due to companies being single-owned by married couples and/or appearing in different partnerships.

2.5.5 Analysis of progress made

On LCF Call 1, currently most projects are fully implemented. The disbursement was completed and additional capacity building is only provided on demand, but this does not occur very often. Over the course of LCF call 1, two projects were cancelled and three projects encountered delays from different origins. These three projects will still be supported and have been transferred to Call 2 to continue implementation and allowing Call 1 to be fully closed.

On 6th September 2018, LCF investment committee approved support of 45 new projects in 4 pilot districts under LCF Call 2. During contract negotiation 4 projects were disqualified and 41 projects remained. However, there have been some delays following a LODA-led financial compliance checking process that found irregularities in some projects. These projects are currently awaiting management decisions before either continuing with implementation or being cancelled. One project encountered technical problems which hampered its smooth progress. LODA management and District authorities are working together to tackle issues that are delaying fund transfers for projects.





Pictures: LCF beneficiaries

2.5.6 Potential Impact

New job creation: LCF call 2 has contributed to the creation of new jobs particularly for poor citizen (ubudehe cat.1&2), youth and women. The new jobs created are most importantly off-farm jobs which explain the extent at which the intervention is impacting the people livelihood and reducing poverty and vulnerability.

New steps in value chain: The increment in business value chain step explains how the intervention has impacted the value chain integration. Most applicants were involved in primary production of agriculture commodities, hence the intervention provided significant contribution for acquisition of processing machines and hiring technical staff which contributed to the development of new steps in value chain.

On the other side the new production process within value chains will potentially create an added value, with new products and high return.

Number of new products and services: The creation of new products and services is an indicator of local economic development; new products created are generally based on local primary products (raw material) which are transformed into final products through an industrial process. This is an indication of how local economies can be boosted by building on local potentialities. New products will open new markets, new jobs and new opportunities for the development of local economies.

Below are some of the indicators for potential sustainability;

- Continued involvement of district authorities in project implementation (selection, monitoring of funds, capacity building and reporting)
- Ongoing initiative to connect LCF with other initiatives (Synergy between LCF and Financial services)
- Potential continued funding of LCF by the government of Rwanda
- Combined monitoring efforts by LODA and the districts to guarantee for effective fund utilisation

LCF also underwent an End Term Evaluation for Call 1. The report was finalized in March 2019 and will serve as guidance for the successful implementation of LCF Call 2 and 3. The results from this evaluation were also quite positive. A few of the highlighted results can be seen below.

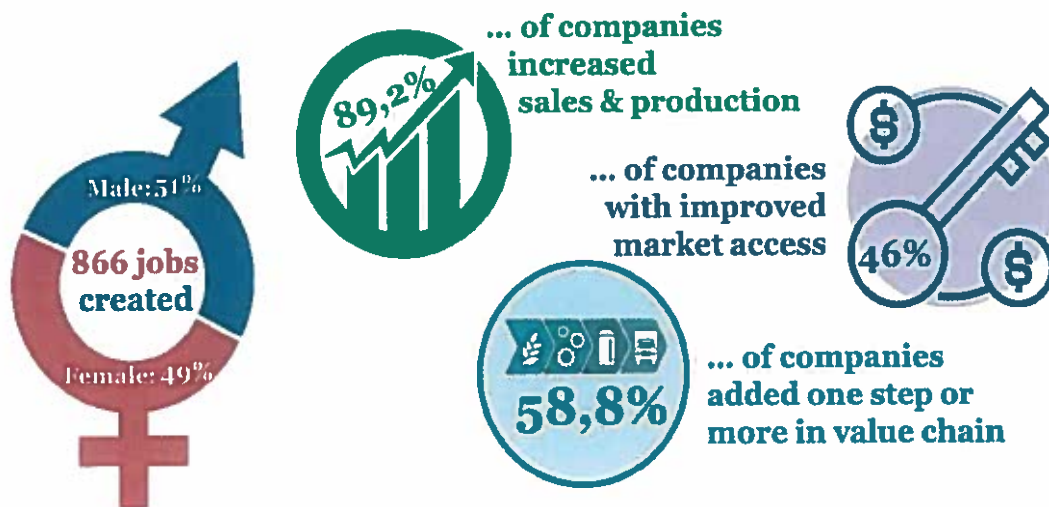


Figure 5: Results from LCF Call 1 evaluation



2.6 Short Term Outcome 8: LODA external Grants to support DDP's implementation is executed in compliance with PFM regulatory framework

2.6.1 Progress of indicators

Indicators	Baseline value	Target year 16-17	Mid-Term Target 17-18	Target & Effective Value 18-19
8.OC1: The external joint audit annually commissioned by Belgium, EKN, KfW is unqualified	0	Target: 1 Value: 1	Target: 2 (cumul.) Value: 2	Target: 2 (cumul.) Value: 2
8.OC2: % of recommendations of LODA external audits that are fully implemented within 12 months following the publication of the audit reports	0	/	Target: 50% Value: 37%	Target: 70% Value: 84%

2.6.2 Progress of Outputs

Progress of outputs	Progress ⁶ :				Output Indicator	Baseline value	Mid-Term Target 17-18	Targets & Effective Value 2018-2019
	A	B	C	D				
OUTPUT 8.1: LODA supported on enhancing oversight of audit recommendations and District compliance with guidelines		x			8.OP1: Number of technical advices provided to LODA in view of enhanced oversight	0	Target: 4 (cumul.) Value: 4	Target: 6 (cumul.) Value: 4
			x		8.OP2: Number of information sharing sessions on Districts weaknesses in PFM vs. existing improvement measures	0	Target: 1 Value: 1	Target: 2 (cumul.) Value: 1

⁶ A: The output is ahead of schedule; B: The output is on schedule; C: The output is delayed, corrective measures are required; D: The output is seriously delayed (more than 6 months). Substantial corrective measures are required.

2.6.3 Progress of activities

Progress of activities ⁷	Progress:			
	A	B	C	D
ACTIVITY 8.1.1: Advise LODA on how to Improve financial compliance reports of Investment projects			X	
ACTIVITY 8.1.2: Organize and perform the field monitoring visit with the other DPs		X		

2.6.4 Analysis of progress made

The Joint Field Monitoring Mission of district infrastructures was well performed in February 2018 as an extensive mission with a broad monitoring scope. Joint recommendations were made on improving the management of investment projects by Districts and LODA's supervision of the same (see annex 4.8.)

Although the PCU finance management team closely collaborated with the LODA LCF management and LODA finance team on several management-related topics, it was not possible to effectively advise LODA on how to Improve financial compliance reports of Investment projects, hence the C rating for this activity. However, LODA performed very well in fully implementing recommendations of external within 12 months following the publication of the audit reports (indicator 8.OC2: Target: 70%, Value: 84%of recommendations implemented).

2.6.5 Potential Impact

The activities performed under OC 8 are believed to be conducive for sustainability, not just by improving audit recommendations and financial compliance but especially through the joint development of a detailed action plan regarding an enhanced management of district infrastructure projects, both at LODA and Districts level.

2.7 Transversal Themes

Note: in this section, transversal themes are presented in relation to OC 7 (LCF) only since OC 6 implementation was concluded before 2018-2019.

2.7.1 Gender

2.7.1.1 Main gender gaps in the areas/outcomes covered

There are significant gaps in terms number of women-led businesses and consequently the number of direct beneficiaries who are women remains low compared to men. From call 2 only 10 partnerships out of 41 (24%) are led by women. In terms of new job creation, only 1127 beneficiaries out of 3262 (34.5%) are women (LCF call 1 final evaluation report). This shows gender gaps within LCF.

⁷ A: The activities are ahead of schedule; B: The activities are on schedule; C: The activities are delayed, corrective measures are required; D: the activities are seriously delayed (more than 6 months). Substantial corrective measures are required.



2.7.1.2 How does your intervention consider gender?

LCF awareness campaigns were strategized in a way both men and women have clear information on the funding information and conditions. Specific capacity building activities on gender were organised for both LCF secretariat and LCF beneficiaries to improve gender analysis and mainstreaming.

2.7.1.3 Awareness activity for the staff and/or implementing partner (workshop, trainings, etc.)

LCF secretariat and beneficiaries were trained on gender. Training module is available which includes the gender analysis and gender mainstreaming tools.

2.7.1 Environment

LODA is aware of environment in any local development project including LCF. We have in place environmental screening tools and staff trained on environment impact assessment which will sufficiently reduce any environment issue across our intervention. LODA also remains compliant with National enrolment policy and strategy and cooperates with national environment institutions for any environment related issue.

2.8 Risk management

See table in Annex 4.7.



3 Steering and Learning

3.1 Strategic re-orientations

No strategic reorientation took place in 2018-2019 under RDSP-DDP. The LCF operational manual and M&E Manuals still guide implementation of LCF. Both documents are not static, rather they are updated based on new dynamics with the program management. In 2018/2019 knowledge management workshops organized by LCF secretariat enabled to document lessons learned and needs for changes under LCF.

3.2 Recommendations

3.2.1. Recommendations from RDSP MTR

The table below lists recommendations from RDSP's Mid-Term review still relevant to the DDP part of RDSP that were approved by the Steering Committee, and their updated status.

Recommendations under project control	SC position	Status
* Districts to be supported in developing viable projects in support of LED through capacity building for improved feasibility studies and effective monitoring of projects	Partially accepted	Planned (LODA)
* LCF Undertake comprehensive review of SME product cluster/ entrepreneurship and access to finance initiatives for local private sector development with PSF / MINICOM. Assist with policy/strategy development.	Accepted	Access to finance initiatives were mapped in the Study on LCF as revolving fund. The review of SME product cluster is under MINICOM's mandate
* Review market strategies & financial business cases of LCF first call funded projects, developing a knowledge product for dissemination	Accepted	Partially done (evaluation Call 1 and study on LCF as revolving fund)
* LCF: Ensure a clearer articulation of LED for Window 1 and CED for Window 2, aligned to MINICOM SME development & private sector development approach	Accepted	Partially done (Call 2)
* Experiences from RALGA work on participatory strategies should be integrated within the general approach to LED development in districts (by LODA) rather than continue as standalone RALGA activities	Accepted	Joint work of RALGA and LODA in implementing LED trainings for District staff under RDSP (milestone)
* Knowledge management to target especially LED (including LCF) and the RGB coaching program;	Accepted	On-going – The High-Level breakfast dialogue was a success this regards
* Qualitative M&E (and component 5) should be given priority over conduct of baseline data survey.	Partially accepted	On-going with Most Significant change and KM consultancies
* Future emphasis on environment and decent work is recommended when monitoring future LED and LCF activities.	Accepted	Partially done: decent work is monitored under LCF while capacity to deal



Recommendations under project control	SC position	Status
		with environment is limited
Recommendations not under project control	SC position	
* LED strategies should identify which products have greatest potential for (i) Community economic development (ii) LED (more closely aligned to private sector development).	Partially accepted	Not yet addressed
* The forum for co-ordination of LED approaches requires substantive strengthening. It is recommended to establish a new TWG – that is co-chaired by MINALOC and MINICOM with participation of PSF, RDB and other relevant ministries and stakeholders.	Partially accepted	Attempted to ensure participation of MINICOM and RDB in existing coordination structures; secured their participation in National LED conference (November 2018)

3.2.2. Recommendations in view of Call 3 under LCF

In the preparation of LCF Call 3, three studies were conducted to explore where improvements could be made to the design, methodology or alignment with other programs: LCF Call 1 Evaluation; study to turn LCF into a revolving fund; and study on LCF and VUP financial services. They generated a number of recommendations as described below.

Recommendation	Status
1. Increase the pace of distributing grant/loan to beneficiary	Currently being implemented for LCF call 2, with some challenges. The idea is that for Call 3 there should be better methods in place to prevent delays.
2. Better inform beneficiaries of changes	ongoing
3. Provide Capacity building for companies on HR management as well as technical trainings	Several CB components are considered. S-mark trainings are a focus for Call 2 beneficiaries and would continue for Call 3.
4. Establish counterfactual or more in-depth qualitative analysis to evaluate better in the future	Not included in Call 2 but proposed to be implemented in Call 3
5. Include more activities to achieve real value chain development, not only value addition as such within companies	not included in Call 2, but would be implemented in Call 3.
6. Turn LCF into a hybrid of revolving (repayable) grants and loans with affordable interest.	Considered in current preparations for Call 3
7. Make LCF matched grant window more accessible to VUP FS groups	Considered in current preparations for Call 3. 42% of VUP FS beneficiaries are cooperatives or associations. These groups could be eligible under the LCF matched grant window.
8. Create a new loan window for well established SMEs and cooperatives	Considered in current preparations for Call 3
9. Create a new skills development window for financial literacy and business skills development tailored to VUP groups	Considered in current preparations for Call 3

Recommendation	Status
10. Align LCF value chains to Made in Rwanda Policy and the Future Drivers of Growth Report	Considered in current preparations for Call 3

3.3 Lessons Learned

3.3.1 Lessons learned under LCF

The following lessons emerged from knowledge management activities under LCF:

LESSONS LEARNED / CHALLENGES	PROPOSED ACTIONS FOR NEXT CALL
<p>Causes of delay during contract negotiations</p> <ul style="list-style-type: none"> • Understaffing of BDEU means there was no time to assist all applicants to make the annexes (applicants to be supported one by one) • Applicants do not have planning and budgeting skills: annexes deemed too complicated for them to complete, a lot of CB and support has been needed to complete the annexes • Timely checks and corrections of contracts & annexes of the contract is necessary in order to avoid delays • During implementation and monitoring several issues with contracts have been revealed in different Districts, surpassingly due to insufficient checks during contract negotiations: • Wrong structure of the contract sections, including some contracts missing some sections • Contracts missing some annexes or annexes note properly packaged • Wrong beneficiary bank accounts in the contracts, it was realised during monitoring that some beneficiaries provided wrong bank accounts during contract drafting which resulted in transferring grant funds to the other banks accounts rather than the ones opened specially for LCF grants with joint signatory regime of all partners. 	<ul style="list-style-type: none"> • Contract in Kinyarwanda to be ready and available in time + translations need to be correctly aligned • Contract to be simplified, e.g. general and specific conditions to be split • Additional district staff/people (e.g. BDAs/BDFs) to be trained/provided to support applicants completing the templates • BDEU staff needs to take responsibility of thoroughly checking the contracts before final version is including: • statement of bank accounts (supported by proof of bank account) • instalments and amounts mentioned are correct compared to what IC has agreed upon • Instalments and amounts are clearly mentioned in the contract (see article number 9) • all annexes included, understandable and complete • Compare bank account certificate with account number in the contract before signing

3.3.1.1 Guarantee

LESSONS LEARNED / CHALLENGES	PROPOSED ACTIONS FOR NEXT CALL
<p>Solution of advance payment guarantee</p> <ul style="list-style-type: none"> • All beneficiaries were advised to get guarantees from insurance companies and banks, this has resulted in all projects receiving valid guarantees 	<ul style="list-style-type: none"> • LODA and BDEU to conduct meetings with insurance companies and banks beforehand to convince them to offer guarantees (so that they are ready once LCF beneficiaries need them)



3.3.1.2 Baseline

LESSONS LEARNED / CHALLENGES	PROPOSED ACTIONS FOR NEXT CALL
<ul style="list-style-type: none"> • Not all questions have been interpreted the same way by different people gathering data • Some data are flawed due to the lack of capacity and knowledge of the beneficiaries (i.e. turnover /profit) • Interviews with beneficiaries which were prepared for the questions have been done more easily • Some beneficiaries are reluctant to give correct amounts for salaries • Take into account the differences in management structure between cooperatives and companies in order to get clear data on management • Make sure a clear monitoring framework is in place, and align questions with it • Some data cannot be produced 'on the spot': e.g. a lot of companies had no idea about their profit/loss • Design of baseline survey should be done very carefully to allow for sound statistical procedures, to be used for possible scaling up. (since this is a pilot project) 	<ul style="list-style-type: none"> • make sure the questions are short and clear to everyone, provide extra information, like examples, when risk of misunderstanding exists • Testing of the questions beforehand helps to improve questions and clarify ambiguities • When data are clearly unknown by the business, rather than trying to find the correct answer, leave the data open. This might also be valuable information for analysis • Organize a general session for beneficiaries, in order for them to be prepared to the questions and organize one-on-one sessions afterwards to actually collect data • Prepare a non-disclosure letter, which makes clear that the data will only be used for monitoring and evaluation purposes • Share all the collected information with the beneficiaries so that they also have data about their business available • Test the questions with more than 1 company so that more issues with questions and answers can become clear • Design questions with later statistical analysis in mind. • Hold workshop of how to translate each indicator into data <u>before</u> the surveying

3.3.1.3 Request + payment for 1st instalment

LESSONS LEARNED / CHALLENGES	PROPOSED ACTIONS FOR NEXT CALL
<p>Payment Districts → beneficiaries</p> <ul style="list-style-type: none"> • The request for 1st instalment was linked to the contract signature in order to reduce the administrative burden • Payments have been heavily delayed due to guarantee issue for majority of the projects, only in Rutsiro payments have been made after signature of the contracts • LODA has disbursed money to Districts from the moment guarantee issue has been cleared 	<ul style="list-style-type: none"> • Issue concerning delayed payment linked to guarantee issue should be avoided through actions mentioned under "guarantee" section of this report • District LCF Secretariat should be more actively following up the disbursement of the funds to the beneficiaries • Issues with fund disbursement affecting the implementation activities of the beneficiaries should be identified early and should be managed on a case-by-case basis • Clear contracts with correct budget information (as per minutes LCF IC meeting) to avoid errors in the contracts

3.3.1.4 Monitoring of projects + inserting information on MEIS

LESSONS LEARNED / CHALLENGES	PROPOSED ACTIONS FOR NEXT CALL
<ul style="list-style-type: none"> • After fund disbursement, monitoring activities started gradually and not immediately. This has caused some implementation issues with projects where funds were not used properly due to misinterpretation of the requirements or 	<ul style="list-style-type: none"> • Fund disbursements should immediately be followed up (or even take place before funds are disbursed) by inception meetings attended by the partnership and the District LCF Secretariat in order to fully clarify the rules



LESSONS LEARNED / CHALLENGES	PROPOSED ACTIONS FOR NEXT CALL
<ul style="list-style-type: none"> Monitoring visit of LODA has revealed several implementation and contractual issues that have been discussed with the District Some Districts have developed a monitoring tool for own use, as to keep monthly information on each project up to date. This should be shared and seen as best practice. 	<ul style="list-style-type: none"> When fund disbursement has been delayed, monitoring visits should clearly indicate the issues the implementing project is detecting and how these can be solved.

3.3.1.5 Reporting

LESSONS LEARNED / CHALLENGES	PROPOSED ACTIONS FOR NEXT CALL
<ul style="list-style-type: none"> Due to the absence of scanners in District offices, there has been a long delay in the uploading of contracts on MEIS Financial information on fund disbursement to projects has not been updated timely by District LCF Secretariat Uploading of quarterly reports and checking through checklist on MEIS has overall been done correctly. 	<ul style="list-style-type: none"> Districts should effectively use their management fees to make sure that scans can be easily made and that upload to MEIS can be done timely In order to secure a correct follow-up on all management levels, it is crucial that information on fund disbursement is correctly filled by the relevant actors in order to avoid confusion

3.3.1.6 Capacity building activities

LESSONS LEARNED / CHALLENGES	PROPOSED ACTIONS FOR NEXT CALL
<ul style="list-style-type: none"> Introductory CB trainings on procurement and financial management should be given possible right after fund disbursement in order to make sure that correct procedures are followed After training, beneficiaries seem to understand the importance of procurement activities and are implementing the process in their activities 	<ul style="list-style-type: none"> Plan introductory CB timely in order to make sure correct procedures are followed. Follow-up closely with the beneficiaries whether they are correctly implementing procurement activities they have been trained on

3.3.2 Lessons learned under Outcome 8

The main lessons learned under Outcome 8 are the following:

- Make sure to be realistic in ambitions related to PFM compliance, taking into account the available human resources;
- Ensure thorough analysis of national systems prior to implementation;
- Ensure that new interventions are on plan and on budget, they should start either in July or December rather than being disconnected from the national planning and budgeting cycle;
- Put more emphasis on the local level where implementation takes place when designing a decentralization program.



4 Annexes

4.1 Quality criteria

1. RELEVANCE: The degree to which the intervention is in line with local and national policies and priorities as well as with the expectations of the beneficiaries

In order to calculate the total score for this quality criterion, proceed as follows: 'At least one 'A', no 'C' or 'D' = A; Two times 'B' = B; At least one 'C', no 'D' = C; at least one 'D' = D

Assessment RELEVANCE: total score	A	B	C	D
	X			

1.1 What is the present level of relevance of the intervention?

X	A	Clearly still embedded in national policies and Belgian strategy, responds to aid effectiveness commitments, highly relevant to needs of target group.
	B	Still fits well in national policies and Belgian strategy (without always being explicit), reasonably compatible with aid effectiveness commitments, relevant to target group's needs.
	C	Some issues regarding consistency with national policies and Belgian strategy, aid effectiveness or relevance.
	D	Contradictions with national policies and Belgian strategy, aid efficiency commitments; relevance to needs is questionable. Major adaptations needed.

1.2 As presently designed, is the intervention logic still holding true?

X	A	Clear and well-structured intervention logic; feasible and consistent vertical logic of objectives; adequate indicators; Risks and Assumptions clearly identified and managed; exit strategy in place (if applicable).
	B	Adequate intervention logic although it might need some improvements regarding hierarchy of objectives, indicators, Risk and Assumptions.
	C	Problems with intervention logic may affect performance of intervention and capacity to monitor and evaluate progress; improvements necessary.
	D	Intervention logic is faulty and requires major revision for the intervention to have a chance of success.

2. EFFICIENCY OF IMPLEMENTATION TO DATE: Degree to which the resources of the intervention (funds, expertise, time, etc.) have been converted into results in an economical way

In order to calculate the total score for this quality criterion, proceed as follows: 'At least two 'A', no 'C' or 'D' = A; Two times 'B', no 'C' or 'D' = B; at least one 'C', no 'D' = C; at least one 'D' = D

Assessment EFFICIENCY : total score	A	B	C	D
		X		

2.1 How well are inputs (financial, HR, goods & equipment) managed?

	A	All inputs are available on time and within budget.
X	B	Most inputs are available in reasonable time and do not require substantial budget adjustments. However there is room for improvement.
	C	Availability and usage of inputs face problems, which need to be addressed; otherwise results may be at risk.
	D	Availability and management of inputs have serious deficiencies, which threaten the achievement of results. Substantial change is needed.



2.2 How well is the implementation of activities managed?	
	A Activities implemented on schedule
X	B Most activities are on schedule. Delays exist, but do not harm the delivery of outputs
	C Activities are delayed. Corrections are necessary to deliver without too much delay.
	D Serious delay. Outputs will not be delivered unless major changes in planning.
2.3 How well are outputs achieved?	
	A All outputs have been and most likely will be delivered as scheduled with good quality contributing to outcomes as planned.
X	B Output delivery is and will most likely be according to plan, but there is room for improvement in terms of quality, coverage and timing.
	C Some output are/will be not delivered on time or with good quality. Adjustments are necessary.
	D Quality and delivery of outputs has and most likely will have serious deficiencies. Major adjustments are needed to ensure that at least the key outputs are delivered on time.

3. EFFECTIVENESS TO DATE: Degree to which the outcome (Specific Objective) is achieved as planned at the end of year N				
In order to calculate the total score for this quality criterion, proceed as follows: 'At least one 'A', no 'C' or 'D' = A; Two times 'B' = B; At least one 'C', no 'D' = C; at least one 'D' = D				
Assessment EFFECTIVENESS : total score	A	B	C	D
	X			
3.1 As presently implemented what is the likelihood of the outcome to be achieved?				
X	A	Full achievement of the outcome is likely in terms of quality and coverage. Negative effects (if any) have been mitigated.		
	B	Outcome will be achieved with minor limitations; negative effects (if any) have not caused much harm.		
	C	Outcome will be achieved only partially among others because of negative effects to which management was not able to fully adapt. Corrective measures have to be taken to improve ability to achieve outcome.		
	D	The intervention will not achieve its outcome unless major, fundamental measures are taken.		
3.2 Are activities and outputs adapted (when needed), in order to achieve the outcome?				
X	A	The intervention is successful in adapting its strategies / activities and outputs to changing external conditions in order to achieve the outcome. Risks and assumptions are managed in a proactive manner.		
	B	The intervention is relatively successful in adapting its strategies to changing external conditions in order to achieve its outcome. Risks management is rather passive.		
	C	The intervention has not entirely succeeded in adapting its strategies to changing external conditions in a timely or adequate manner. Risk management has been rather static. An important change in strategies is necessary in order to ensure the intervention can achieve its outcome.		
	D	The intervention has failed to respond to changing external conditions, risks were insufficiently managed. Major changes are needed to attain the outcome.		



4. POTENTIAL SUSTAINABILITY: The degree of likelihood to maintain and reproduce the benefits of an intervention in the long run (beyond the implementation period of the intervention).				
In order to calculate the total score for this quality criterion, proceed as follows: At least 3 'A's, no 'C' or 'D' = A ; Maximum two 'C's, no 'D' = B; At least three 'C's, no 'D' = C ; At least one 'D' = D				
Assessment POTENTIAL SUSTAINABILITY : total score	A	B	C	D
		X		
4.1 Financial/economic viability?				
	A	Financial/economic sustainability is potentially very good: costs for services and maintenance are covered or affordable; external factors will not change that.		
X	B	Financial/economic sustainability is likely to be good, but problems might arise namely from changing external economic factors.		
	C	Problems need to be addressed regarding financial sustainability either in terms of institutional or target groups costs or changing economic context.		
	D	Financial/economic sustainability is very questionable unless major changes are made.		
4.2 What is the level of ownership of the intervention by target groups and will it continue after the end of external support?				
X	A	The steering committee and other relevant local structures are strongly involved in all stages of implementation and are committed to continue producing and using results.		
	B	Implementation is based in a good part on the steering committee and other relevant local structures, which are also somewhat involved in decision-making. Likelihood of sustainability is good, but there is room for improvement.		
	C	The intervention uses mainly ad-hoc arrangements and the steering committee and other relevant local structures to ensure sustainability. Continued results are not guaranteed. Corrective measures are needed.		
	D	The intervention depends completely on ad-hoc structures with no prospect of sustainability. Fundamental changes are needed to enable sustainability.		
4.3 What is the level of policy support provided and the degree of interaction between intervention and policy level?				
X	A	Policy and institutions have been highly supportive of intervention and will continue to be so.		
	B	Policy and policy enforcing institutions have been generally supportive, or at least have not hindered the intervention, and are likely to continue to be so.		
	C	Intervention sustainability is limited due to lack of policy support. Corrective measures are needed.		
	D	Policies have been and likely will be in contradiction with the intervention. Fundamental changes needed to make intervention sustainable.		
4.4 How well is the intervention contributing to institutional and management capacity?				
X	A	Intervention is embedded in institutional structures and has contributed to improve the institutional and management capacity (even if this is not an explicit goal).		
	B	Intervention management is well embedded in institutional structures and has somewhat contributed to capacity building. Additional expertise might be required. Improvements in order to guarantee sustainability are possible.		
	C	Intervention relies too much on ad-hoc structures instead of institutions; capacity building has not been sufficient to fully ensure sustainability. Corrective measures are needed.		
	D	Intervention is relying on ad hoc and capacity transfer to existing institutions, which could guarantee sustainability, is unlikely unless fundamental changes are undertaken.		

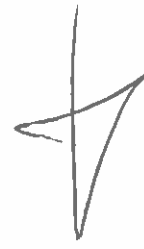


4.2 Decisions taken by the steering committee and follow-up

Note: for coherency purposes, the table below presents all decisions taken by the Steering Committee during the reporting period as both sub-interventions of RDSP (ECD and DDP) are managed as one.

Decision	Deadline	Status
10/1: SC decision: IPs to share their revised action plans under RDSP with RDB (CB); PCU will facilitate	31/12/2018	Done
10/2: SC decision: PCU to assure availability of all end term values of program indicators before starting of the external end term review of RDSP	31/12/2019	Ongoing
10/3: SC decision: RALGA to make a presentation at the next SC meeting on advocacy activities implemented under RDSP and their impact.	SC meeting of May 2019	Done
10/4: SC decides to include vice-Mayors and Executive secretaries of district bureaus among the participants to RALGA's activity 3A.1.6 ("Organise Policy Dialogue on LED for Chairpersons of District Councils Economic Commissions Chairpersons")	Immediate	Done
10/5a: SC approves all revised AP&Bs for FY 18/19 and 19/20 with following rules to ensure smooth closing: • GA implementation periods will not be extended beyond the approved timeframe in the future. • IP budget ceilings will not be increased in the future	Immediate	Done and reviewed in 11 th SC
10/5b: regarding the AP&B on "LCF accompanying measures outside of the grant agreement with LODA", the table of activities will be corrected by removing already implemented activities.	Immediate	Done
10/6: SC requests IPs & MINALOC to include approved AP&Bs under RDSP in their respective institutional AP&Bs and IFMIS / financial management tool (FY 18/19 & FY 19/20)	31/12/2018	Done
10/7 SC decides that RGB and RALGA will provide monthly budget monitoring reports to PCU including their use of 7% management fee in an easy to use format. This is to allow these IPs to spend on management fee in a monthly manner.	Monthly report of December	Done
10/8: SC recommends for Enabel and MINECOFIN to coordinate in order to confirm that new royal decree on Enabel grants does not pose additional risks for RDSP implementation.	SC meeting of May 2019	Done
10/9: SC approves revised timeline and activity implementation periods (see Annex 1). This is the last revision accepted.	Immediate	Done and reviewed at 11 th SC

Decision	Deadline	Status
10/10: SC approves the revised ending dates for work contracts. Concerns over the early termination of Delco contract were raised. There is need to consider addressing this concern during the next steering committee meeting.	Immediate + May 2019	Done and reviewed at 11 th SC
10/11: SC approves the proposed budget changes and increase of the self-managed budget as follows: • + 391.862 EUR under ECD • + 365,806 EUR under DDP These amounts are deduced from the co-managed budget.	Immediate	Done
11/1 SC decision: PCU will organize a workshop to share with RGB coaches relevant information from the joint monitoring missions of district infrastructure projects ¹ in the light of assessments made in the context of preparations for a DfID-supported coaching intervention on PFM. This should (among others) contribute to increase the value of indicator 8.OP2 which is only at 50%.	30/09/2019	Could not be done - RGB coaches not further involved in the DfID-supported intervention
11/2 SC Decision: SC approves all adapted AP&Bs, namely: - RDSP Outcome 2 (CB on LED), under grant agreement with LODA - RDSP O3 (LED participation and gender), under grant agreement with RALGA) - RDSP O4 (Sector coordination), co-managed with MINALOC - RDSP O5 (RBM & KM), self-managed by Enabel - RDSP O7 (AM under GA), AP&B under grant agreement with LODA as well as self-managed AP&B	Immediate	Done
11/3 SC decision: under LODA O2 AP&B, activity 2A.1.1 (On the job trainings to district staff for roll out of feasibility studies) will end on 31/03/20. PCU will agree with LODA on how to make this possible while remaining within the O2 AP&B implementation and reporting period. LODA will ensure tight monitoring of this activity to ensure quality and avoid delays.	Immediate	Done
11/4 SC decision: under RGB O1 AP&B, the implementation timeframe for Activity 1.1. (Provide advisory services through coaching to Districts to enhance their performance) is extended at no cost until 30/09/2019 to allow a smooth transition between the RDSP-funded RGB coaching program and the anticipated new coaching intervention supported by DfID. PCU will agree with RGB on how to make this possible while remaining within the O1 AP&B implementation and reporting period.	30/09/2019	Done
11/5 SC approves: - The extended implementation period for outcome 4 until 31/05/2020 (reporting until 30/06/20) - The revised funding period for work contracts	Immediate	Done
11/6 SC decision: the proposed changes to the LCF Operational Manual are approved as per the attached PowerPoint presentation slides 13 and 14.	Immediate	Done
11/7 SC decision: SC approves the budget change and increase of 82,400 EUR of the self-managed budget under ECD, this amount being deduced from the co-managed budget.	Immediate	Done



Decision	Deadline	Status
11/8 SC decision: a mandate is given to SC Chair and Co-Chair to make any further decision and reallocate unused RDSP budget balances in the spirit of optimal use of resources for (a) further RDSP results achievement (including on areas relevant to the upcoming Belgium-Rwanda Urbanisation intervention), (b) smooth program closing, in respect of all applicable modalities	Immediate	Done
11/9 SC decision: LODA will make a proposal to PCU on a feasible approach for the 10% retention by 31/07/2019.	31/07/2019	On-going



4.3 Updated Logical framework

The RDSP logical framework remains as it was last year.

4.4 MoRe Results at a glance

Logical framework's results or indicators modified in last 12 months?	No
Baseline Report registered on PIT?	Yes
Planning MTR (registration of report)	RDSP MTR took place in October 2017
Planning ETR (registration of report)	-
Backstopping missions since 01/01/2012	YES: 4



4.5 "Budget versus current (y - m)" Report

Row Labels	Total Budget	Actuals
RWA1309011_A0101	8,342,047.00	8,266,547.00
RWA1309011_A0102	-75,000.00	0.00
RWA1309011_A0201	1,968,646.00	1,351,152.37
RWA1309011_A0202	350,838.00	295,081.65
RWA1309011_A0204	150,520.00	54,834.00
RWA1309011_A0205	171,400.00	5,582.61
RWA1309011_A0206	55,000.00	0.00
RWA1309011_A0301	70,884.00	63,865.28
RWA1309011_Z0101	35,000.00	0.00
RWA1309011_Z0102	65,000.00	0.00
RWA1309011_Z0103	15,685.00	0.00
RWA1309011_Z9998	0.00	124.27
RWA1309011_Z9999	0.00	-0.03
Grand Total	11,150,000.00	10,037,187.15

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Bernadette

Approved by



Row Labels	Total Budget	Actuals
RWA1308911_A010200	167,020.00	147,505.98
RWA1308911_A010500	2,534,229.00	2,500,635.81
RWA1308911_A010600	0.00	0.00
RWA1308911_A010700	97,488.00	92,595.13
RWA1308911_A020300	87,459.00	54,794.51
RWA1308911_A020400	1,360,903.00	1,086,338.82
RWA1308911_A020500	945,712.00	901,360.09
RWA1308911_A020600	75,558.00	59,025.46
RWA1308911_A020800	161,717.00	113,545.78
RWA1308911_A020900	9,138.00	0.00
RWA1308911_A020901	61,500.00	0.00
RWA1308911_A020902	25,380.00	963.07
RWA1308911_A030500	1,387,280.00	1,267,227.38
RWA1308911_A030700	94,990.00	0.00
RWA1308911_A040100	221,294.00	167,589.44
RWA1308911_A040200	205,032.00	154,848.30
RWA1308911_A040301	31,000.00	0.00
RWA1308911_A040302	34,000.00	0.00
RWA1308911_A050100	159,412.00	108,839.29
RWA1308911_A050200	0.00	75.00
RWA1308911_A050300	1,270.00	1,269.75
RWA1308911_Z010100	871,827.00	691,369.01
RWA1308911_Z010300	831,554.00	693,201.56
RWA1308911_Z010400	0.00	690.90
RWA1308911_Z010600	50,879.00	47,880.43
RWA1308911_Z010700	86,478.00	85,102.04
RWA1308911_Z010800	551,078.00	444,021.85
RWA1308911_Z020100	99,717.00	91,716.87
RWA1308911_Z020200	45,608.00	40,817.08
RWA1308911_Z030100	85,715.00	60,948.88
RWA1308911_Z030200	56,525.00	44,000.51
RWA1308911_Z030300	37,057.00	22,208.87
RWA1308911_Z030400	188.00	188.38
RWA1308911_Z030500	38,403.00	29,295.32
RWA1308911_Z030600	857.00	516.96
RWA1308911_Z030700	30,858.00	17,051.50
RWA1308911_Z030800	11,327.00	10,327.32
RWA1308911_Z030900	728.00	495.29
RWA1308911_Z031000	16,733.00	15,959.93
RWA1308911_Z040100	201,637.00	123,837.46
RWA1308911_Z040200	10,761.00	10,760.80
RWA1308911_Z040300	140,505.00	58,155.36
RWA1308911_Z040400	21,042.00	17,881.42
RWA1308911_Z999800	-2,860.00	-12,829.47
RWA1308911_Z999900	3,000.00	-10,231.93
Grand Total	10,850,000.00	9,127,581.15

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Taris VanderLip



4.6 Communication resources

For the DDP part of the programme, communication products that focus on the impact for the beneficiaries has largely focused on LCF, as such an explanation video of LCF, showing beneficiaries and government stakeholders and the development of a booklet containing Most Significant Change stories by the beneficiaries. Next FY the number of communication resources are expected to increase as the program closes and final data is gathered.

4.7 Risk monitoring table

#	Risk Description and analysis	#	Action	Progress	Status		
1	Limited result of capacity building activities due to inappropriate or poor quality service provision and poor management of capacity building cycle (e.g. needs assessment, definition of CB activities, objectives and methodology, implementing CB activities, monitoring, evaluation, etc.)	1	Regular checks if GA modalities are implemented and constantly engage with IPs on quality issues.	CB funds under RGB are now limited to coaching programme; other CB is more specific (related to LED) and with a better likelihood to achieve results - even if CB approaches and methods require continuous improvements	Ongoing		
	Probability					Potential Impact	Total
	Medium					Medium	Medium
		2	Provide checks if ToR are Smart and monitor the procurement processes and implementation of contract.	CB funds under RGB limited to coaching programme; other CB is more specific (related to LED) and with a better likelihood to achieve results - even if CB approaches and methods require continuous improvements	Ongoing		
		3	PCU to ensure training modules are discussed and validated	CB funds under RGB limited to coaching programme; other CB is more specific (related to LED) and with a better likelihood to achieve results - even if CB approaches and methods require continuous improvements	Ongoing		



#	Risk Description and analysis	#	Action	Progress	Status
		4	Increase support to RGB in a view to make the coaching programme results-oriented and effective	Close dialogue with RGB on coaching program results orientation and field visit to Eastern Province	Completed
2	Delayed transfers to Ips (lose-lose partnership) - IPs do not provide realistic Budget and Action plan	1	Critically analyse IP planning and budgeting to have enough insurance that it is realistic	Topic addressed at technical committee retreats as well as programme management meetings - Constant monitoring and follow-up by PCU. Final year action-plans and budgets were approved and are being implemented. Some no-cost time extensions for identified activities were approved at the 11th Steering Committee meeting (June 2019)	Completed
	Probability	Potential Impact	Total		
	Medium	Medium	Medium		
3	Delayed transfers to IPs (lose-lose partnership) - IPs do not abide by the GA conditions, thus information gap on use of funds	1	Ensure to have timely and exhaustive information on budget, use of funds, realized activities and planning	Efforts intensified with last year of program implementation. Quarterly finance checks are now performed to avoid backlog of issues	On track
	Probability	Potential Impact	Total		
	Medium	Medium	Medium		
4	Delayed transfers to IPs (lose-lose partnership) - Refused request for funds due to ineligibility of expenditure	1	Closely monitor application of grant agreement conditions and implementation of audit recommendations through regular monitoring (site visits...) and ensuring adequate revisions by partners	Follow-up on IP's audit recommendation implementation plans as part of quarterly checks. Also, IPs report on this at each SC meeting. The June 2019 report to SC showed a high implementation rate.	Ongoing
	Probability	Potential Impact	Total		
	Medium	Medium	Medium		
5	Delayed transfers to IPs (lose-lose partnership) - PCU unable to perform timely on-site supervision visits at IPs	1	Remind the conditions during RDSP technical committee meetings	Done, with improvements (more	Ongoing



#	Risk Description and analysis			#	Action	Progress	Status
						systematic and effective)	
	Probability	Potential Impact	Total	1	Organize Grant agreement audits	Done on annual basis	Ongoing
	Medium	Medium	Medium				
6	Delayed transfers to IPs (lose-lose partnership) - Activities implemented are not the same as those approved, undocumented and unapproved shifts			1	Keep concept note business in place as long as there is no timely and exhaustive information coming from IPs	No longer an issue	Ongoing
	Probability	Potential Impact	Total				
	Medium	Medium	Medium				
				2	A11bis/Ro7/RWA1308911 - PCU to perform regular field missions to IP activities in order to (a) check compliance and (b) learn from IP at implementation stage	11 PCU field visits performed in 2018/2019	Ongoing
7	Delays in LCF implementation due to challenges in LCF management			1	Ensure adequate management systems and capacities are in place (in LODA)	Regularly monitored and discussed with LODA	Ongoing
	Probability	Potential Impact	Total				
	Low	Medium	Medium				
				2	Proactively monitor and support LCF	Close dialogue with and support to LODA team in closing LCF Call 1 and Call 2.	Ongoing
8	Misuse of LCF support by LCF beneficiaries			1	Support LODA in proactively managing LCF fiduciary risks	Regularly monitored and discussed with LODA	Ongoing
	Probability	Potential Impact	Total				
	Low	Medium	Medium				
				2	Ensure that LED NTAs are proactively mobilized to identify risks and undertake proactive actions	ITA and NTAs LED mobilized and involved	Ongoing
9	Transfers to LCF beneficiaries delayed or blocked due to poor implementation by beneficiaries as well as delays and low quality in reporting on use of funds			1	Ensure effective early warning system is in place	LODA took necessary initiatives with NTA support	Ongoing
	Probability	Potential Impact	Total				
	Medium	Medium	Medium				



#	Risk Description and analysis	#	Action	Progress	Status		
10	Poor and late information on LCF projects due to complicated reporting pathways (from cooperatives to districts, Districts to NTA, NTA to LODA and LODA to RDSP).	1	Support LODA in designing and implementing short appropriate realistic reporting pathways	Regular field visits by NTAs and BDEU	Ongoing		
	Probability					Potential Impact	Total
	Low					High	Medium
11	Outcome 6 - Low LED impact of supported district investments	1	Ensure RDSP contribution to improving overall management of district LED projects	-	Completed		
	Probability					Potential Impact	Total
	Low					Medium	Medium
12	Complex RDSP modalities (Own-management, co-management, grant agreement, national execution, competitiveness funds management) generates confusion in responsibilities, low ownership and low employees motivation and accountability.	1	Organise internal workshop on modalities	Discussed at TC and bilaterally, less of an issue as everyone is now used to RDSP	Ongoing		
	Probability					Potential Impact	Total
	Low					Low	Low
13	Reporting on GA do not allow proper management decisions	1	Be proactive on monitoring of Grant agreements conditions; Have regular follow-up meetings on reporting deadlines N/A	clear identification of activities and budget lines in IFMIS Planning and budgeting tool or in P&B partner's project management system	Ongoing		
	Probability					Potential Impact	Total
	Low					Medium	Medium
14	Inefficient Budget management - Communication gaps between operational planning and finance.	1	Organise quarterly meeting between operation and finance	Meetings are regularly held between operations and finance units of the PCU	Ongoing		
	Probability					Potential Impact	Total
	Low					Medium	Medium
15	Unsatisfactory goods and services purchased or not in compliance with the ToR and the requests.	1	Have an efficient procurement contract monitoring		Completed		
	Probability					Potential Impact	Total
	Low					Low	Low
		2	Organize meeting between user and procurement officer to define the needs		Ongoing		



#	Risk Description and analysis	#	Action	Progress	Status					
		3	Proceed to Market analysis or to share information with other BTC programmes		Late					
16	Early departure of staff funded under the program (earlier than the date identified for the ending of their work contract), leaving unfinished work behind with risks in terms of programme management, reporting and to some extent, results attainment. This risk cuts across the results framework.	1	Ensure clear rules in terms of determining ending dates of work contract are applied for all, and clear communication of ending dates to all staff	Decisions made for all RDSP-funded staff at SC meetings (approval of RDSP closing timeline and related funding periods for work contracts)	Completed					
	<table border="1"> <thead> <tr> <th>Probability</th> <th>Potential Impact</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Medium</td> <td>Medium</td> <td>Medium</td> </tr> </tbody> </table>	Probability	Potential Impact	Total	Medium	Medium	Medium			
	Probability	Potential Impact	Total							
Medium	Medium	Medium								
		2	Proactive dialogue with all staff about their perspectives after RDSP, and where possible attempts to find solutions that meet the needs of RDSP and of the respective staff members (eg transition to other interventions while remaining under the same institution; reallocation of responsibilities of team members who left to remaining staff).	Two national staff left in June (one NTA, one PCU staff). One international staff had been selected for another job (not with Enabel) and could finally be retained.	Ongoing					



4.8 Main recommendations from the February 2019 Joint progress monitoring mission of District infrastructure projects

The mission was conducted by Enabel, the Netherlands Embassy, KfW and LODA.

	Areas	General findings	Recommendations	Priority
1.	<p>Overall project development including feasibility studies, project planning</p> <p>Formal feasibility studies not availed, poor project planning, poor or no environmental & social risks assessment, work safety deficits, limited quality of detailed technical design</p>	<p>The quality of overall project development & management including feasibility studies, project planning as well as technical design is still a challenge. Weaknesses at this stage strongly impair the project's overall final quality. The mission observed that more attention is given to detailed engineering design rather than other components of FS. This leads to losses in quality in both studies.</p>	<ul style="list-style-type: none"> - LODA with the support of IC should continue to improve the capacity of district staff and consultants to fully apply guidelines and enhance quality of feasibility studies, detailed designs and tender documents. - Districts should enhance the operationalization of district project management committee 	1
2.	<p>Technical quality (works)</p>	<p>Several cases when overall quality is not as high as it should be, partly attributable to weak supervision of works</p>	<p>Districts should:</p> <ul style="list-style-type: none"> - enhance supervision of works; - ensure to always receive as-built drawings from the contractor 	2
3.	<p>Work safety</p>	<p>Work safety is still an issue in some project sites, e.g. at ICPC in Gatsibo where workers did not have protection equipment</p>	<p>Districts should enforce safety standards as per the national regulations</p>	2
4.	<p>Procurement (general)</p> <p>Issues of non-compliance, inadequate documentation, mistakes or non-compliance with tender file criteria; financial bids of tenderers substantially <i>recalculated</i>, Procurement files not complete (key documents such as service notes and definitive receptions missing)</p>	<p>Several 2017 findings remain valid. Procurement filing and archiving procedures still require improvements: for all Districts, documents were not easily located; where other institutions had been involved in the procurement process – for example WASAC – no copies of the procurement dossier were retained at the District; also, the procurement and finance files are not filed together, but separately, reducing overall control over each dossier.</p> <p>Additionally, we found: 1. some ITC particularly strict in their interpretation of requisite proofing documents during administrative</p>	<p>LODA should engage with RPPA in continuous procurement trainings and coaching, e.g. on application of RPPA guidelines, on quality of evaluation reports, and recording of reasons for rejecting bidders, on strengthening filing and archiving.</p>	1



	Areas	General findings	Recommendations	Priority
		<p>evaluation, with the result that often only one bid qualified for the next stage (reduced competition).</p> <p>2. The reasons for rejecting bidders are not always detailed enough in tender evaluation reports.</p>		
5.	<p>Contract management Not properly done in most visited projects:</p> <ul style="list-style-type: none"> - Some contracts and amendments poorly drafted; - In cases, indicative budget and/or completion date documented in District's Annual Procurement Plan were not respected; - Definitive reception of works often scheduled with considerable delay; - Cases of works completed after the contractual due date with neither contract amendment nor contractual penalties. 	<p>Most 2017 findings remain valid.</p> <p>Also, the final reception of works is often not planned nor performed, even after completion of the guarantee period. Districts thus risk being unable to compel contractors from completing corrective works and repairs.</p>	<p>2017 recommendations still apply.</p> <p>In addition, district Procurement Officers should plan for the definitive reception in their calendars.</p>	
6.	<p>Budgeting, financial planning & fin. Management</p> <p>Districts' tendency not to consider multi-annual planning and budgeting including preparation of MTEF.</p> <p>Weaknesses in Budgetary and Financial Management:</p> <ul style="list-style-type: none"> - Late payment of invoices - Inadequate budgets in the District's Procurement Plans and exceeded by the contractual value of works procured and paid - Total cost of the project differing from one document to another 	<p>2017 findings remain valid except the one of advance recovery</p>	<p>All 2017 recommendations remain valid.</p> <p>In addition,</p> <ol style="list-style-type: none"> 1. LODA, in conjunction with Minecofin should avail funds on time to avoid delayed payment of invoices. 2. Districts should enhance the use of MEIS to capture information on the project. 	1



	Areas	General findings	Recommendations	Priority
	- Advances issued to contractors not correctly reimbursed from subsequent invoices			
7.	Operations and maintenance Maintenance not always considered a high priority in contradiction to LODA's Operation & Maintenance Guidelines.	2017 finding remains because the maintenance budget is not sufficient yet	MINECOFIN, LODA and Districts to increase the budget for maintenance	2
8.	LODA Monitoring and Evaluation of projects	Not covered by the mission	Carried forward to the next mission	
9.	LODA compliance reports	Not covered by the mission	Carried forward to the next mission	
10	New findings on water projects:	<p>1. Under contract arrangements between District and private operators, most of the revenues go to the private companies when the investment is paid by the district. However, the mission did not deeply analyse the costs for operators. Therefore, no conclusion could yet be reached.</p> <p>2. Staff of water private companies contracted by the districts is not well trained on operations and maintenance of the facilities;</p> <p>3. When a project is co-financed with WASAC, district seems to have limited involvement and ownership (partnership terms not negotiated).</p>	<p>Next monitoring mission to analyse this in detail.</p> <p>LODA with DP support to provide relevant technical operation and maintenance trainings for the water companies' staff</p> <p>LODA to lead process of revisiting the partnership model between districts and their stakeholders in the water sector in order to enhance District participation</p>	2

