

REPUBLIC OF RWANDA



Kigali:07/11/2014
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MINISTRY OF TRADE AND INDUSTRY
P.O. Box 73, KIGALI

Permanent Secretary and Secretary to the Treasury
Ministry of Finance and Economic Planning
KIGALI

**Re: Submission of the Private Sector Development and Youth
Employment Joint Sector Review Report**

Dear Kampeta,

The Private Sector Development and Youth Employment Working Group organized a Backward looking Joint Sector Review Meeting on 6th November 2014, which assessed the performance of the sector in delivering to EDPRS 2 and Sector priorities for 2013-2014 and discussed priorities for Fiscal Year 2015-2016.

Attached herewith is a copy of the final report and its annexes for your consideration.

Sincerely,


Emmanuel HATEGEKA

Permanent Secretary



CC:

- Honourable Minister of Trade and Industry
- Resident Representative of AfDB in Rwanda.

KIGALI



2013/14 Backward-Looking Joint Sector Review Report

Private Sector Development & Youth Employment Sector

1. Introduction

This Backward-Looking Joint Sector Review (JSR) focuses on the performance of the Private Sector Development and Youth Employment (PSDYE) sector in 2013/14. It summarizes the key outcomes from the JSR Meeting held at MINICOM on November 6th and consultations with sector stakeholders, including Government institutions, the Private Sector and Development Partners.

This report is organized as follows. Section 2 provides a status update on EDPRS 2 and PSDYE indicators whose implementation is overseen by the sector and the policy actions undertaken to meet these targets. Section 3 outlines budget execution figures for fiscal year 2013/14. Sections 4 and 5 provide updates on the implementation of resolutions from the previous JSR and planned analytical studies in the sector respectively. Finally, section 6 outlines priority areas that will inform planning and budgeting processes in the sector for the 2015/16 fiscal year.

2. Summary of Progress in Achieving 2013/14 Targets and Policy Actions

The PSDYE Sector is responsible for five EDPRS-2 Core Indicators (Annex 1.1) and another five sector specific PSDYE Indicators (Annex 1.2). This section presents a summary of progress made towards meeting targets for each indicator and relevant policy actions.

Implementation Progress for the EDPRS-2 and PSDYE Indicators

According to the latest available data¹, current performance surpasses the targets for two out of five EDPRS indicators and is just short of the targets for all of the PSDYE indicators. Eight of the 12 policy actions toward EDPRS indicators have been fully achieved (Annex 1.1) and 11 out of 12 PSDYE policy actions have been fully achieved (Annex 1.2).

EDPRS Indicators and Policy Actions

The export to GDP ratio at 14.4% in 2013/14 was short of the 16.2% target (see Annex 1.1)². This was mainly due to the lower than programmed export crops performance following a poor coffee harvest in 2013 and declining international prices for tea. Two (establishing export councils and implementing the export development program) out of three policy actions were fully achieved. The third policy action (developing and approving a market entry sustainability plan for all accessed markets) was partially achieved with the development of these plans for three countries including Gabon, Congo-Brazzaville and Turkey.

¹ Data for several relevant EDPRS-2 indicators are available on calendar year basis only: 4) use the MINECOFIN/IMF report which present investment by calendar year; Data on job creation are available through the household survey which is to be conducted every 3 years going forward—the current wave (EICV4) is currently underway and findings are expected to be published in 2015. Moreover, MIFOTRA is planning an annual labour survey to track off-farm employment.

² In order to report according to calendar year a new methodology have been applied to track exports to GDP. Namely, to use the resource balance from NISR and the average USD exchange rate from BNR, instead of relying directly on trade data (where services exports are only available by calendar year).

The FDI to GDP ratio at 2.4% (US\$ 187m) was below the 2.6% target. The corresponding policy actions have been fully achieved with the introduction of Key Account Managers at the Rwanda Development Board (RDB). The revised investment code was adopted by the Cabinet in March 2014 and currently awaits parliamentary approval.

The private investment to GDP ratio reached 11.4% (US\$ 919m) in calendar year 2013, exceeding the 2013/14 target by 0.4 percentage points. The corresponding policy action of developing industrial parks has been partially achieved while the policy action of increasing the number of collective investment schemes has been fully achieved.

The target for the indicator on increased entrepreneurship and business development has been fully achieved with 11,563 new registrations in the 2013 calendar year against the target 10,500. The associated policy actions on trainings to write business plans and Hanga Umurimo have also been fully achieved. The policy action related to the review of the business environment for SMEs has been partially achieved with the introduction of the Public-Private Dialogue (PPD) mechanism in RDB and the further engagement of district administrations and the Private Sector Federation (PSF).

The latest data on off-farm job creation are from 2011. Updated data will be available when the next household survey (EICV4) is published³. Based on the 2011 data, an average of 90,800 jobs off-farm jobs were created annually during the period 2006-2011 which is short of the target 200,000 off-farm jobs per annum. Two of three corresponding policy actions have been achieved. The National Employment Program (NEP) has been adopted and technical support to the Integrated Craft Production Centres (ICPCs) has been provided. Operationalization of the target 4 Community Processing Centres (CPCs) has been partially achieved: one CPC is operational and construction works for two CPCs are underway and are expected to be completed by December 2014. Procurement for constructing the fourth CPC has been initiated.

PSDYE Sector Indicators and Policy Actions

The target to develop 278 ha of the Kigali SEZ (KSEZ) was partially achieved, with the development of 231.5 ha. (Annex 1.2). The two related policy actions – developing of the KSEZ and conducting feasibility studies for the Kigali Logistics Platform and market infrastructure – were fully achieved. KSEZ Phase 1 is fully developed while Phase 2 is currently developed at 75%.

Non-traditional goods exports, at 55% of total goods exports (or US\$374m) in fiscal year 2013/14, were less than the 58% target. The three corresponding policy actions (targeted export promotion, market access approach, and system for monitoring NTBs) were fully achieved.

Credit to SMEs by banks and MFIs/SACCOs, stood at 4.5% of GDP (RWF 231.2 bn) by June 2014 which is slightly short of the 4.7% (RWF 277bn) target for 2013/14. The associated policy action on developing institutional capacity in SME lending was fully achieved.

The indicator on skills development was validated during the last JSR and its baseline will be available by December 2014 following the conclusion of the Rwanda Industrial and SME Survey. The related policy actions will also be agreed once a baseline is adopted.

³ Moreover, MIFOTRA is planning an annual labour survey which may be a relevant source for the indicator.

3. Budget Execution Performance

Performance against Domestically Financed Budget

The total allocated government budget to the sector was RwF 59,207,246,743 of which RwF 50,078,06,937 was spent (Annex 2.1), representing an overall budget execution rate of 85%. The recurrent budget of RwF 15,352,370,539 had a 94% execution rate while the RwF 50,078,060,937 development budget was executed at 81%. Budget execution rates for the seven budget agencies in the sector are presented below.

Figure: 2.1: Summary on Government Funded Development Budget

	Allocation (Rwf)	Execution (Rwf)	% execution
Total Budget	59,207,246,743	50,078,060,937	85%
Total Recurrent Budget	15,352,370,539	14,446,208,803	94%
Total Development Budget	43,854,876,204	35,631,852,134	81%

RDB has the largest government budget (to the sector) among the institutions in the sector (44.7% of the entire sector's budget). The RwF 26.4bn budget was executed at 79%. Particularly, the development budget had a low execution at 73%, which was primarily caused by low execution of budget lines 1503 ("sustainable tourism and wildlife conservation") and 1504 ("investment promotion and business facilitation"). RDB received 34 recommendations in the OAG 2012/13 report of which 13 have been fully implemented, 19 partially implemented while 2 are yet to be implemented.

Secondly, MINICOM's budget of RwF 20.7bn (34.9% of the sector's budget) had an execution rate of 85%. The Industrial and SME Development programme accounts for 52.1% of MINICOM's budget and had an execution rate of 87%. Budget execution rates were below 80% for four of MINICOM's subprograms including 'Scientific and Technological Research' (79%), 'Quality and Safety Testing' (72%), 'Trade, Investment and Intellectual Property Rights' (56%), and 'Metrology Service Promotion' (41%). MINICOM did not receive any recommendations in the OAG 2012/13 report.

MyICT had a Government budget to the sector of RwF 2.3bn, representing 3.9% of the sector's budget, of which 94% was executed. Execution rates for all programmes were above 90%. The Youth Empowerment and Productivity programme recorded an execution rate of 92% but with some overspending in one sub-programmes (Youth Policy and Strategy Development and Coordination—110%) and underspending in two sub-programmes (Youth Employment and Skills Development—72% and Youth Mobilization—58%)

MIFOTRA had a budget to the sector of RwF 1.4bn and an execution rate of 88%. MIFOTRA is the coordinator of the National Employment Programme (NEP) of which business services in Districts is a main component. Execution under the 'Employment Promotion and Labor Administration programme was low at 56%.

MINEAC's budget of RWF 969m, representing 1.6% of the sector's budget, was executed at 93%. The two programmes and underlying sub-programmes under MINEAC achieved execution rates of at least 92% and no overspending was recorded.

MIGEPROF executed its PSD sector budget of RWF 0.9bn (1.5% of the sector's budget) at 85%, with the key activities contributing towards the implementation of the NEP. The Women Empowerment programme recorded an execution rate of 56%.

The budget allocated to districts for private sector development activities amounted to RWF 6.6bn budget (8.7% of the sector's budget) and was executed at 99%. Key activities focused on business support services and trade and industry.

Performance against Externally Financed Budget

Externally financed projects within government institutions had a total budget of RWF 10,014,657,883 of which RWF 7,309,680,382 was utilized, yielding an overall budget execution of 73% (see Annex 2.2).

Figure 2.2: Summary on Externally Funded Projects through Government

Name of Project	Amount Budgeted in 2013/14	Actual Amount Executed in 2013/14 (Rwf)	Execution Rate (%)
Total PSDYE	RwF 10,014,657,883	RwF 7,309,680,382	73%

MINICOM had an externally funded budget of RWF 6.3bn and an execution rate of 81%. Two programmes, Competitiveness and Enterprise Development Project (CEDEP II) and Enhanced Integrated Framework (EIF 1) were over-executed at 106% and 103% respectively, due to exchange rate fluctuations. Building Inclusive Financial Sector in Rwanda (BIFSIR) was only executed at 28% as the funds were disbursed late in the fiscal year.

RDB had an externally funded budget of RWF 3.7bn of which 60% was executed. The relatively low execution rate was primarily due to the Rwanda Life Cycle Project where technical constraints caused spending to pick up only by July 2014, i.e. after the fiscal year. Moreover figures are driven by underspending in the Regional ICT Center for Excellence project sub-programme.

MYICT had one externally funded project executed at 78.9%.

Disbursements from Development Partners to PSDYE projects not channelled directly through government institutions amounted to about RWF 5 bn during the first 3 quarters of 2014⁴ (Annex 2.2). Indicative disbursement forecasts for the fiscal year 2014/15 amount to RWF 9.2 bn.

4. Progress against implementation of recommendations from the previous JSR

Recommendation 1: Clarify the discrepancy between export figures used in different reports and forums.

Progress made: The underlying ambiguity in export figures in part arises from the treatment of service exports and informal trade figures and the use of calendar years versus fiscal years by different reports. In line with the JSR recommendation, MINICOM has worked with various agencies including NISR to identify a clear methodology to be applied in the computation of the EDPRs indicator on the GDP share of exports. Going forward the resource balance in the national accounts provided by NISR and the average USD exchange rate for the fiscal year

⁴ Several of the interventions funded directly by DPs (Annex 2.2b?) are implemented by collaborating partners including CSOs and thus detailed information on these interventions such as requested in the JSR Terms of Reference is not readily available.

under consideration from BNR will be used to compute the GDP share of exports indicator in the JSR. This also overcomes the challenge of unavailability of fiscal year data from the BNR.

Recommendation 2: Provide update on data to be used in computing skills indicator.

Progress made: the underlying data to be used in computing this indicator has been collected from companies in the Rwanda Industrial and SME Survey and a baseline will be available by November 2014. The corresponding policy actions will also be identified by the relevant sub-sector working group once the baseline is available.

Recommendation 3: Provide updates on preparation of National Employment Program implementation plan, National Export Strategy-II, and PSDS Implementation plan

Progress made: the inputs provided on these three documents were incorporated. The revised PSDS implementation plan was presented and discussed during the sub-sector working groups held in October 2014 and also during the November 2014 JSR. The NEP implementation plan has been adopted while the NES is to be validated in the near future.

5. Update on Planned Analytical Works

In the 2014/15 Forward-looking JSR report for the PSDYE Sector, four prioritised pieces of analytical work were identified. An update on each of these is found in the table below.

Analytical work	Responsible institution	Timeframe	Update
Conduct engineering studies for the Kigali Logistics Platform, designs and BoQs for the air cargo center and the off dock containers	MINICOM	Q4	The study has identified 50 ha. of land in Masaka Sector, Kicukiro for the KLP Expropriation to be done by 2014/15
EAC SEZs Policy and regulations developed	MINEAC	Q2	Draft final SEZ policy is awaiting approval from the Sectoral Council on Trade, Investment, Finance and Industrial Development which is scheduled for November 2014
Research and analysis in preparation for the EAC Common External Tariff (CET) review	MINEAC	Q4	Inception report and first draft of full report have been shared and presented to senior management MINEAC. Final report will be available by the end of Oct-14, to be presented to stakeholders.
Conduct an impact assessment and effect of local tax fixing and administration on MSMEs development	MINICOM	Q4	The AfDB is processing a funding request and a final decision on this request is expected during the first half of November.. Preparatory activities including consultations with pertinent Government agencies have been initiated, and implementation of study is expected to start in November 2014.


6. Priority Areas for 2015/16

Primarily based on the draft PSD Strategy Implementation Plan and Support Project that was discussed in the JSR meeting, the PSDYE Sector has identified five prioritised areas for the 2015/16 fiscal year. A description of each of these is presented in the table below.

Figure 6.1: Priority Areas for FY 2015/16

Priority area	Target	Priority intervention for 2015/16
Exports: Begin implementation of National Exports Strategy II (NESII)	28% annual growth	<ul style="list-style-type: none"> Establishment of Export finance schemes; Scale up exporters development program to increase competitiveness; Expropriation and resettlement of new tea estates and allocation to investors Commence development of ICT Technopole and BPO park; Develop Eastern Province Lakes Towns Tourism Sub-Master Plan.
Entrepreneurship and Business Development: National Employment Program (NEP)	200,000 new jobs created	<ul style="list-style-type: none"> Decentralization and strengthening of BDF to consolidate BDS; Scaling up apprenticeship scheme to support youth start-ups including provision of the startup tool kits to trainees; Decentralization of labor market services with Employment Service Centers at district level; Scaling up and equipping ICPCs training wings in all districts.
Trade Logistics and Cross-Border Market Infrastructure	Facilitates export growth target of 28% growth	<ul style="list-style-type: none"> Commence development of Kigali Logistics Platform; Bonded warehouses; Agro-logistics centers in provinces and Air-cargo center; Continue mobilization of resources for Cross-border markets; Commence design and development of Rwanda International Trade and Exhibition Center.
Industrial Development	Growth: 14% Serviced land: 412 ha	<ul style="list-style-type: none"> Scaling up Community Processing Centers; Manufacturing Growth Program/Growth Anchor Initiative; Develop Advanced Factory Units targeting export oriented companies; Increase provision of serviced land (priority given to secondary cities plus Rwamagana and Bugesera).
Investment promotion	Private investment: 11.6% of GDP; FDI: 5% of GD	<ul style="list-style-type: none"> Investor targeting through Lead Agents; Enhance investment after-care; Improving the doing business environment.

Chairperson of PSDYE SWG


Emmanuel HATEGEKA

Permanent Secretary

Ministry of Trade and Industry



Co - Chairperson of PSDYE SWG


Negatu MAKONNEN

Resident Representative

African Development Bank



Annexes to Backward Looking Joint Sector Review 2014

Private Sector Development and Youth Employment Sector

Annex 1.1 EDPRS 2 Core Indicators Matrix

No.	EDPRS OUTCOME	INDICATORS	UNIT	BASELINE (2012) VALUE	2013/14 Target	Actual Performance	Policy Actions	Brief Narrative Progress against Policy Actions	Responsibility for Reporting	Institution
ECONOMIC TRANSFORMATION										
2	Accelerated growth exports	2. Exports to GDP (Value of exports goods and services)	Percent (Value M\$USD)	13.8% (\$945m) 2011/12	16.20%	14.4% (\$1,109 m)	1. Develop and approve Market entry sustainability plan of all accessed markets including Congo-Brazza, Gabon and Turkey;	Market Entry sustainability plans have been developed in collaboration with Gabon, Congo Brazza and Turkey exporters' views. (Partially achieved)	Private Sector and Youth Employment	MINICOM
							2. Establish Export Councils in identified sectors as a channel through which government and industry interact and collaborate towards the formulation of an export 'vision' for the sector	Clusters were established to feed into IDEC, the inter-ministerial forum that oversees implementation of national policies and strategies related to industrial and export growth (IDEC), which produces reports on a quarterly basis. (Fully achieved)		

3	Increased private sector investment and financing	3. FDI/ GDP	Percent (Value M\$US)	2.3 (160)	2.60%	2.4% (\$187m)	3. Implement Export Development Program (EDP) to develop company competitiveness and increase exports	The EDP has three components, in all of which implementation has initiated. First, training of 18 Exporter Advisors started in 2013/14, with the theoretical part completed. Second, for the Export Capacity Program, three companies for the second group to get technical assistance were selected, and export capacity audits conducted for additional five companies. Finally, for the Market Linkage Program, a sales mission was organized in Uganda in March 2014, leading to several companies receiving orders or negotiating on contracts with potential buyers. (Fully achieved)	Private Sector and Youth Employment	RDB
							1. Revise the investment code 2. Establish system for Key Account Managers (KAM) to feed into a structured investor aftercare team and customer relationship management system within RDB.	- Investment Code was adopted in March by the Cabinet, currently awaiting approval by Parliament. Key Account Managers (KAMs) have been assigned to existing investors to make follow-up and are handling investor queries on a daily basis; (Fully achieved)	Private Sector and Youth Employment	RDB
		4. Private investment/ GDP	Percent (Value M\$US)	10 (693.5)	11.0% (\$844 m)	11.4% (US\$ 919m - 2013 calendar year)	1. Continue to develop Kigali SEZ.	The Kigali Special Economic zone Phase I fully developed with infrastructure at 100% complete. 61 investors fully booked the 98 hectares and 60% undergoing construction. 8 Users already operational. 100 ha to be developed in Bugesera over the coming fiscal year. Phase II booked up to 80% by 12 investors with the techno pole (ICT Park) occupying 30% of the 178 hectares that make up this phase. Infrastructure development at 75%, leading to 231.5 ha in total. (Partially achieved)	Private Sector and Youth Employment	RDB

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11	Increased employment in off-farm sector	17. Off-farm jobs created	No.	1.4m (2010/11)	200,000	90,800 (annual average 2006-2011)	<p>1. Develop a national employment program and implementation plan encompassing previously scattered initiative across government.</p> <p>2. 4 community processing centers (CPCs) operationalized (Irish Potatoes, Dairy, banana, and leather CPCs)</p> <p>3. 14 Districts technically supported in Architectural Designs and 12 Districts monitored on Construction of Integrated Craft Production Centres (ICPCs)</p>	<p>The NEP has been developed with 4 pillars:</p> <ul style="list-style-type: none"> • Skills development (Lead: MINEDUC); • Entrepreneurship & Business development (Lead: MINICOM); • Labor Market Interventions (Lead: MIFOTRA) • Coordination and M&E (Lead: MIFOTRA). <p>A five year implementation framework is available. (Fully achieved)</p> <ul style="list-style-type: none"> • One community processing center is operational (Leather); • Equipment for 2 CPCs (Irish Potatoes, Dairy) supplied; • For the 4th CPC (banana), the contract with the awarded supplier has been signed and equipment will be delivered by end November, 2014 * The construction works of 2 CPCs premises (for Irish potato and Dairy) have started to be completed by end November 2014; for the banana CPC the process to recruit a constructor has been initiated. (Partially achieved) <p>Technical support in Architectural Designs of ICPCs provided to 22 Districts, including 4 Districts were Architectural Designs already had been initiated but which required technical advice for modification and extension. Construction activities initiated in 15 Districts, with 2 (Bugesera and Huye) fully completed and 5 more at over 80% completion rate. (Fully achieved)</p>	Private Sector and Youth Employment	MIFOTRA
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Annex. 1.2 Sector Indicators Matrix (For the selected 5 sector indicators)

EDPRS/SECTOR OUTCOME	INDICATOR	UNIT	BASELINE (2012) VALUE	2013/14 Targets	Actual Performance	Policy Actions	Brief Narrative Progress against Policy Actions	Responsibility for Reporting
ECONOMIC TRANSFORMATION								
Prioritised infrastructure for growth and exports developed	Hectares of serviced land within Special Economic Zones	Ha.	98	278 ha. (Kigali Phase 2 complete)	231.5 ha.	SEZs expanded in number and size - Continue to develop Kigali SEZ	The Kigali Special Economic zone Phase I fully developed with infrastructure at 100% complete. 61 investors fully booked the 98 hectares and 60% undergoing construction. 8 Users already operational. 100 ha to be developed in Bugesera over the coming fiscal year. Phase II booked up to 80% by 12 investors with the techno pole (ICT Park) occupying 30% of the 178 hectares that make up this phase. Infrastructure development at 75%, leading to 231.5 ha in total. (Partially achieved)	RDB
						Integrated logistics system: Kigali Logistics Platform, linked to Regional Logistics Centres, and supported by an e-freight exchange system established - For the main logistics facilities, conduct feasibility study for phase I, as well as to avail land for one bonded warehouse - For the agro-logistics facilities, develop and approve value chain analyses for agricultural clusters to identify the needs along the logistics chain	- For the first component of the project - the main logistics facilities – the detailed feasibility study for phase 1 of has been completed and approved. Land in Rusizi for the bonded warehouse has been availed. (Fully achieved) For the second component – the agro-logistics facilities – the detailed analysis of the value chain for the 5 main agricultural clusters to identify the needs along the logistics chain was completed and approved. (Fully achieved)	MINICOM/SPIU

							<ul style="list-style-type: none"> - Conduct feasibility studies for the construction of market and storage infrastructure at selected cross-border sites 	MINICOM/SPIU
Exporters' access to regional and international markets widened	Non-traditional goods exports	(% of exports)	56% (\$332m)	58.0% (\$418m)	55% (\$374m)	<ul style="list-style-type: none"> - Export promotion undertaken with more intelligent targeting of potential markets - Training companies on export promotion and provide support to participate in trade fairs 	<ul style="list-style-type: none"> - Detailed feasibility studies, design and bills of quantities were completed in 2013 for the seven markets. Construction has started in four markets(Fully achieved) 	MINICOM/SPIU
						<ul style="list-style-type: none"> - Training companies on export promotion and provide support to participate in trade fairs 	<ul style="list-style-type: none"> - 94 companies facilitated to attend trade fairs in Kampala, Nairobi and Libreville. 165 SMEs were coached on export procedures and mechanics. 11 companies participated in market linkage program in Uganda, and are coached under export capacity program (please see Annex 1, indicator 'Exports to GDP' and Policy Action 3 for details). 	RDB
						<ul style="list-style-type: none"> - Market access for Rwandan products through a high level strategic approach to international agreements and regional integration improved - Develop strategic position on EAC tariff structure revision - Develop strategic position to improve market access through tripartite free trade agreement (TFTA) - Action plan to enhance the competitiveness of the domestic trucking industry completed and approved. 	<ul style="list-style-type: none"> - The Position paper on sensitive items (SI) developed for the CET that was formulated in 2012 was updated in September 2013. Rwanda has also provided inputs and comments to a regional study on CET SI, commissioned by the EAC Secretariat with the support of TMEA. A revised draft was shared in February 2014 and considered by pre-budget meeting of Ministers of Finance. (Fully achieved) - For TFTA, Rwanda developed a country position paper for the negotiations in July 2013. (Fully achieved) - The final revised report and improved cabinet paper on the domestic trucking industry have been submitted to Cabinet, where the main recommendations were approved. (Fully achieved) 	MINEAC/MINICOM

								System for monitoring and targeting removal of NTBs institutionalized- Develop regular monitoring mechanism for Central and Northern Corridor NTBs- Undertake bilateral agreements for NTB removal	- For monitoring and targeting removal of NTBs, a road inspection survey – on traders’ experiences with time, cost and distance – along the northern and central corridors was conducted in May 2014. Recommendations will stem from the report to be submitted in June 2014. (Fully achieved)- The bilateral agreements for NTB removal signed in 2012 with Uganda resulted in 2013/14 in the establishment of three Joint Border Committees, which monitor NTBs and result in policy recommendations. Discussions with Burundi on an agreement for NTB removal have been initiated. (Fully achieved)- Finally, an SMS NTB feedback system was launched in November 2013. (Fully achieved)	MINICOM
Credit to the private sector expanded	Credit to SMEs by banks and MFIs/SACCOs	(% of GDP)	3.7% (RwF 161bn)	4.7% (277bn)	4.5% (231.2 bn, June 2014)	Expanded credit guarantee scheme - Develop institutional capacity in SME lending by requiring participating banks and microfinance institutions (MFIs) to invest in skills and systems that help to support borrower capacity	- Training conducted for a number of participating financial institutions on the BDF Guarantee program and other specific grant programs, with the aim of transferring competencies to the borrowers (Fully achieved)		MINICOM/SME Dep	
RURAL DEVELOPMENT										
PRODUCTIVITY AND YOUTH EMPLOYMENT										
Supply of skills & innovation expanded to meet private sector demand	Proportion of employers satisfied with employees' performance	Index	100 (2013/14)	N/A	Baseline will be ready by November 2014		Indicator was validated at JSR meeting and implementation of its related policy actions will commence in 2014/15		MINICOM	
	Proportion of Employers	Index	-	-	Baseline will be ready by		Education Sector to report		MINICOM	

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Table. 1.b 2013/14 Budget Execution in the Sector (Recurrent and development)

	Allocation (Rwf)	Execution (Rwf)	% execution
Total Budget			
	59,207,246,743	50,078,060,937	85%
Total Recurrent Budget	15,352,370,539	14,446,208,803	94%
Total Development Budget	43,854,876,204	35,631,852,134	81%

Table. 1.a 2013/14 Budget by Institution (Recurrent and development)

Institution	Allocation (Rwf)	Execution (Rwf)	% execution
PRESIREP (RDB)			
	26,437,371,343	20,909,268,003	79%
Recurrent Budget		7,226,478,594	93%
Development Budget	18,644,864,323	13,682,789,409	73%
MINICOM			
	20,657,334,031	17,596,710,001	85%
Recurrent Budget		4,470,778,727	96%
Development Budget	16,018,513,027	13,125,931,274	82%
MYICT			
	2,280,218,887	2,146,001,958	94%
Recurrent Budget		381,473,822	102%
Development Budget	1,904,561,413	1,764,528,136	93%
MIFOTRA			
	1,385,757,462	1,214,023,703	88%
Recurrent Budget		1,117,027,947	92%
Development Budget	171,985,696	96,995,756	56%
MINEAC			
	969,516,797	899,794,226	93%
Recurrent Budget		642,592,615	92%
Development Budget	268,786,170	257,201,611	96%
MIGEPROF			
	874,693,175	744,305,965	85%
Recurrent Budget		607,857,098	96%
Development Budget	243,810,527	136,448,867	56%
Districts			
	6,602,355,048	6,567,957,081	99%
Recurrent Budget		-	
Development Budget	6,602,355,048	6,567,957,081	99%

Table.2 2013/14 Budget Execution by Programme and Sub Programme

	Budget Code	Allocation (Rwf)	Execution (Rwf)	% execution
PRESIREP (RDB)		26,437,371,343	20,909,268,003	79%
Extra Allocation		6,530,407,020	5,964,378,594	91%
15 SECONDARY and TERTIARY INDUSTRY ECONOMIC DEVELOPMENT	0705 ADMINISTRATIVE AND SUPPORT SERVICES: RDB Sub Programme 1.1:ADMINISTRATIVE AND SUPPORT SERVICES: RDB	1,262,100,000	1,262,100,000	100%
		12,953,492,277	8,074,200,473	62%
	1501 SUSTAINABLE AGRICULTURE DEVELOPMENT	458,979,207	53,567,355	12%
	1502 TRADE PROMOTION AND MANUFACTURING	981,711,364	678,513,563	69%
	1503 SUSTAINABLE TOURISM AND WILDLIFE CONSERVATION	4,150,192,170	1,572,577,825	38%
	1504 INVESTMENT PROMOTION AND BUSINESS FACILITATION	1,687,607,413	603,099,334	36%
	1505 SERVICES SECTOR DEVELOPMENT AND COMPETITIVENESS	484,639,347	279,521,134	58%
	1506 SPECIAL ECONOMIC ZONES	360,644,904	57,203,390	16%
Extra allocationSECONDARY and TERTIARY INDUSTRY ECONOMIC DEVELOPMENT	1503: SUSTAINABLE TOURISM AND WILDLIFE CONSERVATION	4,829,717,872	4,829,717,872	100%
16 QUATERNARY INDUSTRY ECONOMIC DEVELOPMENT		861,654,174	778,871,064	90%
	1603 PRIVATISATION, GOVERNMENT ASSET MANAGEMENT AND ENTERPRISE DEVELOPMENT	473,291,913	518,136,277	109%
	1604 NATIONAL CUSTOMER CARE SERVICES	388,362,261	260,734,787	67%
MINICOM		20,657,334,031	17,596,710,001	85%
05 ADMINISTRATIVE AND SUPPORT SERVICES		4,638,821,004	4,470,778,727	96%
	0501 ADMINISTRATIVE AND SUPPORT SERVICES: MINICOM	2,025,584,021	1,884,484,890	93%
	0502 ADMINISTRATIVE AND SUPPORT SERVICES: RBS	1,632,912,248	1,614,284,576	99%
	0503 ADMINISTRATIVE AND SUPPORT SERVICES: RCA	980,324,735	972,009,261	99%
06 TRADE, INVESTMENT AND INTELLECTUAL PROPERTY RIGHTS		2,559,044,852	1,427,891,264	56%
	0601 DOMESTIC TRADE PROMOTION	2,177,188,941	1,059,393,264	49%
	0602 FOREIGN TRADE PROMOTION	19,558,000	15,718,000	80%
	0603 INVESTMENT CLIMATE AND INTELLECTUAL PROPERTY RIGHTS	362,297,911	352,780,000	97%
07 INDUSTRY AND SME DEVELOPMENT		10,753,808,365	9,365,050,336	87%
	0701 INDUSTRIAL AND TOURISM DEVELOPMENT	9,538,522,653	8,342,242,009	87%
	0703 SME DEVELOPMENT	1,215,285,712	1,022,808,327	84%
08 STANDARDS DEVELOPMENT AND CERTIFICATION		112,246,953	112,156,353	100%

	0801 STANDARDS DEVELOPMENT REVIEW AND HARMONISATION	78,223,009	78,223,009	100%
	0802 STANDARDS RESEARCH AND DISSEMINATION	20,528,384	20,528,384	100%
	0803 PRODUCT AND SYSTEM CERTIFICATION	13,495,560	13,404,960	99%
09 QUALITY AND SAFETY TESTING		428,728,244	306,707,024	72%
	0901 BIO-TECHNOLOGY TESTING PROMOTION	254,578,244	232,957,024	92%
	0902 CHEMICAL TESTING PROMOTION	64,850,000	64,850,000	100%
	0903 MATERIALS TESTING PROMOTION	109,300,000	8,900,000	8%
10 METROLOGY SERVICE PROMOTION		240,931,244	98,116,242	41%
	1001 INDUSTRIAL METROLOGICAL SERVICES PROMOTION	228,881,244	86,438,346	38%
	1002 LEGAL METROLOGY SERVICES PROMOTION	10,650,000	10,077,896	95%
	1003 CHEMICAL METROLOGY SERVICES PROMOTION	1,400,000	1,600,000	114%
11 COOPERATIVES PROMOTION		758,592,000	746,710,000	98%
	1101 NON-FINANCIAL COOPERATIVE PROMOTION AND STRENGTHENING	515,100,000	530,700,000	103%
	1102 FINANCIAL COOPERATIVE (SACCOS) PROMOTION AND STRENGTHENING	243,492,000	216,010,000	89%
12 COOPERATIVES REGULATION		218,942,498	229,034,498	105%
	1201 INSPECTION AND AUDIT	181,942,498	192,034,498	106%
	1202 COOPERATIVES ACCREDITATION	37,000,000	37,000,000	100%
16 ADMINISTRATIVE AND SUPPORT SERVICES		617,522,563	581,594,169	94%
	1603 ADMINISTRATIVE AND SUPPORT SERVICES: IRST	617,522,563	581,594,169	94%
20 SCIENTIFIC AND TECHNOLOGICAL RESEARCH		328,696,308	258,671,388	79%
	2001 PHYTOMEDICINES AND LIFE SCIENCES RESEARCH	16,315,942	21,151,942	130%
	2002 FUNDAMENTAL AND APPLIED SCIENCES RESEARCH	53,147,884	51,135,466	96%
	2003 INNOVATION, TECHNOLOGY TRANSFER AND COMMERCIALISATION	7,451,958	7,451,958	100%
	2004 LABORATORIES WORKSHOPS AND PILOT PLANTS	243,280,524	170,432,022	70%
	2005 HUMANITY SCIENCES RESEARCH	8,500,000	8,500,000	100%
MYICT		2,280,218,887	2,146,001,958	94%
08 ADMINISTRATIVE AND SUPPORT SERVICES		375,657,474	381,473,822	102%
	0802 ADMINISTRATIVE AND SUPPORT SERVICES: NATIONAL YOUTH COUNCIL	375,657,474	381,473,822	102%
09 YOUTH EMPOWERMENT AND PRODUCTIVITY		1,701,736,242	1,573,125,327	92%
	0901 YOUTH POLICY AND STRATEGY DEVELOPMENT AND COORDINATION	700,960,513	768,961,085	110%
	0902 YOUTH MOBILISATION	174,800,112	101,795,211	58%

	0903 YOUTH EMPLOYMENT AND SKILLS DEVELOPMENT	37,911,388	27,181,810	72%
	0904 REHABILITATION AND SKILLS DEVELOPMENT CENTRES	788,064,229	675,187,221	86%
11 YOUTH ECONOMIC EMPOWERMENT AND SOCIAL WELFARE		202,825,171	191,402,809	94%
	1101 YOUTH ECONOMIC EMPOWERMENT	160,616,899	154,703,335	96%
	1102 YOUTH MOBILISATION AND SOCIAL WELFARE	42,208,272	36,699,474	87%
MIFOTRA		1,385,757,462	1,214,023,703	88%
04 ADMINISTRATIVE AND SUPPORT SERVICES		1,213,771,766	1,117,027,947	92%
	0401 ADMINISTRATIVE AND SUPPORT SERVICES: MIFOTRA	1,213,771,766	1,117,027,947	92%
07 EMPLOYMENT PROMOTION AND LABOUR ADMINISTRATION		171,985,696	96,995,756	56%
	0701 EMPLOYMENT PROMOTION	118,145,000	53,778,060	46%
	0702 LABOUR ADMINISTRATION	53,840,696	43,217,696	80%
MINEAC		969,516,797	899,794,226	93%
03 ADMINISTRATIVE AND SUPPORT SERVICES		700,730,627	642,592,615	92%
	0301 ADMINISTRATIVE AND SUPPORT SERVICES: MINEAC	700,730,627	642,592,615	92%
04 EAC COMMITMENTS AND COORDINATION		268,786,170	257,201,611	96%
	0401 EAC SENSITISATION AND PUBLIC AWARENESS	169,240,633	160,913,661	95%
	0402 EAC ECONOMIC COMMITMENT IMPLEMENTATION COORDINATION	47,592,151	45,758,803	96%
	0403 EAC SOCIAL LEGAL AND POLITICAL COMMITMENT IMPLEMENTATION COORDINATION	45,806,169	44,466,839	97%
	0404 EAC COMMITMENT PLANNING MONITORING AND EVALUATION	6,147,217	6,062,308	99%
MIGEPROF		874,693,175	744,305,965	85%
01 ADMINISTRATIVE AND SUPPORT SERVICES		630,882,648	607,857,098	96%
	0101 ADMINISTRATIVE AND SUPPORT SERVICES: MIGEPROF	365,908,806	379,426,072	104%
	0102 ADMINISTRATIVE AND SUPPORT SERVICES: NWC	264,973,842	228,431,026	86%
03 WOMEN EMPOWERMENT		243,810,527	136,448,867	56%
	0301 WOMEN EMPOWERMENT	243,810,527	136,448,867	56%
Districts		6,602,355,048	6,567,957,081	99%
51 PRIVATE SECTOR DEVELOPMENT		6,602,355,048	6,567,957,081	99%
	5101 BUSINESS SUPPORT	6,114,743,416	6,090,640,524	100%
	5102 TRADE AND INDUSTRY	487,611,632	477,316,557	98%

Table.3 2013/14 Budget Execution by Ministry and Affiliated Agencies

Institution	Allocation (Rwf)	Execution (Rwf)	% execution
PRESIREP (RDB)	26,437,371,343	20,909,268,003	79%
MINICOM	20,657,334,031	17,596,710,001	85%
of which: RSB	2,414,818,689	2,131,264,195	88%
RCA	1,957,859,233	1,947,753,759	99%
NIRDA	946,218,871	840,265,557	89%
MYICT	2,280,218,887	2,146,001,958	94%
MIFOTRA	1,385,757,462	1,214,023,703	88%
MINEAC	969,516,797	899,794,226	93%
MIGEPROF	874,693,175	744,305,965	85%
Districts	6,602,355,048	6,567,957,081	99%

Table 2.2a: 2013/14 Budget Execution for Budgeted Externally Financed Projects

Name of Project	Total Project Budget (A) Rwf	Cummulative amount Disbursed by end 2013/14 (B) Rwf	Amount Budgeted in 2013/14 (C)	Actual Amount Executed in 2013/14 (Rwf) (D)	2013/14 % Execution Rate (K/J)%	Project Cumulative Execution Rate (I/H)%
Total PSDYE	47,605,098,460	30,711,086,358	10,014,657,883	7,309,680,382	73%	65%

Table 2.2b: 2013/14 Budget Execution for Budgeted Externally Financed Projects

MINICOM SPIU												
Name of Project	Planned Timeframe		Source of Funding i.e. Specific Development Partner	Type of Funding i.e. Loan/Grant	Total Project Budget (A)		Cumulative amount Disbursed by end 2013/14 (B) Rwf	Amount Budgeted in 2013/14 (C)	Actual Amount Executed in 2013/14 (Rwf) (D)	2013/14 % Execution Rate (K/J)%	Project Cumulative Execution Rate (I/H)%	Brief Explanations
	Start	End			Foreign currency	Rwf						
Competitiveness and Enterprises Development Project (CEDEP II)	2004	2014	AfDB	Grant	5,000,000 UA	4,245,000,000	5,005,465,331	2,636,047,224	2,792,986,571	106%	118%	The exchange rate at the time of grant agreement (2004) was 566 Rwf. For that reason the cumulative expenses are higher than the total project budget.
	2004											
Rural Small and Micro Enterprise Promotion Project (PPPMER) II	2004	2013	IFAD	Loan	17,566,200 US\$	9,942,469,200	10,841,696,849	289,565,000	287,672,859	99%	109%	The exchange rate at the time of grant agreement (2004) was 566 Rwf. For that reason the cumulative expenses are higher than the total project budget.
Enhanced Integrated Framework (EIF) Tier 1 Phase 1	2009	2014	UNOPS	Grant	1,034,000 US \$	590,414,000	491,954,573	164,805,709	169,763,007	103%	83%	Payment of other EIF commitments continued until July 2014
Governance for Competitiveness Technical Assistance Project(G4C)	2012	2015	IDA	Loan	5,000,000 us\$	3,000,000,000	1,651,667,516	1,812,903,348	1,067,023,672	59%	60%	The exchange rate used at the time of grant agreement (2012) was 600 Rwf.
Trade Regional Integration and Business support Project (TRIBS) Programme Estimate II	2013	2014	EU	Grant	996,353,724	996,353,724	170,683,835	399,211,584	170,683,835	43%	17%	

Resource Efficient and Cleaner Production (RECP)	2012	2016	UNEP &SIDA	Grant	460,000 US\$	290,260,000	155,076,478	173,023,086	129,587,799	75%	53%	Exchange rate at the time of Grant agreement was 631
Women in Cross Border Trade (WICBT)	2013	2014	NEPAD,UNWOMEN	Grant	385000€ and 106,156,400 Rwf	364106400.00	144292000.00	144,394,758.00	144,327,000.00	100%	40%	Exchange rate at the time of Grant agreement was 670
Food Security and Capacity Building Project	2010	2016	NUFFIC	Grant	1,706,600 Euro	1,331,148,000	219,456,278	283,275,800	219,456,278	77%	16%	Exchange rate at the time of Grant agreement was 780. The financial management of the project is provided by MINAGRI and the component of MINICOM was implemented by SPIU since 2013.2014
Building Inclusive Financial Sector in Rwanda (BIFSIR)	2014	2014	UNCDF	Grant	970,402 US\$	654,050,948	118,626,537	423,338,726	118,626,537	28%	18%	the Exchange rate used is 674
Total MINICOM						21,413,802,272	18,798,919,397	6,326,565,235	5,100,127,558	81%	88%	Overall budget executed since 2004
RDB SPIU												
Name of Project	Planned Timeframe		Source of Funding i.e. Specific Development Partner	Type of Funding i.e. Loan/Grant	Total Project Budget (A) RWF		Cummulative amount Disbursed by end 2013/14 (B)	Amount Budgeted in 2013/14 (C)	Actual Amount Executed in 2013/14 (Rwf) (D)	2013/14 % Execution Rate (D/C)%	Project Cumulative Execution Rate (B/A)%	Comments
	Start	End										
RWANDA BUSINESS LIFE CYCLE PROJECT	jan-14	dec-14	ICF	Grant	1,122,000,000		172,011,180	441,672,000	172,011,180	39%	15%	The first phase was mainly the disbursement of the funds and installation of the system. The project reports normally by calendar year and almost all the main activities (with huge expenditures) are being done from July 2014
REGIONAL ICT CENTER FOR EXCELLENCE	apr-11	dec-16	AFDB	Loan	7,616,720,000		196,403,883	548,997,272	145,348,146.52	26.48	2.58	
REGIONAL COMMUNICATION INFRASTRUCTURE PROGRAMME	sep-08	jul-15	World Bank	Grant	16,380,961,488		11,542,103,260	2,695,774,738	1,890,892,432	70.14	70.46	
Total RDB					25,119,681,488		11,910,518,323	3,686,444,010	2,208,251,759	60%	47%	

MYICT

Name of Project Joint Youth Program/MYICT	Planned Timeframe		Source of Funding i.e. Specific Development Partner	Type of Funding i.e. Loan/Grant	Total Project Budget (A) USD	RwF	Cumulative amount Disbursed by end 2013/14 (B)	Amount Budgeted in 2013/14 (C)	Actual Amount Executed in 2013/14 (RwF) (D)	2013/14 % Execution Rate (D/C)%	Project Cummul ative Executio n Rate (B/A)%	Comments
	2009	2014										
			ONE-UN	Grant	1,648,638	1,071,614,700	1,648,638	1,648,638	1,301,065	78,9%	78,9%	Installation of a Radio Programme for the youth failed The project of Installation of a multimedia production and training centre was failed due to the procurement process the project of Youth Hangout got new sponsors and funds returned to UNFPA
Total MYICT					1,648,638	1,071,614,700	1,648,638	1,648,638	1,301,065	78.9%	78,9%	

2.2c: Externally Funded Projects Outside the Sector

Program/ Project	Expected outcomes	Amount disbursed (Q1-Q3 2014)	Disbursement forecast FY 2014/15	Currency	Exchange rate	Disbursed Q1-Q3
Approved/ on-going programs						
Development partners' programs						
Akazi Kanoze (2009 – 2016, USD 12.5m grant – Agency: USAID)	Improved work readiness for over 18,000 youth, including orphans and vulnerable children; improved skills for primary school dropouts to the 6 th grade level in Kinyarwanda (local language) literacy, numeracy and English; enhanced capacity of over 30 youth serving organizations and MINEDUC's WDA to connect Rwandan youth to livelihood opportunities	2,284,721	700,000	USD	696	1,590,165,816
Educat Entrepreneurship Program (October 2013 – February 2015, SEK 3.6m, grant – Agency: Sweden)	Young entrepreneurs supported to grow their businesses and entrepreneurial mindset strengthened	1,500,000	1,500,000	SEK	97	145,500,000
Support to SME Development (July 2013 – December 2014, EUR 585,559 grant – Agency: EU)	Market access improved; SME development advisory services provided to SMEs and MINICOM; Rwanda Institute of Cooperatives, Entrepreneurship and Microfinance operationalized	289,886.39	290,000	EUR	891	258,288,773
Supply contract – acquiring technology & processing equipment for 2 community processing centres (2014, EUR 670,285 – Agency: EU)	Appropriate technologies identified and acquired for a demonstration centre for SMEs/ community processing centre for Irish potato and dairy	402,171	268,114	EUR	891	358,334,361
Support to Trademark East Africa – Rwanda (2014-16, £9.8m – Agency: DFID)	Cross border trade between Rwanda and DRC increased, capacity developed in regional integration and trade facilitation for GoR and Rwanda Revenue Authority respectively	1,000,000	5,000,000	USD	696	696,000,000
Access to Finance Rwanda (2010-15 – Agency: DFID)	Pro-poor financial products designed and financial access increased including among the poor	800,000	1,400,000	USD	696	556,800,000
Promoting Market Oriented Skills Training in the Great Lakes Region (December 2012 – November 2015, USD 9m – Agency: SDC)	At least 25,000 people especially disadvantaged groups and women have access to market oriented skills training; quality and relevance of vocational training strengthened in 5 economic sectors; institutional and organizational capacity strengthened at IPRC West and at least 10 VTCs for an enhanced role in a labor market oriented TVET system	1,960,000	----	USD	696	1,364,160,000