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September 19, 2008

**For meeting of
Board: Thursday, September 25, 2008**

FROM: The Acting Corporate Secretary

Rwanda - Country Assistance Strategy

CAS Completion Report - IEG Review

1. Attached for information is a document entitled "Rwanda CAS Completion Report - Independent Evaluation Group (IEG) Review", which is being distributed in conjunction with the Rwanda Country Assistance Strategy. The CAS Completion Report can be found in Annex 11 to the joint IDA/IFC/MIGA Country Assistance Strategy for Rwanda (IDA/R2008-0257[IFC/R2008-0288, MIGA/R2008-0049], dated September 4, 2008) which is currently scheduled for discussion at a meeting of the Executive Directors to be held on **September 25, 2008**.
2. Questions on this document may be addressed to Mr. Khadr (ext. 87860) or Mr. Sackey (ext. 38171).

Distribution

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1. CAS Data	
Country: Rwanda	
CAS Year: FY03	CAS Period: FY03 – 08
CASCR Review Period: FY03 – FY08	Date of this review: September 8, 2008

2. Executive Summary
<p>i. This review covers both the FY03-05 CAS (extended to FY06) and the FY06-08 Interim Strategy Note (ISN), as does the CASCR, and refers to the two documents together as the FY03 CAS, unless otherwise specified. The FY03 CAS sought to assist land-locked Rwanda to overcome the legacy of civil war, genocide, and cross-border war which left it with a per capita income of only US\$210 in 2002, compared to US\$370 in 1990. Its objectives were: (a) revitalization of the rural economy; (b) private sector development and employment creation; and (c) human and social development. However, these were reformulated into a five objective program for purposes of defining triggers and monitoring indicators and otherwise developing the particulars of the program. This formulation is maintained in the CASCR and so is also maintained in the CASCR Review, namely: (1) mainstream poverty reduction; (2) revitalize the rural economy; (3) develop the private sector and create employment; (4) support human and social development; and (5) improve the effectiveness of public sector actions and governance, consistent with the government's PRSP. A sixth objective concerning national reconciliation, security, and governance, was presented in the FY03 CAS matrix but is not considered a full component since its program was small and substantially included in other objectives. The ISN also presents the three main objectives as in the CAS but then also reverts to the five objective formulation for presenting the particulars of the program. While overall CAS goals were ambitious, the lending program was realistic, although AAA was modified substantially in implementation especially to better assist government in improving financial management.</p> <p>ii. Portfolio implementation was good, with no problem projects after FY06, and the outcomes of all three projects exiting the portfolio during FY03-08 were rated by IEG as either moderately satisfactory or satisfactory. Rwanda portfolio ratings are better than for averages for Africa and the Bank.</p> <p>iii. IEG rates the outcome of the five objectives as taken from the FY03 CAS. The outcomes of objectives 1, 2, 3, and 5 are rated moderately satisfactory and the outcome of objective 4 is rated satisfactory as detailed for each objective: (1) growth of GDP and agricultural productivity were satisfactory if below the ambitious CAS targets, but the only evidence on poverty reduction shows little progress; (2) social and economic services were improved as most targets were met or surpassed, but no information is provided on privatization of coffee processing facilities; (3) non-performing loans in the banking sector decreased, there was some progress in public enterprise reform, and exports were diversified, but export and investment targets were not met; (4) there were a large number of objectives and almost all of them were accomplished; (5) a new budget law was passed, procurement and budget preparation improved but the need for more progress was noted in the CASCR. The overall outcome rating is moderately satisfactory. The CASCR does not rate the outcome of the first objective (although it incorporates some of its components in the rating of other objectives), and rates the outcome of objectives 2 and 5 as moderately satisfactory and of objectives 3 and 4 as satisfactory, with an overall outcome rating of satisfactory.</p> <p>iv. Donor coordination has been effective, but since IDA accounts for only 10-20 percent of ODA, further emphasis on coordination is warranted especially for training and capacity development.</p>

CASCR Reviewed by:	Peer Reviewed by:	CASCR Review Coordinator
Michael Lav, Consultant, IEGCR	John Johnson, Consultant, IEGCR	Jaime Jaramillo-Vallejo, Lead Economist, IEGCR

3. CASCR Summary

Overview of CAS Relevance:

1. *Background.* The FY03 CAS originally covered FY03-05 but was extended to also cover FY06. An Interim Strategy Note (ISN) was presented to the Board in August, 2006, to cover FY07-08, in order to allow the next CAS to be aligned with the Government's Economic Development and Poverty Reduction Strategy (EDPRS) 2008-2012. This CASCR Review evaluates the outcomes of the Bank's assistance under the CAS and the ISN over FY03-08, since they had the same objectives. This is consistent with the presentation in the CASCR. Unless otherwise specified, the CASCR Review refers to the FY03CAS and the FY07ISN together as the FY03-08 CAS.
2. *Context.* The FY03-08 CAS sought to assist Rwanda to overcome a legacy of civil war, genocide, and cross border wars which left land-locked Rwanda with much diminished human, social, and natural resources and a per capita GNI of only US\$210 in 2002 compared to US\$370 in 1990. Its objectives were: (a) revitalization of the rural economy; (b) private sector development and employment creation; and (c) human and social development. However, these were reformulated into a five objective program for purposes of defining triggers and monitoring indicators and otherwise developing the particulars of the program. This formulation is maintained in the CASCR and so is also maintained in the CASCR Review, namely: (1) mainstream poverty reduction; (2) revitalize the rural economy; (3) develop the private sector and create employment; (4) support human and social development; and (5) improve the effectiveness of public sector actions and governance, consistent with the government's PRSP. A sixth objective noted in the FY03 CAS concerning national reconciliation, security, and governance, is not considered a full component since its program was small and substantially included in other objectives. The ISN also presents the three main objectives as in the CAS but then reverts to the five objective formulation for discussing the particulars of the program.
3. *Consistency.* The CAS strategy was consistent with government strategy. The FY03 CAS was based on the Government's PRSP concerning its overall and sector strategies and carefully aligned the proposed assistance program with the PRSP. The FY07 ISN builds on the strategies pursued under the FY03 CAS while taking into account the key issues arising from discussions of the Government's then forthcoming Economic Development and Poverty Reduction Strategy (EDPRS), namely, the need to focus more on social service delivery and infrastructure needed for growth, as well as on capacity building. The lending program was consistent with the strategy. The two PRSCs and two PRSGs addressed issues in the five objectives and accounted for just over 50 percent of lending by volume, with the remaining lending concentrated in three objectives (private sector development and employment creation, human and social development, and improving the effectiveness of public sector actions and governance). The actual AAA program provided a broader range of support than anticipated in the CAS, but both the planned tasks and the new tasks focused on priority issues identified in the CAS.
4. *Realism.* The strategy and goals were slightly ambitious. This was generally appropriate given the disasters from which Rwanda was recovering and the need for substantial progress in stabilizing the country's social fabric. The proposed lending and non-lending programs were realistic (see paragraphs 6-8 below). While the progress indicators for objectives 2-5 were generally realistic, the progress indicators for the first objective were unrealistic because they identified ambitious national performance goals rather than goals more appropriately linked to CAS outcomes. In the event, several targets for objective one related to national performance such as poverty reduction and GDP growth were not achieved. In contrast, many of the micro/sector level targets in objectives 2-5 were realistic and were in fact achieved (see paragraphs 12-16 below, and Annex Table 9).
5. All but one of the triggers to remain in the Base Case were broadly stated, referring to satisfactory implementation of the PRGF, progress in implementing the PRSP, actions to deal with non-performing loans in the commercial banks, development of a rural strategy, adoption of a financial accountability plan and satisfactory progress in its implementation, and satisfactory progress in implementing the Medium Term Expenditure Framework (MTEF). The only specific indicator concerned

portfolio performance, calling for a maximum of no more than two projects with unsatisfactory IP or DO ratings at any one time. All of the triggers were met. The high case triggers called for all IDA projects to have satisfactory DO and IP ratings, adoption of a legal and regulatory framework that facilitates the liberal flow of labor, goods and services within the region, and an environment conducive to sustainable regional cooperation evidenced by the revival of the Economic Community of Countries of the Great Lakes (CEPGL) or a similar regional institution. Thus, the triggers, while clearly stated, were quite general, except for the High Case portfolio performance trigger, which in the event was not met (there was one problem project in both 2005 and 2006).

Overview of CAS Implementation:

6. *Lending.* Actual lending for the CAS period was close to that planned in terms of amounts, sectoral distribution, and the distribution between adjustment and investment lending. The planned base case lending program (including grants) for the FY03-05 CAS had a low end at US\$250 million and a high end at US\$317 million. In addition, there was also a High Case for US\$412 million. The FY07-08 ISN had only one lending scenario for US\$123.75 million (no lending was projected in any official document for FY06 and none occurred). Actual lending for FY03-05 came to US\$245.5, at the low end of the Base Case. Lending for FY07-08 came to US\$151 million, slightly higher than planned. Thirteen projects (Base Case, Low End) were planned for FY03-08, of which one was dropped. One unplanned project was implemented, the FY05 Urgent Electricity Rehabilitation SIL (US\$25 million). This addition responded to very specific and well-documented country needs. While the overall CAS program closely matched the planned program, there were a number of changes in the “within-period” lending program. While all eight of the projects proposed in the FY03-05 CAS were approved by the end of the FY03-08 CAS period, six of these operations were delayed. One of the ISN projects was delayed, and another dropped. These delays appear to be related to Government capacity, as is indirectly acknowledged in the new CAS which proposes a capacity filter for all new projects.

7. Portfolio implementation was good. There were only two problem projects in FY04 and FY06, and one FY 05. Commitments at risk for those years comprised 10 to 22 percent of the portfolio. This is roughly comparable to the numbers of the Bank-wide portfolio, for which commitments at risk represented 11-17 percent of the portfolio during these years. There were no projects at risk in FY03, nor any after FY06, a very good performance.

8. *Non-Lending.* While actual AAA implementation did not as closely match the planned AAA program, most of the changes appear to have better aligned AAA with country needs as they emerged over time. However, two major tasks planned for FY03 were substantially delayed: the CEM, which was to address crucial issues of sources of growth, and the Agriculture Sector Study, crucial to better formulate poverty reduction programs. There was also slippage in many of the AAA tasks. There were 8 AAA tasks underway at CAS initiation all to be completed in FY03. Only two of these were completed in FY03, another two in FY04, and the rest subsequently. Of the 16 proposed AAA tasks for FY04-08, 8 have been completed, 1 was dropped, and 7 slipped and are still underway. Fourteen AAA tasks were added subsequent to the CAS during FY03-08 and these have all been completed. Most AAA was focused on private sector development, human and social development, and improving the effectiveness of public sector actions and governance. The new unplanned tasks accounted for half of AAA in private sector development and human and social development, and were generally well timed to serve as an input to lending. There were no QAG reviews of AAA. The CASCR suggests that dissemination and dialogue on issues was limited and fell short of adequately using the AAA.

9. *Quality and Effectiveness of Operations.* Three projects exited the portfolio during FY03-08, and the outcomes for two were rated as moderately satisfactory, and for the third, Satisfactory. This is much better than the average for the Africa Region, for which only 67 percent of all projects were rated as having Moderately Satisfactory or Satisfactory outcomes. All three projects were rated as having substantial Institutional Development Impact. IEG rated two projects as having likely Sustainability, and one, the Community Reintegration Project, was rated as having unlikely Sustainability, because the recurrent cost recovery plan foreseen in the project was not implemented.

There are no specific issues regarding safeguards or fiduciary matters. Soil erosion and related environmental degradation are a concern but are being addressed as mentioned in the CAS and CASCR.

Overview of Achievement by Objective:

10. Annex Table 9 of this Review presents a stylized logical framework for the Rwanda program. It summarizes country outcomes in terms of the indicators and targets defined by the CAS (see Table 6 of the FY03 CAS), and notes associated IDA lending and AAA. This presentation follows the CAS formulation (see Table 6) which identifies five themes/objectives and 24 progress/benchmarks for these five themes/objectives. The ISN did not reformulate these five themes/objectives in the text, although its matrix of performance indicators (Annex I) re-groups these into three themes (service delivery, capacity building, and growth). However, the CASCR reformulates this presentation into four objectives, omitting "Mainstreaming Poverty Reduction", allocating some of its indicators to other objectives, and dropping several indicators. Annex Table 9 lists the outcomes identified in the CAS (for example, "Environment for private sector improved"), and whether or not they were accomplished, as well as more specific measurable outcomes (such as "commercial courts established"). Data presented with regard to country outcomes in the CASCR are in some instances not fully adequate to determine whether outcomes have in fact been achieved. When data are missing or are clearly inadequate, IEG assumes that the target has not been fully achieved. These cases are briefly noted in Annex Table 9.

11. Mainstreaming Poverty Reduction (Objective 1). Achieving a high GDP growth rate was seen as central to the poverty reduction effort. GDP growth at 5.1 percent for 2002-2006 was slightly below the ambitious CAS target of 6.7 percent but in line with the ISN target of 5 percent. Rwanda's average annual GDP growth rate was about the same as the average for Sub-Saharan Africa for 2002-2006 (4.9 percent), but below IDA-only countries for 2002-2006 (5.8 percent). At the same time, Rwanda faces significant constraints as a land-locked country with limited land resources, so that growth requires intensification of cultivation and expansion into non-agricultural activities, in contrast to many other countries of sub-Saharan Africa. As a more direct comparison, GDP growth has exceeded that of Burundi, another land-locked country. Poverty has remained high, declining only slightly from 60 percent in 2000/2001 to 57 percent for 2005 (most recent estimate), well above the target of 49 percent for that year. Annual growth of value added in agriculture declined (according to the CASCR) from 8.3 percent in 2000/2001 to 4.5 percent in 2007, below CAS and ISN targets. The GDP growth rates cited above and the growth rate of value added in agriculture, in the context of the implementation of other reforms noted in the paragraphs below, bode well for poverty reduction, even though empirical evidence is not yet available. It is unfortunate that the Agriculture Sector Review planned for 2003 was replaced by an Agriculture Policy Note only in 2007. On the positive side, the target for budget expenditure priorities for poverty reduction was met, with 54 percent of the budget for 2005/2006 allocated to PRSP priorities, well in excess of the target of 45 percent, an especially impressive outcome compared to the baseline of 37 percent. However, the CASCR does not offer evidence of how this reallocation would affect the poverty effort. Such expenditures might not be expected to have an immediate impact on poverty reduction, although they should be directly related to progress under Objective 4 (Human and Social Development) discussed below. In any event, since the most recent poverty data is for 2005, any actual impact to date of the improved budget expenditure pattern has probably not yet been measured. The FY05 PRSC and FY06 PRSC2 addressed important issues relevant to poverty reduction, but ICRs for these have just been produced (dated June 30, 2008) and have not yet been evaluated by IEG. The ongoing FY03 Decentralization and Community Development Project played an important role in organizing resources to promote poverty reduction, by making service delivery more accountable and more responsive to local needs. In sum, with GDP growth at about 5 percent and government's good effort at reallocating the budget to address PRSP priorities, and despite the lack of recent evidence concerning poverty reduction, the outcome rating for Bank assistance to this objective is Moderately Satisfactory.

12. Revitalization of the Rural Economy (Objective 2). The growth of agriculture sector value declined, as noted above. However, a number of reforms laid the basis for continued growth of the rural economy. The CAS target of completing the privatization of tea and coffee plants by 2004 was modified by the ISN to privatize at least 3 more by the end of the period. The CASCR reports that 4 tea factories have been privatized and the remaining 5 are under rehabilitation, but does not report on coffee processing facilities. The management of farmed marshlands and hillside areas improved with the rehabilitation of over 3000 hectares of marshlands while over 10,000 hectares of hillside land was protected, along with extensive farmer training program, assisted by the Bank's FY01 Rural Sector Support Project. Rural, social and economic services were improved as targets were met or surpassed. Access to safe water increased from 52 percent of the population to 71 percent, well in excess of the target of 60 percent. Access to potable water in the rural sector increased from 41 percent of the population in 2001 to 55 percent in 2005 (latest available), assisted by the Bank's FY00 Rural Water Supply and Sanitation Project. Access to markets and social services improved with the construction of 22 rural markets and a number of bridges, storage facilities, and other improvements. A new National Agricultural Policy was adopted in 2004. In addition, the Land Policy Law was adopted, cleared parliament, and gazetted in 2006. This reform was assisted by the Bank's FY03 Institutional Reform Credit. The FY00 Agricultural and Rural Market Development Credit which closed in FY04 promoted efficient input usage (seasonal credit, advisory services, improved seeds), support for local agricultural marketing systems, and technical support, and IEG rated project outcome as satisfactory. This pilot project appears to be a good basis for an expanded program. Overall, for this objective, there were two outcome targets (see Annex Table 9), raising agricultural productivity and rural incomes, which was partially accomplished though below target, and improving rural social and economic services, which was fully accomplished. In addition, there were seven measurable outcome targets, of which five were accomplished, one was partially accomplished, and two were not rated since they were not well specified. The overall outcome rating for this objective is Moderately Satisfactory.

13. Private Sector Development and Employment Creation (Objective 3). Exports as a share of GDP increased from 8.3 percent in 2002 to only 10.3 percent in 2007, short of the target of 12 percent. Exports are still very low compared to most other sub-Saharan countries, but, again, Rwanda faces many constraints as a land-locked country. However, there was some progress in export diversification, as merchandise exports, excluding tea and coffee, increased from US\$63 million in 2002 to an estimated US\$110 million in 2007, although it should be noted that 2002 was a depressed year for exports given world economic conditions and the lingering effect of the DRC conflict on the business climate. Private investment as a share of GDP only increased from 11.8 percent in 2002 to 12.8 percent in 2008, short of the target of 14 percent, despite introduction of a new investment code and other improvements in the business environment. No information is provided in the CASCR on employment. The efficiency of financial institutions has been improved, assisted by the Bank's FY03 Institutional Reform Credit and the FY01 Competitiveness and Enterprise Development Project. With the privatization of three banks, all commercial banks are now privately owned. The ratio of non-performing loans to performing loans in the banking system was reduced from 40 percent in 2002 to 22 percent in 2006, almost meeting the CAS target of 20 percent. A new regulatory framework for microfinance has been adopted, a framework for monitoring and supervising all micro-finance has been established, and the micro finance bill has been submitted to parliament. There has been some progress in state enterprise reform. Rwandatel was successfully privatized in 2007, after a first privatization in 2005 brought unsatisfactory results. In contrast, the five year contract for management (which was to have led to full or partial privatization) of Electrogaz was terminated. However, Electrogaz (assisted through the FY01 Competitiveness and Enterprise Development Project) implemented some reforms and improved its financial performance while increasing the number of customers served. The FY01 Competitiveness and Enterprise Development Project helped finance the purchase of equipment and software for Electrogaz. The CASCR does not provide information on other state-owned enterprises, especially the water utilities which were included as an objective in the CAS. The provision of electricity has improved, partly as a result of the FY05 Urgent Electricity project. A new transport policy framework has been adopted but no evidence of any improvements is given in the CASCR. The FY07 Transport Sector project is assisting with rehabilitation of the Kigali-Ruhengeri Road, strengthening road maintenance, and supporting institutional development through improved

sector governance and policy support. While the macro indicators noted above are important, what matters more in terms of the impact of the CAS program is whether the privatized and restructured tea plantations, the reduced burden of regulation, improved state enterprise performance, and infrastructure create sufficient conditions for an acceleration of private sector development and growth. However, evidence is lacking to provide a clear answer. In terms of the specific CAS targets, overall, for this objective, there were four outcome targets (see Annex Table 9), of which two were accomplished and two were partly accomplished. Of the ten measurable outcome targets, four were fully accomplished, four were partly accomplished, while two were not rated because the target was unclear. IEG rates the outcome of this objective as Moderately Satisfactory.

14. Human and Social Development (Objective 4). The objective was to expand education access and improve quality, improve the performance of the health care system, and strengthen prevention and treatment of HIV/AIDS. Life expectancy at birth in 2006 was only 44.6 years, well below the average for sub-Saharan Africa. Net primary school enrollment increased from 73.3 percent in 2002 to 95 percent in 2007, in line with the target of 96 percent in 2008, although quality appears to be an issue. The transition rate to secondary school enrollment increased from 42 percent in 2002 to 54 percent in 2007, short of the CAS target of 60 percent by 2005 but in line with the ISN target of 47 percent by 2008. The percent of females enrolled in tertiary education was to increase from 28 percent to 39 percent in 2007 (compared to the target of 33 by 2005). The FY FY00 Human Resource Development Project provided finance and technical assistance for school rehabilitation and construction, teacher training, and other improvements. The infant mortality rate was to decrease from 107 per 1000 live births in 2002 to 83 in 2005, and 86 was achieved, slightly short of the target. Maternal mortality was to be reduced from 810 per 100,000 in 2001 to 608 in 2005, but was 750 in that year, short of the target. Regarding access to health facilities for the poor, enrollment in "mutuelles" increased from 27 percent of the population in 2004 to 70 percent in 2007, and Government funding of premiums for the poorest increased from US\$1 per capita in 2002 to US\$8 per capita in 2006. Although these are important improvements, the CASCR does not provide any data to show that these improvements increased access to health facilities for the poor 70 percent to 80 percent, which was the target. DPT3 coverage for children under 1 year reached 95 percent in 2006 and 98 percent in 2007, surpassing the target. Utilization of insecticide treated bed nets increased from 4 percent in 2005 to 70 percent in 2007, exceeding the target of 60 percent set for 2008. The prevalence of HIV for the population aged 15-49 was targeted to decrease from 13.7 percent in 2002 to less than 3 percent in 2008. However, these numbers are not fully comparable since they are based on different sources and methodologies. UNAIDS reports that for adults aged 15 to 49, the prevalence rate decreased from 4.3 percent in 2001 to 2.8 percent in 2007, which meets the CAS target. The Bank's FY03 HIV/AIDS (MAP) project provided financing and technical assistance to government programs for counseling, provision of condoms, anti-retroviral therapy for 5,000 patients, and support for orphans and vulnerable children. Overall, the Human Development Report for 2007/2008 places Rwanda 161st out of 177 countries, based on income, life expectancy, adult literacy, and combined primary, secondary, and tertiary school enrollment. On the positive side, the FY99 Community Reintegration Project which closed in FY03 assisted returnees and other vulnerable groups to participate in social and economic activities in local communities and its outcome was rated Moderately Satisfactory. Important factors in the success of this project were strong government commitment and strong project ownership by local communities. The FY FY02 Emergency Demobilization and Integration project provided support for the reintegration of over 20,000 soldiers and 6,000 former militias and their transition to civilian life. Overall, for this objective, there were four outcome targets (see Annex Table 9), of which two was fully accomplished and two were partly accomplished. Of the 19 measurable outcomes, 14 were fully accomplished, one was partly accomplished, and four were not accomplished. Overall, IEG rates the outcome of this objective as Satisfactory.

15. Improving the effectiveness of public financial management and economic governance (objective 5). The PRSC/G operations supported introduction of a new budget law which was adopted in 2006, and a new public procurement code which was adopted in 2005, and medium term expenditure plans at the national level and sector level for education, health, water, and energy were prepared and are consistent with sector strategies. PEFA assessments for procurement and for budget preparation give overall ratings of satisfactory, while noting areas where more progress is needed. The CASCR notes

that more progress is needed in several areas, including in procurement. The FY 03 Institutional Reform Credit which closed in FY05 assisted government in strengthening public sector financial management, budgeting processes including a MTEF which was linked to sector plans, and a Financial Accountability Review and Action Plan. While noting that these institutional reforms would take a long time to mature, IEG rated the outcome as Moderately Satisfactory. All four of the objectives were met. However, the CASCR notes that progress in building capacities within public institutions has been slow and that in the future efforts are needed to improve coordination, building capacity among sectors, central and local governments to improve the overall PFM process. The PRSG 1-3 have played an important role in improving financial management and economic governance. However, they have not yet been evaluated by IEG. Overall, IEG rates the outcome of this objective as Moderately Satisfactory.

Achievement of CAS Objectives			
Objectives	CASCR Rating	IEG Rating	Explanation / Comments
Objective 1: Mainstreaming Poverty Reduction	NA	Moderately Satisfactory	The growth of GDP at over 5 percent and a strong reorientation of the budget to PRSP priorities offset lack of recent evidence on poverty reduction. While agricultural productivity declined, it nevertheless remained above 4 percent, a relatively good performance.
Objective 2: Revitalization of Agriculture and Rural Economy	Moderately Satisfactory	Moderately Satisfactory	
Objective 3: Private Sector Development	Satisfactory	Moderately Satisfactory	Mixed progress in privatization, financial sector reform, and state enterprise performance.
Objective 4: Human and Social Development	Satisfactory	Satisfactory	
Objective 5: Improvement in the effectiveness of public actions and governance	Moderately Satisfactory	Moderately Satisfactory	

Comments on Bank Performance:

16. The Bank's strategy was generally relevant to the country needs and objectives, but the interventions pursued under that strategy did not provide fully coherent support for that strategy. Project objectives were not always aligned with CAS objectives and monitoring was deficient including for some key monitorables such as poverty reduction, for which the CASCR did not deliver. The CAS itself was not results-oriented, but preceded the requirement, issued in 2004, for a results matrix. Rwanda's capacity constraints raise the question of whether a heavier emphasis on technical assistance and investment lending rather than programmatic lending might have been warranted. However, the lending program which the Bank did pursue was well implemented in terms of project outcomes. Portfolio quality has improved as a result of close attention to supervision and a more proactive stance of avoiding problems at the portfolio level with the 2006 Country Portfolio Performance Review (CPPR). As a result, there have been no problem projects since FY 2006, and the realism and pro-activity indices have been at 100 percent for FY06 and 07 (these indices are not available for FY08 in the CASCR). IEG rated Bank performance for all three projects exiting the portfolio from 2002-2008 as Satisfactory (see Annex Table 3). While many AAA products may have addressed important issues, the CASCR notes that limited dissemination detracted from the overall quality of the program. Further, the CASCR notes that AAA products (for example, the CEM and the Agriculture Sector Study) were too often mistimed or misdirected to serve the CAS' strategic objectives.

17. Donor coordination has been an important emphasis of the assistance strategy, which is essential for a successful program, since IDA provides only 10-20 percent of ODA to Rwanda (see Annex Table 6). The donor coordination effort is reflected in the Bank's overall approach as well as in project specific activities. Budget support harmonization was a priority starting in 2002 when Rwanda was a pilot country for budget support harmonization under the Special Program for Africa. The Bank and four other budget support donors (African Development Bank, DFID, EU, and SIDA) signed the Partnership Framework for Harmonization and Alignment of Budget Support. PRSG I was the first budget support operation prepared under this framework, which decreased transactions costs for the government and improved donor coordination. The Medium Term Expenditure Framework (MTEF) supported by the Bank, was an important step forward, as was joint Financial Accountability and Review Action Plan (FARAP) prepared by the Bank and DFID. A number of project-specific activities are also examples of good donor coordination, as, for example, the HIV/AIDS project, which was so cited by QAG in its Quality at Entry Review. At the same time, it is clear that further donor coordination and harmonization are desirable in a number of sectors including private sector development, agriculture, energy, and, especially in budget support and PFM assistance.

18. In general, adequate attention was given to safeguard and fiduciary issues. However, the CAS did not focus on environmental degradation which appears to be widespread. Further, the 2006 Country Portfolio Performance Review which was conducted jointly with the government pointed to the need for more attention to procurement issues. While these have been addressed in terms of maintaining a good quality Bank portfolio, the Bank did highlight the need for further progress if the government is to improve its financial management. This raises the question of whether improved fiduciary controls are needed to fully justify a high proportion of Bank assistance being allocated to quick-disbursing lending.

4. Overall IEG Assessment

Outcome:	<i>Moderately Satisfactory</i>
Bank Performance:	<i>Moderately Satisfactory</i>

19. IEG views the first objective, mainstreaming poverty reduction, as the most important as it is the broadest reflection of any changes in welfare. However, this does not substantially affect the overall rating, since, the outcomes for objectives 2, 3, and 5 are also rated Moderately Satisfactory. The Bank's lending program has been well implemented. Portfolio management has been good, and project outcomes are better than average for the Bank as whole and for Africa Region. AAA has been responsive to the country's needs, but with some important delays, and with a need for greater attention to dissemination. Government performance has been generally good, with full ownership of key reforms and reform agendas, but the widely recognized capacity constraints have set limits on the pace of reforms, and the Government, the Bank, and other donors have been working in a coherent framework to maximize the opportunities for progress, given these constraints, while working over time to limit them. From a longer term perspective, Rwanda is clearly a success story to date in overcoming a terrible legacy of war and destruction, and building a cohesive approach to development with sustained GDP growth and wide-ranging reforms. However, there is still much to do to address the issues noted above if Rwanda is to achieve longer-term sustainable development going forward.

5. Assessment of CAS Completion Report

20. The CASCR presents a solid and coherent assessment of the country assistance program. The coverage of implementation in terms of lending and AAA is generally comprehensive. The focus on outcomes is very good, with reference to specific as well as sector/macro performance indicators and targets, which are an amalgam of objectives and some performance indicators from the CAS, combined with a number of performance indicators from the ISN. However, the CASCR did not maintain the presentation of objectives as set out in the CAS (and, specifically, Table 6 of the CAS). While the CASCR did present this information in its discussion of outcomes, the new format introduced in the CASCR did not fully reflect the CAS objective of mainstreaming poverty reduction nor are all the indicators against which performance was to have been measured reflected in the evaluation of outcomes, despite the precise specification in the CAS. IEG takes as a basis for evaluation the statement of objectives in the last strategy paper (and, in this case, the ISN presentation of objectives is the same as in the CAS); the CASCR evaluation is based on a retrofitted reformulation of outcomes. Finally, Rwanda adopted a National Fiscal Decentralization Policy in 2000, and decentralization has been an important reform pursued the government. The CASCR might have more fully discussed the implications of this important reform.

6. Findings and Lessons

21. IEG is in agreement with the lessons of the CASCR. These are that the Bank needs to adopt a realistic and results oriented approach, while aligning that approach to the greatest extent possible with the PRSP. Project design needs to take account of constraints, and capacity building efforts need to be coupled with efforts that address broader institutional issues. The pace of reform supported by the Bank needs to be realistic in terms of what the government can deliver. Finally, the Bank needs to continue to work closely with development partners in fostering the harmonization and alignment agenda.

22. In addition to these lessons, IEG suggests that in countries such as Rwanda where a number of other donors are present, and where harmonization is important as the Bank is involved in many activities along with a number of other donors, performance indicators should be carefully constructed to reflect the intermediate outcomes that can reasonably be expected to be achieved. This is especially true where the Bank may be heavily involved in core issues, such as financial management, where indicators specific to the Bank's interventions could be developed as well as indicators which would capture progress more generally. Good indicators will, in turn, facilitate better targeting of Bank interventions in terms of CAS objectives. In sum, it will be important to adopt a well-specified results matrix.

23. More generally, careful attention should be given the availability of data needed to assess performance indicators. It is clear that the CAS overestimated capacity to produce meaningful statistics and to adequately monitor progress. Poverty reduction is a central objective, but the timely production of poverty reduction data is often difficult. Some consideration should be given to sampling and other techniques for producing poverty data if poverty reduction targets are given a central role in benchmarking and evaluating country assistance programs.

24. Decentralization and civil service reform, which are important in Rwanda and are components of the PRSG series, should be pursued with due respect for their impact on capacity. The first phase of the decentralization program may have been too abrupt and inflexible, and implemented before local capacity to implement service delivery was adequately in place. It will be important to assess capacity constraints more carefully in the future to avoid exacerbating these problems.

Annex Table 1: Rwanda Lending Activities

Annex Table 2: Rwanda Non Lending Activities FY03-FY08

Annex Table 3: IEG Project Ratings for Rwanda 2002-2008

Annex Table 4: Portfolio Status Indicators: FY02-08

Annex Table 5: IBRD/IDA Net Disbursements 2002-2008

Annex Table 6: Rwanda Net ODA Commitments 2002-2006

Annex Table 7: Economic and Social Indicators

Annex Table 8: Millennium Development Goals

Annex Table 9: Results Matrix

Annex Table 1: Rwanda Lending Activities

Planned FY	Project	Planned					Actual				
		Lending Base Case (Low End)	Lending Base Case (High End)**	IDA Grant	Commitment Base Case (Low End)	Commitment Base Case (High End)	Approval FY	Status	Lending Committed	Grant Committed	Total Committed
Programmed Projects FY03-05 CAS Period											
2003	Institutional Reform Credit	85	85		85	85	2003	On Time			85
2003	Public sector Capacity Building TAL	15.2	15.2	4.8	20	20	2005	Slipped		0	20
2003	Decentralization and Community Development Project	0	0	15	15	15	2004	Slipped		0	20
2003	Rwanda- HIV/AIDS (MAP)	0	0	30	30	30	2003	On Time		0	30.5
2004	PRSC (Energy, Environment, Water, Health and Education)	45	45		45	45	2005	Slipped		50	65
2004	Urban Infrastructure/Employment. Road Rehabilitation and Maintenance	20	67		20	67	2006	Slipped		20*	20*
2005	PRSC 2	35	35		35	35	2006	Slipped		0	55*
2005	Rural Sector Support Credit II	..	20		..	20	2008	Slipped		35*	35*
Total for FY03-05 CAS period from planned operations		200.2	267.2	49.8	250	317				50	220.5
Non-Programmed Projects FY03-05 CAS Period											
2005	RW-Urgent Electricity Rehab SIL (FY05)	..	..	..	..	..	2005	..		25	25
Total for FY03-05 CAS period		200.2	267.2	49.8	250	317				50	245.5
Programmed Projects FY07-08 ISN Period											
2007	PRSG III	..	..	50	50	50	2007	On Time		50	50
2007	Transport Sector Development	10	10		10	10	2008	Slipped		11	11
2007	E-Rwanda	10	10		10	10	2007	On Time		10	10
2007	Lake Kivu Methane-to-Power Guarantee	3.75	3.75		3.75	3.75	..	Dropped		0	0
2007	MAP Supplemental	10	10		10	10	2007	On Time		10	10
2008	PRSG IV	..	..	50	50	50	2008	On Time		70	70
Total for FY07-08 ISN period from planned operations		33.75	33.75	100	133.75	133.75				120	151
Non-Programmed Projects FY07-08 ISN Period											
2008	RW-Compet & Erit Dev Add Fin SIL	..	..	..	..	..	2008	..		6	6
Total for FY03-08		233.95	300.95	149.80	383.75	450.75				287.50	512.50

* Not included in the Total for FY03-05 CAS period

** There was also a High Case which totaled US\$412.0, which was not operationalized.

Annex Table 2: Rwanda Non Lending Activities FY03-FY08

Name	Planned FY	Actual FY	Comment
<i>Underway</i>			
Country Status Report (Education)	2003	Slipped to 2004	Rwanda - Education in Rwanda - rebalancing resources to accelerate post-conflict development and poverty reduction
Country Status Report (Health)	2003	Slipped to 2005	
Agriculture Sector Expenditure Review	2003	Replaced	Slipped to FY 07 This was replaced by the Agricultural policy note
Transport Sector Expenditure Review	2003	Replaced	Slipped to FY 04 Replaced by the Transport Country Framework
Rural Energy	2003	Slipped to 2004	
Financial Accountability Review and Action Plan (FARAP)	2003	2003	
Public Expenditure Review	2003	2003	
Country Economic Memorandum	2003	Slipped to 2007	
<i>Planned CAS FY03-05</i>			
CFAA	2004	2005	
Financial Sector Review	2004	2005	FSAP
HIPC Completion Report	2004	2005	
Health Sector Financing	2004	Slipped to 2009	Rwanda Health Study
Country Procurement Assessment	2004	2004	Delivered Country Procurement Issue Paper
Strategic Gender Assessment	2005	dropped	
Education Sector Expenditure Review	2005	2005	
Public Expenditure Review	2005		No new one except the one delivered in FY 03
<i>Planned ISN FY07-08</i>			
Country Economic Memorandum	2007	2007	
Agricultural Policy Note	2007	2007	Promoting pro-poor agricultural growth
Investment Climate Assessment	2007	Slipped to 2009	
Science Technology and Innovation Needs Assessment	2007	Slipped to 2008	Science and Technology Capacity Building (TA)
Poverty Assessment	2007	Slipped	
Health CSR	2008	Slipped to 2009	Human Resources for Health (TA)
Public Expenditure Review	2008	Slipped to 2009	
Education CSR update	2008	Slipped to 2009	
<i>Unplanned</i>			
<i>ESW/TA</i>			
National Water Resource Management		2003	
Country Framework Report (TA)		2003	
Poverty Report		2003	
Integrating Gender into AIDS (TA)		2005	
AML/CFT Assessment		2006	
Trade Integrated Framework		2006	
Country Portfolio Performance (CPPR)		2006	
ESMAP Tariff Policy Guidance (TA)		2006	
FSAP Follow-up (TA)		2006	

Annex Table 2: Rwanda Non Lending Activities FY03-FY08 (continued)

Strengthening Supervisory Capacity of Insurance Commission (TA)	2008
Credit Information Bureau (TA)	2008
Advise on FSDP (TA)	2008
Accounting and Auditing ROSC	2008
Youth in Post-conflict Rwanda	2008
Rwanda Non Lending Activities FY03-FY08	
<i>Unplanned</i>	
Research and Publication	
Public expenditure performance in Rwanda (English)	2003
Public expenditure performance in Rwanda : evidence from a public expenditure tracking study in the health and education sectors (English)	2003
Rwanda's demobilization: creating the environment for investment (English)	2004
Rwanda - Education in Rwanda - rebalancing resources to accelerate post-conflict development and poverty reduction (English)	2004
Rwanda - the search for post-conflict socio-economic change, 1995-2001 (English)	2004
Rwanda - Mini-diagnostic analysis of the investment climate (English)	2005
Sante et pauvreté au Rwanda : Reconstruire et reformer les services de sante dans la perspective des objectifs du millenaire pour le développement (OMD) (French)	2005
Earnings differences between men and women in Rwanda (English)	2005
Parental education and children's schooling outcomes: is the effect nature, nurture, or both? evidence from recomposed families in Rwanda (English)	2005
The returns to participation in the non-farm sector in rural Rwanda (English)	2005
Private solutions for infrastructure in Rwanda (English)	2005
Fearing Africa's young men: the case of Rwanda (English)	2006
Sector study of the effective tax burden - Rwanda (English)	2006
Trade costs, export development, and poverty in Rwanda (English)	2006
Doing business 2008 Rwanda : a project benchmarking the regulatory cost of doing business in 178 economies (English)	2007
Rwanda Multi-Sector Aids Program (MAP) : empowering communities, harmonizing approaches (English)	2007
Civil war, crop failure, and child stunting in Rwanda (English)	2007
Armed conflict and schooling : evidence from the 1994 Rwandan genocide (English)	2008
Productivity growth and economic reform : evidence from Rwanda (English)	2008
Reading tealeaves on the potential impact of the privatization of tea estates in Rwanda (English)	2008
The fiscal impact of foreign aid in Rwanda : a theoretical and empirical analysis (English)	2008
Rwanda - Joint World Bank and IMF debt sustainability analysis (English)	2008
Building science, technology, and innovation capacity in Rwanda : developing practical solutions to practical problems (English)	2008

Annex Table 3: IEG Project Ratings 2002-2008

Exit FY	Proj ID	Project Name	Approval FY	IEG Outcome	IEG Sustainability	IEG ID Impact	IEG Overall Bank Perf.	Net Commitments
2003	P051931	Community Reintegration (CRDP)	1999	MODERATELY SATISFACTORY	UNLIKELY	SUBSTANTIAL	SATISFACTORY	4.6
2004	P058038	RW: AGRIC. & RURAL MARKET DEVELOPMT.	2000	SATISFACTORY	LIKELY	SUBSTANTIAL	SATISFACTORY	4.8
2005	P066385	RWANDA - INSTITUTIONAL REFORM CREDIT	2003	MODERATELY SATISFACTORY	LIKELY	SUBSTANTIAL	SATISFACTORY	90.4

IEG Ratings: Rwanda and Comparators FY03-08

Country /Region	Total Evaluated (\$M)	Total Evaluated (No)	Outcome % Sat (No)	Inst Dev Impact % Subst (No)	Sustainability % Likely (No)	Overall Bank Perf % Sat (No)	Overall Borr Perf % Sat (No)
Rwanda	99.9	3	100.0	100.0	66.7	100.0	100.0
Burundi	146.2	4	100.0	0.0	100.0	50.0	75.0
Mozambique	1,016.4	15	86.7	62.5	87.5	66.7	80.0
Uganda	887.7	16	68.8	69.2	81.8	81.3	93.8
Africa	14,126.2	319	66.8	47.7	66.3	67.4	67.4
Bank Wide	92,371.3	1,373	78.1	54.8	78.9	80.5	77.7

Source: WB Business Warehouse tables 4a.5 and 4a.6 as of July 18, 2008.

Annex Table 4: Portfolio Status Indicators: FY02-08

Country	Fiscal year	2002	2003	2004	2005	2006	2007	2008
Rwanda	# Proj	8	9	9	10	11	11	11
	Net Comm Amt	186.3	296.8	311.8	271.8	290.2	302.6	286.6
	# Proj At Risk	1	0	2	1	2	0	0
	% At Risk	12.5	0.0	22.2	10.0	18.2	0.0	0.0
	Comm At Risk	48.0	0.0	68.0	48.0	40.9	0.0	0.0
	% Commit at Risk	25.8	0.0	21.8	17.7	14.1	0.0	0.0
Burundi	# Proj	6	6	9	10	7	8	9
	Net Comm Amt	115.8	194.5	304.9	347.4	267.0	312.0	321.4
	# Proj At Risk	1	1	2	2	1	2	1
	% At Risk	16.7	16.7	22.2	20.0	14.3	25.0	11.1
	Comm At Risk	7.5	7.5	40.5	69.0	33.0	84.4	51.4
	% Commit at Risk	6.5	3.9	13.3	19.9	12.4	27.1	16.0
Mozambique	# Proj	15	16	16	17	18	15	16
	Net Comm Amt	943.7	931.4	810.0	920.0	867.5	748.3	778.3
	# Proj At Risk	3	2	1	5	3	3	1
	% At Risk	20.0	12.5	6.3	29.4	16.7	20.0	6.3
	Comm At Risk	151.6	80.6	55.0	161.8	100.9	85.9	55.0
	% Commit at Risk	16.1	8.7	6.8	17.6	11.6	11.5	7.1
Uganda	# Proj	23	21	19	20	21	18	17
	Net Comm Amt	864.5	961.2	886.9	1,030.5	1,113.9	1,292.8	1,224.2
	# Proj At Risk	2	1	6	7	1	2	6
	% At Risk	8.7	4.8	31.6	35.0	4.8	11.1	35.3
	Comm At Risk	95.0	20.0	260.6	336.1	91.0	161.0	326.2
	% Commit at Risk	11.0	2.1	29.4	32.6	8.2	12.5	26.6
Africa	# Proj	355	343	334	334	351	364	385
	Net Comm Amt	15,182.1	15,793.2	16,387.7	16,364.8	18,310.4	20,737.7	22,841.2
	# Proj At Risk	93	65	76	97	77	77	87
	% At Risk	26.2	19.0	22.8	29.0	21.9	21.2	22.6
	Comm At Risk	4,088.2	2,937.3	3,174.5	4,300.9	3,241.0	3,881.6	5,827.3
	% Commit at Risk	26.9	18.6	19.4	26.3	17.7	18.7	25.5
Bank Wide	# Proj	1,428	1,395	1,346	1,332	1,345	1,347	1,382
	Net Comm Amt	102,601.3	94,772.5	92,554.3	93,211.7	92,888.8	97,790.5	105,154.6
	# Proj At Risk	272	218	228	224	188	224	250
	% At Risk	19.0	15.6	16.9	16.8	14.0	16.6	18.1
	Comm At Risk	17,385.4	14,141.5	14,742.1	12,552.7	10,849.8	15,175.6	18,179.3
	% Commit at Risk	16.9	14.9	15.9	13.5	11.7	15.5	17.3

Source: WB Business Warehouse tables 3a.4 as of July 18, 2008.

Annex Table 5: IBRD / IDA Net Disbursements, 2002-2008

Disbursements	Repayments	Net Amount	Charges	Fees	Net Transfer
27,633,840.43	9,223,254.17	18,410,586.26	5,293,733.25	0.00	13,116,853.01
72,341,458.16	11,618,240.13	60,723,218.03	5,871,574.72	0.00	54,851,643.31
47,827,877.11	12,940,785.01	34,887,092.10	6,745,438.00	499,797.20	27,641,856.90
138,135,391.71	14,549,043.06	123,586,348.65	7,302,845.56	653,250.20	115,630,252.89
101,305,650.65	15,794,178.31	85,511,472.34	7,242,611.28	489,751.41	77,779,109.65
108,914,961.06	0.00	108,914,961.06	1,185,420.42	264,487.11	107,465,053.53
140,440,101.09	0.00	140,440,101.09	707,134.14	890,939.63	138,842,027.32
636,599,280.21	64,125,500.68	572,473,779.53	34,348,757.37	2,798,225.55	535,326,796.61

Annex Table 6: Rwanda Net ODA commitments 2002-2006

Donor	2002	2003	2004	2005	2006
Australia					0.14
Austria	3.62	5.55	1.59	9.2	0.83
Belgium	51.59	44.44	38.02	54.5	71.12
Canada	13.52	24.11	12.76	20.06	11.97
Czech Republic					0.02
Denmark	1.18	3.83	3.67		3.02
Finland	2.03	1.88	1.53	3.44	0.83
France	15.81	16.82	14.76	27.9	20.87
Germany	25.29	29.35	33.31	37	38.45
Greece			0.02	0.04	0.06
Ireland	3.37	4.21	5.88	5.26	7.34
Italy	2.43	0.41	2.63	0.38	1.14
Japan	0.84	1.34	1.69	5.7	26.34
Korea	0.18	0.09	0.13	0.2	0.66
Luxembourg	9.87	8.41	7.37	2.76	5.41
Netherlands	46.67	49.02	51.44	56.82	48.75
New Zealand	0.24	0.28	0.21	0.22	0.12
Norway	14.97	18	13.32	9	7.66
Poland	0.07	0.02	0.06	0.04	0.16
Portugal		2.12	1.07	1.22	1.2
Spain	1.82	1.49	0.71	1.7	3.91
Sweden	36.74	27.7	16.89	46.8	34.51
Switzerland	8.85	14.3	12.76	11.64	9.41
Turkey					0.02
United Kingdom	121.58	92.93	117.15	163.9	187.55
United States	96.55	108.29	102.16	114.26	152.97
AfDF (African Dev.Fund)	18.89	11.13	25.88	67.66	105.7
Arab Agencies	8.86	13.64	-1.09	-5.32	10.53
EC	98.73	115.57	132.99	181.98	128.29
GEF	0.07	0.36			0.85
Global Fund (GFATM)		4.46	42.46	59.96	103.29
IDA	174.48	59.73	290.85	229.94	99.59
IFAD	6.61	7.04	10.35	11.74	22.94
Nordic Dev. Fund					0.83
SAF+ESAF+PRGF(IMF)	1.68	-1.86	-7.28	-16.3	4.98
UNDP	4.75	7.45	10.31	8.08	10.83
UNFPA	3.91	4.12	4.25	3.72	
UNHCR	15.67	11.42	8.94	6.94	9.46
UNICEF	6.93	6.24	7.34	8.56	11.97
UNTA	4.84	4.63	4.83	4.88	
WFP	10.94	14.15	14.15	8.3	10.75
G7, Total	276.02	273.25	284.46	369.2	439.29
Multilateral, Total	356.36	258.08	543.98	570.14	520.01
Other Bilateral Donors	0.07	0.13			0.02
DAC Countries, Total	456.97	454.48	438.94	571.8	633.6
DAC EU Members, Total	322	288.16	296.04	410.92	424.99
Non-DAC Countries, Total	0.32	0.24	0.19	0.24	0.88
All Donors, Total	813.65	712.8	983.11	1142.18	1154.49

Source: OECD DAC Online database, Table 2a. Destination of Official Development Assistance and Official Aid - Disbursements as of March 24, 2008.

Annex Table 7: Economic and Social Indicators

Series Name	Year										Average 2002-2006			
	2002	2003	2004	2005	2006	Rwanda	Burundi	Mozambique	Uganda	Sub-Saharan Africa	IDA Only			
Growth and Inflation														
GDP growth (annual %)	9.4	0.9	4	6	5.3	5.1	2.8	7.8	5.7	4.9	5.8			
GNI per capita, Atlas method (current US\$)	210	200	210	230	250	220.0	92.0	264.0	258.0	625.5	414.9			
GNI per capita, PPP (current international \$)	600	610	640	690	730	654.0	310.0	588.0	790.0	1485.2	1162.2			
GDP per capita growth (annual %)	6.5	-0.8	2.3	3.9	2.7	2.9	-0.8	5.3	2.4	2.3	3.4			
Inflation, consumer prices (annual %)	2.3	7.1	12.3	9	8.9	7.9	6.7	12.7	5.2					
Composition of GDP														
Agriculture, value added (% of GDP)	41.4	41.3	41.2	42.3	41	41.4	38.9	27.6	32.2	16.4	26.0			
Industry, value added (% of GDP)	21.3	21.3	20.7	20.5	21.2	21.0	19.1	25.5	20.1	31.4	29.9			
Services, etc., value added (% of GDP)	37.3	37.4	38.1	37.3	37.8	37.6	42.0	46.8	47.6	52.1	44.1			
Gross domestic savings (% of GDP)	0	-0.8	2.4	2	1.6	1.0	-14.5	10.1	7.1	18.4	17.0			
Gross national expenditure (% of GDP)	116.9	119.3	118.1	120.4	119.8	118.9	126.1	111.7	114.3					
Gross fixed capital formation (constant million LCU)	73800.0	76946.5	90800.1	107956.0	116073.6	93115.2	11.4	11991424.3	1859127.4					
Gross fixed capital formation (% of GDP)	16.9	18.4	20.5	22.4	21.4	19.9	11.4	21.8	21.1	18.4	22.6			
General government final consumption expenditure (% of GDP)	11.8	15.1	12.9	13.3	13.5	13.3	24.7	10.5	14.7	17.0	11.3			
External Accounts														
Exports of goods and services (% of GDP)	7.7	8.3	10.3	10.6	11.7	9.7	9.3	32.7	13.2	33.2	33.9			
Imports of goods and services (% of GDP)	24.5	27.5	28.4	31	31.5	28.6	35.4	44.5	27.5	34.2	40.3			
Current account balance (% of GDP)	-7.3	-5.8	-1.9	-2.4	-7.2	-4.9	-5.1	-14.0	-4.6					
External debt, total (% of GNI)	83.8	93	92.7	71.6	16.9	71.6	195.0	86.8	56.0	46.5				
IBRD loans and IDA credits (PPG DOD, current million US\$)	825.6	909.2	1019.9	980.3	168.5	780.7	744.0	1184.5	2503.4	43735.0				
Total debt service (% of exports of goods, services and income)	11.5	13.7	11.2	8.1	9.6	10.8	68.0	4.4	6.9	8.1				
Official exchange rate (LCU per US\$, period average)	475.4	537.7	577.4	557.8	551.7	540.0	1044.8	23.7	1836.8					
Social Indicators														
Health														
Immunization, DPT (% of children ages 12-23 months)	88	96	89	95	99	93.4	74.0	72.0	80.8	65.1	69.1			
Life expectancy at birth, total (years)	43.3	..	..	45	45.6	44.6	48.3	43.1	49.5	49.5	55.3	
Improved water source (% of population with access)	..	..	74	..	..	74.0	79.0	43.0	60.0	56.1	61.3
Population														
Population ages 65 and above, male (thousands)	91.1	91.9	92.5	93.6	93.6	92.5	75.9	269.0	313.9	10188.2	17806.7			
Population growth (annual %)	2.7	1.7	1.6	2	2.5	2.1	3.6	2.3	3.2	2.5	2.3			
Population, total (millions)	8.8	8.9	9.1	9.2	9.5	9.1	7.6	20.1	28.1	744.7	1115.4			
Urban population (% of total)	16	17.1	18.2	19.3	20.2	18.2	9.7	33.7	12.5	34.8	30.3			
Education														
School enrollment, preprimary (% gross)	2.6	..	..	..	..	2.6	1.4		2.9	15.7	14.5
School enrollment, primary (% gross)	98.1	106	116.6	128.3	140	117.8	80.3	96.6	124.5	89.3				
School enrollment, secondary (% gross)	..	12.6	13.4	13.4	..	13.1	12.5	12.0	18.5	30.0				

Source: WB DDP Database as of July 18, 2008

Annex Table 8: Millennium Development Goals

	1990	1995	2000	2005
Goal 1: Eradicate extreme poverty and hunger				
Income share held by lowest 20%	..	..	5.3	..
Malnutrition prevalence, weight for age (% of children under 5)	29.4	27.3	24.3	22.5
Poverty gap at \$1 a day (PPP) (%)	..	..	25.6	..
Poverty headcount ratio at \$1 a day (PPP) (% of population)	..	..	60.3	..
Poverty headcount ratio at national poverty line (% of population)	..	51.2	60.3	..
Prevalence of undernourishment (% of population)	43	51	..	33
Goal 2: Achieve universal primary education				
Literacy rate, youth total (% of people ages 15-24)	73	..	..	78
Persistence to grade 5, total (% of cohort)	60	..	39	46
Primary completion rate, total (% of relevant age group)	45	..	22	39
School enrollment, primary (% net)	66	..	72	74
Goal 3: Promote gender equality and empower women				
Proportion of seats held by women in national parliament (%)	17	17	17	49
Ratio of girls to boys in primary and secondary education (%)	..	..	95	99
Ratio of young literate females to males (% ages 15-24)	86	..	..	98
Share of women employed in the nonagricultural sector (% of total nonagricultural employment)	14.6	..	..	..
Goal 4: Reduce child mortality				
Immunization, measles (% of children ages 12-23 months)	83	84	74	89
Mortality rate, infant (per 1,000 live births)	103	124	118	118
Mortality rate, under-5 (per 1,000)	173	209	203	203
Goal 5: Improve maternal health				
Births attended by skilled health staff (% of total)	26	..	31	39
Maternal mortality ratio (modeled estimate, per 100,000 live births)	..	..	1,400	..
Goal 6: Combat HIV/AIDS, malaria, and other diseases				
Contraceptive prevalence (% of women ages 15-49)	21	..	13	17
Incidence of tuberculosis (per 100,000 people)	135	236	323	361
Prevalence of HIV, female (% ages 15-24)	..	..	..	1.9
Prevalence of HIV, total (% of population ages 15-49)	..	..	..	3.0
Tuberculosis cases detected under DOTS (%)	..	34	33	29
Goal 7: Ensure environmental sustainability				
CO2 emissions (metric tons per capita)	0.1	0.1	0.1	0.1
Forest area (% of land area)	13	..	14	19
GDP per unit of energy use (constant 2000 PPP \$ per kg of oil equivalent)	..	..	..	..
Improved sanitation facilities (% of population with access)	37	..	..	42
Improved water source (% of population with access)	59	..	..	74
Nationally protected areas (% of total land area)	..	..	..	7.9
Goal 8: Develop a global partnership for development				
Aid per capita (current US\$)	41	128	40	64
Debt service (PPG and IMF only, % of exports of G&S, excl. workers' remittances)	10.7	20.0	24.9	7.4
Fixed line and mobile phone subscribers (per 1,000 people)	1	1	7	18
Internet users (per 1,000 people)	0	0	1	6
Personal computers (per 1,000 people)	..	..	..	..
Total debt service (% of exports of goods, services and income)	14.2	20.5	24.1	8.1
Unemployment, youth female (% of female labor force ages 15-24)	0.7	0.5	..	..
Unemployment, youth male (% of male labor force ages 15-24)	1.4	1.0	..	..
Unemployment, youth total (% of total labor force ages 15-24)	1.0	0.7	..	..
Other				
Fertility rate, total (births per woman)	7.4	6.5	5.9	5.8
GNI per capita, Atlas method (current US\$)	360	230	250	230
GNI, Atlas method (current US\$) (billions)	2.5	1.3	2.0	2.1
Gross capital formation (% of GDP)	14.6	13.4	17.5	22.4
Life expectancy at birth, total (years)	31	32	41	44
Literacy rate, adult total (% of people ages 15 and above)	53	..	..	65
Population, total (millions)	7.1	5.4	8.0	9.0
Trade (% of GDP)	19.7	31.0	32.9	41.5

Source: World Development Indicators database

Annex Table 9: Results Matrix

	Outcomes	Actual Results	Comments
Measurable Outcomes	Objective 1: Mainstreaming Poverty Reduction GDP growth expected to change from 6.7% in 2000 to 6.5% in 2005. ISN target was 5% or higher Decrease Inflation from 3.4% in 2000/02 to 3% in 2005 Growth of agriculture value added was expected to change from 8.5% to 6.3% in 2005. ISN target was 5% or higher Proportion of households living below the poverty line was to decrease from 60% to 49% by 2005 Proportion of budget allocations for PRSP priorities was to increase from 37% to 45% of total budget allocations Annual Review of PRSP with progress report in 2002 / 2003	The GDP growth at the time of the ISN (2005/066) was 5.7% (lower than expected) and was at 5.3% at the time of CAS completion (2006)	Partially Accomplished
		Inflation had increased to 9.4 percent in 2007	Not Accomplished
		The CASCR reports that growth in agricultural value added was 4.5% in 2007.	Not Accomplished
		The ISN does not provide data for the status in 2005. The CASCR reports that the latest estimate suggests that 57% of the households remain below the poverty line	Not Accomplished
		The CASCR reports that (2005/06) 54% of the budget was allocated to PRSP priorities.	Accomplished
		The annual review was conducted in 2004-2005	Accomplished
Ongoing Pre-CAS Support Lending and AAA Lending	The Bank other objectives of the CAS- Revitalization of the Rural Economy, Private Sector Development and Employment Creation and Effectiveness of Public Actions and Governance are designed to support the achievement of the above indicators The other objectives of the CAS (Revitalization of the Rural Economy, Private Sector Development and Employment Creation and Improvements in Effectiveness of Public Actions and Governance) are designed to support the achievement of the above indicators		
AAA	The other objectives of the CAS (Revitalization of the Rural Economy, Private Sector Development and Employment Creation and Improvements in Effectiveness of Public Actions and Governance) are designed to support the achievement of the above indicators		

Note: In accordance with IEG methodology, when data are missing or are clearly inadequate to show that a target has been reached or an outcome accomplished, IEG assumes that the target or outcome has not been fully achieved.

Outcomes	Actual Results	Comments
Outcomes	Objective 2: Revitalization of Agriculture and Rural Economy	
Measurable Outcomes	<p>Agricultural Productivity and Rural Income Raised</p> <p>Rural Social and Economic Services Improved</p> <p><u>Agricultural Productivity and Rural Income Raised</u></p>	<p>Partially Accomplished</p> <p>Accomplished</p>
<p>Adopt a land policy and land law</p> <p>Completion of the privatization of tea and coffee processing plants by 2004. ISN target was at least 3 more by the end of ISN period</p> <p>Institutional arrangements in agriculture improved</p>	<p>Land law was adopted, cleared through parliament in 2005 and published in a gazette in Dec 2006</p> <p>At CAS completion, privatization was ongoing. CASCR reports that 4 tea factories have been privatized and remaining 5 are under rehabilitation;</p> <p>National Agriculture Policy (NAP) developed in 2004. Strategic Plan for Agriculture Transformation developed in 2004. Agriculture guarantee fund published.</p>	<p>Accomplished</p> <p>Partially Accomplished</p> <p>Not rated</p> <p>Although there has been progress towards strengthening the institutional arrangements for agriculture, the indicator does not set a target.</p>
<p>Management of farmed marshlands and hillside areas improved</p> <p><u>Rural Social and Economic Services Improved</u></p> <p>Increase in the proportion of Rural and Urban Households with access to safe water from 52% of the households to 57% in 2005 and 60% in 2008 (ISN target)</p> <p>Access to potable water in rural sector increased</p>	<p>3,018 ha marshlands rehabilitated.; Over 10,000 hectares of hillside protected; 172,865 marshlands and hillside farmers have been trained; 6,207 lead farmers have been trained.</p>	<p>Accomplished</p>
<p>Access to markets and social services improved.</p>	<p>The ISN (2005/06) reported that 57% of the households had access to clean water. The CASCR notes that 71% of population has access to clean water in 2007</p> <p>Access to potable water in rural areas increased from 41 percent in 2001 to 55 percent in 2005. (Through Bank and other donor support at the national level); 408,000 people have access to water supply and sanitation. 65,000 school children benefited from access to sanitation services. Proportion of rural and urban households with access to clean water increased from 48 percent in 2003 to 71 percent in 2007.</p> <p>22 rural markets had been completed as reported in the CASCR; 75 Kms of feeder roads had been completed</p> <p>10 small bridges had been completed</p> <p>15 storage facilities, 5 milk selling centers and 10 grain drying floors had been completed.;</p> <p>3 Agriculture research centers and 3 farmer service centers had</p>	<p>Accomplished</p> <p>Accomplished</p> <p>Accomplished</p>

	Road network improved	been completed.	
Ongoing Pre-CAS support	Agriculture and Rural Market Development (2000)	Percent of road network which is asphalted increased from 23 percent in 2002 to 40 percent in 2006	Not Rated - this was not a target in the CAS or IS.
	Rural Water Supply and Sanitation (2001)	IEG rating: Satisfactory	
Lending	Rural Sector Support Project (2001)	Rating as of 2007 DO: Satisfactory IP: Satisfactory	
	Decentralization and Community Development Project (2003)	Rating as of 2003 DO: Satisfactory IP: Satisfactory	
	PRSC (2005)	Rating as of 2008 DO: Highly Satisfactory IP: Satisfactory	
	PRSC 2 (2006)	Rating as of 2005 DO: Highly Satisfactory IP: Highly Satisfactory	
	PRSG 3 (2007)	Rating as of 2006 DO: Satisfactory IP: Satisfactory	
	PRSG 4 (2008)	Rating as of 2008 DO: Highly Satisfactory IP: Highly Satisfactory	
	Rural Sector Support Credit II (2008)		
AAA	Agricultural Policy Note (2007)	Delivered in FY07	
	Country Economic Memorandum (2007)	Delivered in FY07	
	Rural Energy	Delivered in FY04	
	National Water Resource Management (2003)	Delivered in FY03	
	Poverty Report	Delivered in FY03	

Outcomes	Actual Results	Comments
<p>Objective 3: Private Sector Development and Employment Creation</p>		
<p>Efficiency of financial institutions improved</p>		Accomplished
<p>The environment for the private sector improved and competitiveness enhanced</p>		Accomplished
<p>Key State Owned Enterprises Reformed</p>		Partially Accomplished
<p>Efficiency of infrastructure services improved</p>		Partially Accomplished
<p>Efficiency of financial institutions improved</p>		
<p>Measurable Outcomes</p>		
<p>Divestiture of Government Holdings in the Banking Sector by 2004</p>	<p>3 commercial banks privatized, and all commercial banks are now privately owned. Banque Populaire de Rwanda recapitalized in 2003.</p>	Accomplished
<p>Ratio of Non-performing loans in the banking system be reduced from 40% to 20%</p>	<p>The ISN reported that this ratio was reduced to 13% in 2005; CASCR reported that the ratio was at 22% in 2006</p>	Accomplished
<p>Adopt a regulatory framework for rural micro finance institutions and strengthen the capacity of the supervision</p>	<p>Regulatory framework for microfinance adopted. A framework for monitoring and supervision of all micro finance institutions has been established Micro finance law submitted to parliament</p>	Accomplished
<p>The environment for the private sector improved and competitiveness enhanced</p>		
<p>Business and regulatory environment improved and strengthened</p>	<p>Revised investment code approved by Cabinet and submitted to Parliament. Number of days to open a business reduced from 43 (2004) to 16 (2007). Export promotion strategy and action plan adopted. Commercial courts established. One stop shop center REIPA is fully operational Private Investment as a share of GDP increased from 11.8% in 2002 to 12.8% in 2008, and the ISN target was 14%, so this target was missed.</p>	Partially Accomplished
<p>Increase exports receipts and productivity of key exports. ISN target for exports as share of GDP was 12% in 2008</p>	<p>Coffee exports increased from US\$15 mil (2003) to US\$34.3 mil (2007). Tea exports increased from US\$22 mil (2003) to US\$32 mil (2007). Tea production increased from 14,300 tons (2003) to 17,000 (tons) 2006. Exports as a share of GDP increased from 8.3% in 2002 to 10.3% in 2007, so the 12 percent target was missed.</p>	Partially Accomplished

	<p>Key State Owned Enterprises Reformed Key utilities reformed and privatized: The telephone company was to be privatized and the electric/water utility was to be placed under private management in 2003</p>	<p>Rwandatel privatized in 2005 and later the government bought back the company in 2007 and sold it to a new private operators for \$100 mli; Electrogaz (which is the power and water utility) placed under 5 year management contract prior to full or partial privatization. However, the contract was terminated in 2005. Water connection increased from 28, 150 in 2001 to 47,276 in 2007, and electricity connections increased from 48,581 in 2001 to 86, 537 in 2007. Water supply activities at district level and community level implemented; 25 percent of water supply systems are managed by local private operators in 2007 compared to 1 percent in 2003.</p>	<p>Partially Accomplished</p>
	<p>Efficiency of infrastructure services improved Additional 27.5 MW power supply by 2006 compared to 2004, reducing load shedding Population having access to paved road in Kigali and Butare (Huye). Population having access to improved municipal social facilities in Ruhengeri. Management of water supply systems improved.</p>	<p>Emergency action plan implemented and additional 15 MW power rented. Later 10 MW rental power installed. Works ongoing. Water policy drafted in 2005. Water supply activities at district and community level implemented. 25% of water supply systems are managed by local private operators.</p>	<p>Accomplished</p>
	<p>Improve access and reduce transport costs.</p>	<p>Transport Policy Framework adopted.</p>	<p>Partially Accomplished Not rated This indicator was not related to clear targets on what level of improvement should be achieved by the end of the CAS period. Additionally the management of 25% water supply systems by the end of the CAS by local private operators does not provide a baseline to assess improvement Not Rated While the policy framework</p>

			addressed gaps pointed to by previous bank assessment no evidence that the transport access and costs were reduced through this action. The progress in the area made by the Transport Sector Development Project 2008 is too early to assess
<p>Ongoing Pre-CAS support Lending</p>	<p>Competitiveness and Enterprise Development (2001) Regional Trade Facility (2001) Institutional Reform Credit Urban Infrastructure/ Employment/ Road Rehabilitation and Maintenance Transport Sector Development PRSC (2005) PRSC 2 (2006) PRSG 3 (2007) PRSG 4 (2008) Urgent Electricity Rehabilitation SIL (2005) Competitiveness and Enterprise Development Add Fin SIL (2008) FARAP CFAA (2004) Country Economic Memorandum PER FSAP (2004) Science Technology and Innovation Needs Assessment (2007) ESMAP: Tariff Policy Guidance (2006) Trade Integrated Framework (2006) Demobilization: Creating the Environment for Investment (2004) Transport Country Framework FSAP Follow-up (TA) Advise on FSDP (TA) Credit Information Bureau (TA) Strengthening Supervisory Capacity of Insurance Commission (TA) Accounting and Auditing ROSC AMF/CFT Assessment Doing Business (2007)</p>	<p>Rating as of 2008 DO: Satisfactory IP: Satisfactory Rating as of 2006 DO: Moderately Satisfactory IP: Moderately Satisfactory IEG rating: Moderately Satisfactory Rating as of 2008 DO: Satisfactory IP: Satisfactory Rating as of 2009 DO: Moderately Satisfactory IP: Moderately Unsatisfactory Rating as of 2005 DO: Highly Satisfactory IP: Highly Satisfactory Rating as of 2006 DO: Satisfactory IP: Satisfactory Rating as of 2008 DO: Highly Satisfactory IP: Highly Satisfactory Rating as of 2007 DO: Satisfactory IP: Satisfactory</p>	
<p>AAA</p>			

	Outcomes	Actual Results and Social Development	Comments
Outcomes	<p>Objective 4: Human and Social Development</p> <p>Expand education access and improve quality Performance of the healthcare system and services improved</p> <p>Strengthen prevention and treatment of HIV/AIDS among vulnerable groups</p> <p><u>Expand education access and improve quality</u></p>		Partially Accomplished
			Partially Accomplished
Measurable Outcomes			Accomplished
	<p>Increase net enrollment in primary schools from 73.3% in 2002 to 80% in 2005 and 96% in 2008 (ISN target)</p>	<p>Net primary school enrollment increased to 94% by 2005/2006 and was 95% in 2007</p>	Accomplished
	<p>Transition rate to secondary enrollment was to increase from 42% to 60% by 2005. ISN set the target as 47% by 2008</p>	<p>ISN reported the transition target to secondary enrollment as 47%. It was 54% in 2007</p>	Partially Accomplished
	<p>MTEF consistent with long term financing strategy</p>	<p>The Bank assisted with the creation of the sector MTEF. MTEF for 2006-2008 and 2006 ceiling are consistent with sector financing strategy</p>	Accomplished
	<p>The percent of females enrolled in tertiary education was to increase from 28% to 33% by 2005</p>	<p>The ISN reports that primary education in 2005 was 39%. The CASCR reports that female tertiary education was 39% in 2007</p>	Accomplished
	<p>Adoption of a strategy for Education for all and use of a SWAp</p>	<p>This was completed in 2003 The government's strong commitment has helped the Bank to provide necessary capacity to improve service delivery, development of sector strategies, MTEF and a move towards a SWAP approach.</p>	Accomplished
	<p>Primary school gross enrollment was to increase from 117% in 2002 to 142% by 2008 (ISN target)</p>	<p>Primary school gross enrollment was 140% in 2006</p>	Accomplished
	<p>Primary completion rate was to increase from 55% in 2005/6 to 72% by 2008 (ISN target)</p>	<p>Primary completion rate increased to 52% in 2007</p>	Not Accomplished

Pupil Teacher ratio in primary education was to change from 63.5 in 2005/6 to 58.7 by 2008 (ISN target)	The pupil teacher ratio was 71.1 in 2007	Not Accomplished
Performance of the healthcare system and services improved		
Reduce the infant mortality rates (per 1000 births) from 107 in 2002 to 83 in 2005 and 75 in 2008 (ISN target)	The ISN reported that in 2005, infant mortality per 1000 births was 83. The CASCR updated the number for 2005 to 86	Accomplished
Maternal mortality (100,000) be reduced from 810 in 2001 to 608 in 2005	The CASCR reports that maternal mortality in 2005 was 750	Not Accomplished
Improve access to health facilities for the poor (to increase from 70% in 2001/2 to 80% in 2005)	The CASCR does not provide evidence of access to health facilities to increased	Not Accomplished
DPT3 coverage of children under 1 year was to increase from 77% in 2002 to over 90% by 2008 (ISN target)	DPT3 coverage increased from 89 percent in 2004 to 95 percent in 2006 and 98 percent in 2007	Accomplished
The use of bed nets was to increase from 4% in 2005 to 60% in 2008	Utilization of insecticide treated nets increased from 4 percent in 2005 to 70 percent in 2007	Accomplished
The use of assisted deliveries was to increase from 30% in 2002 to 50% in 2008 (ISN target)	Assisted deliveries at birth increased from 29 percent in 2000 to 39 percent of the population in 2005/2006 and to 52% in 2008	Accomplished
Enrollment in mutuelles was to increase from 7% in 2002 to 60% in 2008 (ISN target)	The PRSGs promoted reforms to strengthen the community health insurance system (mutuelles) which enables access to health services at affordable costs. Mutuelles have been piloted over the last five years and coverage of by the mutuelles has increased from 27 percent in 2004 to 70 percent in 2007. A further transfer of funds by the Government in 2006 has enabled coverage of premiums for the poorest people by \$0.15 per capita. This amount is expected to increase in 2007	Accomplished in terms of ISN target, although CAS target was to increase coverage of the poor to 80 percent, which is not measured in the CASCR.
Population with improved water source was to increase from 52% in 2002 to 60% in 2008	71% of rural and urban households have access to clean water.	Accomplished
Strengthen prevention and treatment of HIV/AIDS among vulnerable groups		
Contraceptive prevalence rate was to increase from 0.3% in 2002 to 10% in 2008. This indicator was revised since the time of the CAS which aimed to increase contraceptive prevalence from 7.9%	The CASCR reports the baseline of the CAS (2000) as 7.9% and indicates that contraceptive prevalence increased to 27% in 2008	Accomplished

	Prevalence of HIV for the population (15-49) decrease from 13.7% in 2002 to under 3% by 2008	The HIV infection rate at the end of the CAS was 3%	Accomplished
	Ex-Combatants Demobilized	The CASCR reports that 27,000 ex-combatants were assisted in demobilization	Accomplished
Ongoing Pre-CAS support	Community Reintegration (1999)	IEG rating: Moderately Satisfactory	
	Demobilization and Reintegration (2002)	Rating as of 2008 DO: Satisfactory IP: Satisfactory	
	Human Resource Development (2000)	Rating as of 2008 DO: Satisfactory IP: Satisfactory	
Lending	HIV/AIDS MAP (2003)	Rating as of 2008 DO: Satisfactory IP: Satisfactory	
	PRSC (2005)	Rating as of 2005 DO: Highly Satisfactory IP: Highly Satisfactory	
	PRSC 2 (2006)	Rating as of 2006 DO: Satisfactory IP: Satisfactory	
	PRSG 3 (2007)	Rating as of 2008 DO: Highly Satisfactory IP: Highly Satisfactory	
	PRSG 4 (2008)		
	MAP Supplemental (2007)		
AAA	Country Status Report – Education	Delivered in 2004	
	Country Status Report -Health (2005)	Delivered in FY05	
	Health Nutrition Report	Delivered in FY04	
	Education Sector Expenditure Review (2005)	Delivered in FY05	
	Multi-country AIDS program: Empowering Communities, Harmonizing Approaches	Delivered in FY07	
	Youth in Post-conflict Rwanda	Delivered in FY 08	
	Integrating Gender into AIDS	Delivered in FY05	

Objective 5: Improving the Effectiveness of Public Financial Management and Economic Governance		Accomplished
Public Finance and Management Strengthened	Organic Budget Law to be adopted in 2003	The law was adopted in 2005
	Adoption and Progress of an implementation plan to enhance financial accountability by 2003	Public procurement code adopted by parliament in 2006. Regulations and standard bidding documents guides have been issued and are available on NTB website
	Preparation of regular accounts of government financial operations	National level MTEF and sector MTEFs for education, health, water and energy prepared and consistent with sector strategies. Budget classification has been adopted and development and recurrent budget has been integrated. The main ministries represented in the PRSC consistently prepare work plans that incorporate sector targets and capacity building within MTEF ceiling. The main ministries employ M&E to improve strategic plans. 5-12% of core ministries, provincial offices and district offices equipped with basic minimum standards of office equipment and automation to perform core functions. Financial sector development plan completed in 2007.
	Improve PEFA indicators to add indicator for improvement in budget preparation, monitoring and execution	One more benchmark added and met over and above 8 HIPC, AAP. Improved assessment of PEFA for budget preparation, monitoring and execution. Improve assessment of PEFA for procurement.
	Institutional Reform Credit	IEG Rating: Moderately Satisfactory
	Decentralization and Community Development Project	Rating as of 2008 DO: Highly Satisfactory IP: Satisfactory
	PRSC (2005)	Rating as of 2005 DO: Highly Satisfactory IP: Highly Satisfactory
	PRSC 2 (2006)	Rating as of 2006 DO: Satisfactory IP: Satisfactory
	PRSG 3 (2007)	Rating as of 2008 DO: Highly Satisfactory IP: Highly Satisfactory
	PRSG 4 (2008)	Rating as of 2008 DO: Highly Satisfactory IP: Highly Satisfactory
Ongoing Pre CAS support Lending	Public Sector Capacity Building Project E-Rwanda	Rating as of 2008 DO: Moderately Satisfactory IP: Moderately Satisfactory Rating as of 2008 DO: Satisfactory IP: Satisfactory
	Financial Accountability Review and Action Plan (FARAP)	Delivered FY04
	Public Expenditure Review	Delivered FY03
	HIPC Completion Report	Delivered FY05
	CFAA	Delivered FY05
	Financial Sector Review (FSAP)	Delivered FY05
	FSAP follow-up	Delivered FY06
	Country Procurement Assessment	Delivered FY04
	ESMAP Tariff Policy Guidance	Delivered in FY06
	Country Economic Memorandum Accounting and Auditing ROSC	Delivered in FY 07
AAA	Country Portfolio Performance (CPPR)	Delivered in FY 08
		Delivered FY06