

RWANDA: SCALING UP ECONOMIC OPPORTUNITIES FOR WOMEN AND YOUTH

United Nations Development Programme
United Nations Capital Development Fund

POVERTY REDUCTION AND MDG ACHIEVEMENT



RWANDA



Photo by Adam Rogers

Background

Rwanda has one of the highest population densities in the world, with about 10 million people, growing on average at 2.8% per year (on a land area of 26,000 square kilometres). Rwanda ranks 152 of 169 countries in the 2010 Human Development Index (HDI). Since 1996, Rwanda experienced steady economic recovery due to the government's commitment to socio-economic reforms, support for the private sector investments, and large foreign aid inflows (at about US \$500 million per year). In 2009, the economy grew by 6%, and GDP per capita reached US \$1,060 (PPP). Despite land scarcity, agriculture, mainly rain-fed subsistence farming, remains the largest sector of the economy, contributing to 40% of GDP. Rwanda has made progress towards private sector development, as signified by improved rankings in the World Bank's 'Ease of Doing Business' report (2009). However, limited exports as well as low domestic savings rates threaten to constrain the future growth. Rwanda's long-term development goals are expressed in the Vision 2020 and the Economic Development and Poverty Reduction Strategy (EDPRS 2008-2012). The overriding long-term national development objective is to transform Rwanda into a middle-income country by 2020 with a knowledge-based economy.

Progress towards the MDGs

Rwanda is on track to achieve the MDGs targets in primary education, women's participation in politics and child health. Despite these

impressive records, the country still struggles with high maternal mortality rates at about 750 deaths per 100,000 births (2009) and high levels of malnutrition among children. The combination of high population growth rates and poverty pose pressure on the limited natural resources base, particularly land, resulting in incidences of food insecurity in some parts of the country. With about 57% percent of the population living below the poverty line (according to the latest household survey of 2005), poverty reduction and expansion of employment opportunities are central to addressing the country's multiple development challenges.

MDG Localization and Local Development Programmes

The Vision 2020 Umurenge Programme (VUP) aims to reduce poverty at the community level through providing employment opportunities for poor people with productive capacities, and direct assistance such as cash transfers to the poorest and most vulnerable households. The VUP uses the existing decentralized system and promotes community participation and monitoring for improved accountability in the delivery of public services. The programme has already covered 30 imirenge, with a total population of 600,000 people, and is now expanding to 90 imirenge. It succeeded in providing employment through short-term public works called Ubudehe, based on the culture of mutual communal assistance, as well as longer term income generation schemes, through expanding access to financial services.

In addition, the programme provided an integrated package of education and health services to vulnerable groups, particularly genocide survivors, marginalized communities and persons with disabilities, including ex-combatants. The imihigo system has also strengthened accountability in tracking the performance of local governments and other service delivery agents. Through the implementation process it became apparent that more intensive investments are required for capacity development at the sub-national level in addition to the effective coordination and monitoring. Also, it became apparent that the current levels of financial investments are not adequate to scale up the results achieved to date.

UNDP and the Netherlands Development Organization (SNV) provided critical support to operationalizing the MDGs through strengthening the capacities of local governments to integrate key gender investments in the implementation of EDPRS. The project supported gender sensitive MDG planning and implementation processes in five pilots districts of Nyarugenge, Musanze, Bugesera, Nyamagabe and Ngororero. As a result, the pilot municipalities and villages identified and prioritized those investments that have a potential to yield significant positive impacts on women's and girls' livelihoods. The project targeted both the demand side (targeting the population for strengthened voice and accountability) and supply side (strengthening capacities of the local governments and actors effective service delivery).

Opportunities for Scaling Up

Rwanda presents many opportunities for scaling up local successes for MDG achievement. The basic foundation for scaling up pilots to national programmes has been laid out by the government efforts in the last decade, with the support from development partners, including UNDP. The VUP already envisages scaling up a number of existing initiatives targeting MDG targets on poverty reduction and employ-

THE ROLE OF LOCAL GOVERNMENTS IN ACHIEVING THE MDGS:

In Rwanda, the decentralization policy has established participatory governance structures, with essential service delivery functions and responsibilities transferred to local government bodies. In 2006, Rwanda was reorganized into five provinces and 30 districts that elect their own councils and mayors. Administrative levels below the district level include 416 Imirenge, 2,150 cells and 14,975 umudugudu.

One of the most innovative features of Rwanda's decentralization process is the establishment of the imihigo system of performance contracting for government bodies, which helped to substantially improve accountability at the local levels. In 2007, the Rwandan Government launched the Vision 2020 Umurenge Programme (VUP) that seeks to engage all communities and local actors in the implementation of the country's poverty reduction efforts. The programme is also a platform for operationalizing the decentralization process, through delegation of basic MDG services to local governments. The VUP is led by the Ministry of Local Government, Good Governance, Community Development and Social Affairs (MINALOC), and is supported by the Ministry of Finance and Economic Planning (MINECOFIN).

ment creation (especially in agriculture), women empowerment and primary health for mothers and children. One of the priority areas identified for enhanced support by the UN and UNDP is expansion of economic opportunities for youth and women, and marginalized groups in rural areas, through the provision of financial and business development services. The scaled up support for fostering sustainable jobs will need to be coupled with investments in rural energy services, water and sanitation, irrigation, agricultural inputs and other key infrastructure. In tandem, UNDP and UNCDF will deepen their support to strengthening capacities of local authorities and agents to plan and implement gender sensitive investments at the local level.



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