



OVERVIEW

3rd RWANDA NATIONAL HUMAN DEVELOPMENT REPORT

Policy Innovations and Human Development

Rwanda's Home-Grown Solutions

August 2021



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Foreword

The 3rd Rwanda National Human Development Report (NHDR), Policy Innovations and Human Development: The case of Rwanda's Home-Grown Solutions, is a major contribution to the policy discourse on Rwanda's transformation journey. By examining the contribution of innovative policies and sustainable human development, the Report identifies critical policy lessons learned that could be used to enhance outcomes in human development, improve resilience of households and achieve transformative changes in the lives of Rwandans. The Report acknowledges Rwanda's rapid economic growth and improvement in human development over the past two decades. It also highlights the opportunities that can be harnessed for enhanced and resilient human development.

Rwanda's recovery from the 1994 Genocide against the Tutsi and its rapid economic growth, about 8 per cent on average over the last 15 years, continue to be an inspiration to developing countries around the world. The more useful lessons learned for human development consist in a set of locally engineered policy innovations, the home-grown solutions (HGSs). These innovations have helped Rwanda overcome the trauma of genocide and its disastrous aftermath and set the country on a path of growth and development in less than a quarter of a century.

The Report analyses the contribution of five selected HGSs to human development progress, namely the *Girinka* Program (one cow per family), the Vision 2020 *Umurenge* Program (VUP), community-based health insurance (CBHI), *Imihigo* (performance contracts) and *Umuganda* (community work). The Report shows how and to what extent these innovations have contributed to inclusive human development, reduced vulnerability, fostered social cohesion, and perhaps more importantly, enhanced participatory and accountable governance. It should be emphasized that the latter is a fundamental factor for sustainable human development.

The Report reinforces the point that Rwanda has made general progress in human development, but that challenges remain, and that there are variations in achievement across provinces and districts. This is illustrated by the results of the National Human Development Report Index (NHDI) that provides the status of human development at local level and that was calculated for Rwanda for the first time by this Report. The NHDI results indicate that Rwanda should sustain the gains, further improve human development outcomes and address inequalities. To ensure human development for all, the Report asserts that it is important to improve the alignment of the HGSs with the transformation agenda and further enhance their effectiveness. Indeed, there is significant scope to harness the potential of HGSs for synergetic impact, particularly when the interventions target the same vulnerable groups.

The Report also explores aspects of resilient human development such as human dignity, gender equality, social cohesion, citizens' participation and environmental sustainability. Building on the available literature and research provided by government bodies such as the Rwanda Governance Board, the Report highlights the contribution of HGSs in building an inclusive and environmentally sustainable economy as well as a just and cohesive society in which all citizens have the opportunity to lead productive and satisfying lives. Considering the increased vulnerability of Rwanda to climate change effects, enhancing HGSs' responsiveness to climate change effects is critical for going forward.

The implementation of the National Strategy for Transformation (NST 1 2017-2024) provides an opportunity to tackle the country's challenges while maintaining the pace of sustained growth and achieving structural transformation. In order to achieve this, significant efforts need to be focused on improving standards of living, expanding access to and the quality of education, sustaining and

enhancing health service delivery, and addressing the effects of climate change. Continued policy innovation combined with efforts to integrate existing policies to foster effectiveness and efficiency will be key drivers of transformation. The Report strongly argues that HGSs have a central place in the transformation agenda, particularly in ensuring social transformation by guaranteeing that no one is left behind. They can contribute meaningfully to the achievement of Agenda 2030 and the 17 Sustainable Development Goals (SDGs).

In recognition of the enormous potential of HGSs for human development, the Report proposes several general and HGS-specific policy actions to spur more transformative innovation and achieve greater, more equitable and sustainable progress in human development. These actions include aligning HGSs to respond to the transformative agenda by ensuring appropriate scope, scale, targeting, and enhancing their implementation, etc. The Report also contributes to policy design, monitoring and knowledge management by putting into context the results management framework, including indicators and reporting systems on HGSs, and highlighting key data and information gaps.

Finally, we strongly call on policymakers and development practitioners across the development spectrum in and beyond Rwanda to read and use the experiences and recommendations from this Report. We are positive that it will provide a useful tool to spur and guide policy debate on local innovations for developing sustainable economies and inclusive societies in which human choices and freedoms are continually and sustainably expanded, without leaving anyone behind.

Maxwell Gomera

Resident Representative
United Nations Development Programme

Acknowledgments

The 3rd National Human Development Report (NHDR) was produced by the United Nations Development Programme (UNDP) Country Office. It is the result of collaborative effort between UNDP and the Government of Rwanda. International and national experts discussed and reviewed this independent report for quality assurance. The lead national institutions were the Ministry of Finance and Economic Planning (MINECOFIN) and the Rwanda Governance Board (RGB). In addition to extensive document reviews, the Report is based on a statistical analysis of survey data as well as nationwide stakeholder consultations since November 2017. Producing this Report involved a rigorous review by two high-level multi-sectoral teams, i.e. the Steering Committee (SC) and the Technical Committee (TC). As an independently produced report, the data collection, analysis and report preparation were carried out by independent consultants; thus, the views expressed herein cannot be attributed to UNDP.

The Report was prepared under the overall guidance of Stephen A. Rodriques, the then UNDP Resident Representative for Rwanda. The entire process leading to the production of this Report was commissioned, facilitated and coordinated by the UNDP Policy and Strategy Unit led by Yemesrach Workie, Senior Economic Advisor for UNDP Rwanda and Uganda. We are grateful for her steadfast leadership, critical analysis and relentless technical support and guidance right from the conceptual design through stakeholder consultations, analytical work and final reporting. We are equally indebted to Alessandro Ramella Pezza, Economist at UNDP Rwanda, for his technical inputs on the methodology and the drafts of the report as well as on the overall coordination of the production of the report and the mobilization of the relevant stakeholders. The report benefited from the guidance provided by Varsha Redkar-Palepu, the Deputy Resident Representative in UNDP. The support of Barbara Hall, consultant editor, and Evard Havugimana and Claudine Uwineza, Program Assistants, are also gratefully acknowledged. The lead author, Charles Twesigye-Bakwatsa, provided the overall content, synthesis and narrative of the Report.

The Report has benefited from the background paper exploring the links between human development and HGSs, which was prepared by Katie P. Bernhard, London School of Economics. The support of Dr. Charles Mulindabigwi Ruhara of the University of Rwanda's School of Economics and of Dr. Laetitia Nyirazinyoye of the University of Rwanda's School of Public Health to the data collection and local stakeholder consultations is also acknowledged. This Report would not have been possible without the leadership and support provided by the Government of Rwanda, led by MINECOFIN and the RGB. The authors would like to especially thank Hon. Dr. Uzziel Ndagijimana, Minister of MINECOFIN, and Caleb Rwamuganza, Permanent Secretary and Secretary to the Treasury, as well as Godfrey Kabera, Director General, National Development Planning and Research, MINECOFIN and Richard Mushabe, Division Manager National Planning and Research, MINECOFIN. In equal measure, we are indebted to Hon. Prof. Anastase Shyaka, Minister of Local Government, formerly Chief Executive Officer (CEO) of the RGB, for leading the process right from inception, and to Dr. Usta Kayitesi, CEO of the RGB, for ongoing support and for ensuring adequate representation and active participation of the RGB team throughout the process. Dr. Usengumukiza Felicien, Head of Research, chaired the Technical Committee, while Sybille Kamikazi, principal researcher, and Anatole Mulindwa, researcher, reviewed the Report and provided highly useful comments and suggestions that helped shape its design and improved its quality. The RGB also provided key reference documents and mobilized other key stakeholders.

The authors wish to commend the National Institute of Statistics of Rwanda (NISR) for the production of the Integrated Household Living Conditions Surveys (EICVs) on which most of the quantitative analysis was based. The participation of Ibrahim Byiringiro, Ag. Director Statistical Methods, Research and Publication in the Technical Committee on behalf of NISR and his contribution to the technical review of the findings of the background paper and the inputs provided are also appreciated.

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The NHDR process benefited from technical guidance provided by the Human Development Report Office (HDRO). The authors are particularly indebted to Jonathan Hall, Technical Adviser at HDRO, for his insightful comments and suggestions, which improved the conceptual design and overall quality of the Report.

Finally, the extensive views and testimonies provided by local government leaders and technical experts, program beneficiaries and stakeholders in the districts, sectors and villages where extensive sub-national stakeholder consultations were held are invaluablely appreciated.

Executive summary

The third Rwanda National Human Development Report (NHDR) was inspired by the impressive progress that Rwanda has made over 15 years in the spheres of good governance, economic growth and human development, particularly considering the post-genocide challenges. HGSs have served as a catalyst towards achieving this progress. Hence, this Report, Policy Innovations and Human Development: Rwanda's home-grown solutions aims to analyse and document the contribution of HGSs to human development progress.

This Report analyses the contribution of home-grown solutions (HGSs), which are locally designed or adapted policy innovations to the progress made by Rwanda in human development. The Report is based on three fundamental premises: innovative policies contribute to achieving rapid economic growth and improvement in human development outcomes; citizens need to participate effectively to economic transformation to positively affect human development; and interventions must be tailored to citizens' specific needs, aspirations and socio-cultural circumstances for citizens to effectively participate in and own these development processes. Finally, HGSs, which are developed and refined locally, can effectively ensure economic transformation is inclusive, sustainable and benefits human development.

Progress in Rwanda's human development – trends, patterns and underlying factors

The Report notes that between 1990 and 2017, Rwanda's Human Development Index (HDI) value more than doubled, from 0.250 to 0.524, recording the highest average annual HDI growth in the world. The progress in HDI reflects positive developments in all human development dimensions, but mostly in the health sector. Per capita gross national income (GNI) increased from US\$1,424 in 2011 to US\$1,811 in 2017, due to sustained high economic growth rates averaging about 8 per cent. Life expectancy increased from 49 years in 2000 to 67 years in 2018. This is largely a result of increased access to healthcare, from 31 per cent in 2003 to 83 per cent in 2016. The average expected years of schooling increased from 7.2 in 2000 to 11.2 in 2017. However, actual educational attainment (mean years of schooling) increased modestly, from 2.3 in 2000 to 4.1 in 2017. It is this dimension of Rwanda's human development that has contributed the least. However, quality of education remains the priority of the government of Rwanda.

The Report shows that the trend in human development, which led to a significant improvement in the National Human Development Index (NHDI) value, slightly declined in 2016/17, partly due to a drop in household income as a result of climate change-related shocks, such as droughts, flooding and landslides that affected the country during the survey year. Kigali sustained improvement in human development over time and has the highest NHDI value. In the Northern Province, NHDI improved between 2010/11 and 2013/14, yet remained at the same level in 2016/17. However, in Eastern, Southern, and Western Provinces, NHDI values improved from 2010/11 to 2013/14, but slightly declined in 2016/17. It is important to highlight that there are notable differences in human development among provinces. While over time the Northern Province made significant progress, from being ranked fifth in terms of NHDI value in 2010/11 and 2013/14, to third in 2016/17, the Eastern Province declined, from being ranked second in 2010/11 and 2013/14, to fifth in 2016/17.

The gap in human development between provinces narrowed between 2010/11 to 2013/14, but after this period, it has widened, indicating the need for the government to effectively address these disparities by deepening its understanding of the underlying cause and design effective measures. For example, it may be due to one province been affected more than others by climate change-related shocks that affect its progress than others.

The Report observes that the Multidimensional Poverty Index (MPI), which reflects deprivations in key areas of health, education and standard of living, declined from 0.461 in 2005 to 0.266 in 2017. This was largely due to improvements in the health dimension. More than half of the MPI value is due to deprivation in standard of living, underscoring the need for increased interventions to improve livelihoods. The Gender Development Index (GDI) increased from 0.922 in 2005 to 0.941 in 2017, while the Gender Inequality Index (GII) decreased significantly from 0.487 in 2005 to 0.381 in 2017.

This Report observes that, although income inequality improved over time, it remains a challenge, despite efforts to reduce it. The Gini coefficient declined from 52.2 in 2005/06 to 42.9 percent in 2016/17, yet income inequalities persist and generally translate into gender and geographical disparities, with women's per capita GNI being 24 per cent lower than that of men. Once adjusted by inequality, Rwanda's HDI value was reduced by 36.4 per cent in 2017.

The Contribution of home-grown solutions to human development

HGSs are a unique and innovative response to the daunting challenge that Rwanda faced after the Genocide against the Tutsi. Most of the HGSs were developed locally and have been institutionalized and scaled up at the national level since 2006, after the most pressing needs in the aftermath of the genocide. Five HGSs – the Girinka Program (one cow per family), Vision 2020 Umurenge Program (VUP), Community-based Health Insurance (CBHI), Imihigo (performance contracts) and Umuganda (Community work) – were selected to be analysed in this Report. The choice was based on two reasons: their policy objectives were deemed the most relevant and impactful on the human development outcomes; and they showed a strong innovative potential, having undergone several adaptations during their implementation over the last decade, and increased their capacity to deliver on their objectives.

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Through the analysis of data and qualitative information, the Report reveals that HGSs positively impacted human development progress. The Report establishes a positive association between HGSs across all three dimensions of human development – a long and healthy life, access to knowledge and a decent standard of living. In addition, evidence is found showing a positive association between HGSs and the NHD. HGSs are also associated with reduced gender and geographical inequalities, as shown by the significant geographical expansion of high-consumption levels from Kigali City to other provinces and specifically an increase in consumption among female HGSs beneficiaries. Using qualitative assessment tools, it was possible to ascertain that HGSs have positively contributed to social cohesion and resilient human development by creating a conducive environment for enhanced human development. However, there are observable variations between districts in terms of the spatial distribution of the HGSs and of scores in the human development indicators.

Lessons and key messages from the home-grown solutions – human development linkages

The Report identifies several critical success factors, inter alia, explaining why HGSs have worked in Rwanda, as follows:

A combination of supportive political and institutional environment enabled the design and implementation of HGSs. Political will and commitment by the Government that ensured targeting of the poorest people with scarce public resources have contributed significantly to the success of the HGSs. HGSs have been designed and implemented with a clear focus on results, which enhanced downward accountability by implementing actors. A robust institutional mechanism, which partially comprised a dense network of local government institutions with a large cadre of motivated volunteers across the country, was instrumental in translating the policy statements and action plans into results on the ground.

HGSs are effective due to their strong grounding in local, socio-cultural values and socio-economic realities of the population. The Report observes that the strong anchoring of HGSs on cultural and national values enabled people to relate to them and their objectives, and to participate in them effectively with less need for external mobilization efforts or incentives. Ordinary people across the country, for example, considered *Girinka* a Program to restore wealth and resuscitate cultural and social practices that promoted social cohesion. *Umuganda* also fosters greater ownership

and collaboration between citizens and the Government, while *Imihigo* invokes historical associations with human dignity and self-worth to promote excellence, hard work and accountability in service delivery.

Continuous learning and adaptation that underscores the development of HGSs is a critical factor for their success. HGSs implementation has worked largely because the Government has continuously integrated lessons at all stages of implementation, thereby enhancing the HGSs' performance. For instance, the guidelines for the *Girinka* Program have been reviewed more than three times in less than five years to keep the Program focused and address the challenges reflected in feedback reports as implementation proceeds. Also, CBHI has now embraced the digital platforms in mobilization, subscription payments and service delivery, while VUP has been redesigned and expanded to respond to the specific needs of the beneficiaries, widen its coverage and enhance sustainable graduation from extreme poverty.

The Report reveals that policy convergence and consolidation deliver more effective results: Considering the overlapping nature of deprivations that the poor face, populations who had benefited from more than one HGSs at the same time (e.g. VUP, *Girinka* Program and/or CBHI) were likely to have better outcomes with respect to access to knowledge, healthcare utilization, improvement of standards of living and sustainable graduation from poverty (e.g. through the accumulation of assets and savings) than those who had benefited only from a single HGSs. This suggests that accelerated and sustainable graduation from poverty and increased progress in human development will require increased integration and coherence in HGSs interventions. Greater coordination and collaborative efforts will be critical to achieve this.

Design considerations and results-focused implementation: Most HGSs were conceptualized and designed to provide responses to clearly identified issues with a clear vision and to address the needs of the population. The design and implementation of HGSs have been continuously reviewed to ensure that challenges are identified and addressed, and the scope and implementation approach adapted to achieve the results. All the five HGSs analysed have been associated with positive and citizen-centred reforms leading to increased citizen participation, more impact on the welfare of poor people, equity and the establishment of systems for sustainability. HGSs have been associated with the approaches and tendencies of yielding more cost-effective results, notably *Imihigo*. A clear example of efficient implementation is in CBHI, where 82 per cent of the expenditure is earmarked for the core function of healthcare delivery and only 18 per cent on overhead.

Major challenges and opportunities for accelerating and sustaining human development through home-grown innovations

The Report highlights a number of strategic challenges that undermine human development in Rwanda. Key challenges that must be addressed include the following:

- Despite best efforts at reducing the high levels of poverty, **many Rwandans continue to experience multiple deprivations**. Geographical and gender divides reflect existing inequalities.
- In addition, **Rwandans throughout the country face multiple vulnerabilities** that constrain the ability to improve human development. The Report observes that economic and social vulnerabilities are exacerbated by resource scarcity, demographic characteristics, and limited knowledge and technological capacity among the population to explore alternative livelihood sources, as well as the growing threat of climate change.
- **The most critical challenge may be inadequate capacity at the local government level** to drive the policy process, especially the ability to effectively deal with complex development challenges,

including an effective implementation of innovative policies under HGSs. These capacity gaps are manifested or result in inadequate coordination, insufficient systems for information and knowledge management, as well as inefficiencies in implementation leading to sub-optimal outcomes from the HGSs.

Conclusion and recommendations

To address these challenges and accelerate sustainable human development, the Report proposes policy actions, in particular:

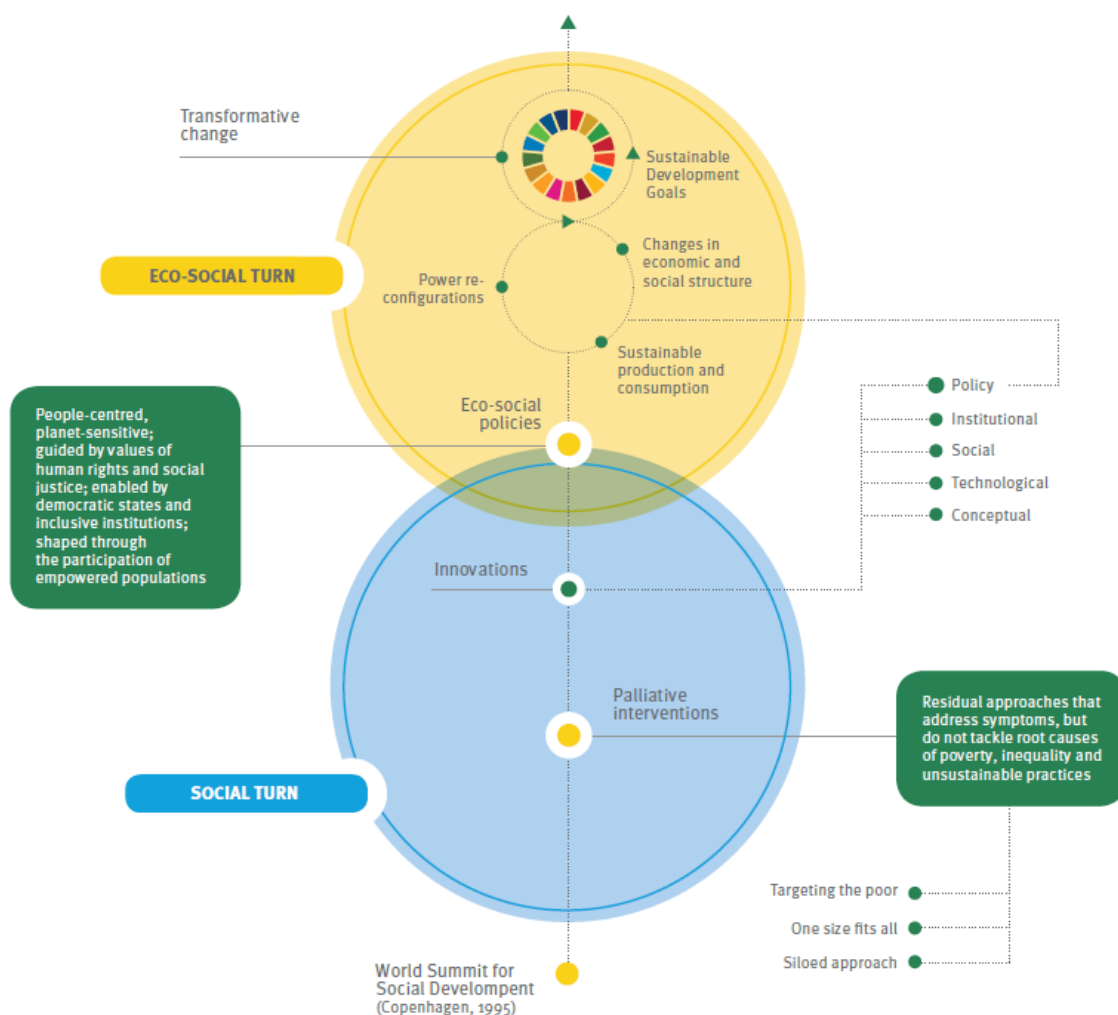
- *Consolidate gains and document lessons learned from HGSs in all dimensions of human development and build resilience to sustain the gains.* Increase investment to scale up and improve the quality of HGSs interventions so as to improve efficacy and impact on the most vulnerable population.
- *Enhance synergies by leveraging the inherent interlinkages between HGSs* in order to more efficiently optimize the outcomes from HGSs implementation.
- *Develop new incentives to spur greater innovation*, taking into consideration the changing demographics, institutional capacities and socio-economic aspirations. *Umuganda* and *Imihigo* must certainly be anchored on new incentives.
- *Enhance the implementation of a comprehensive national social protection and transformation framework* that consolidates interventions and improves coordination and the targeting of beneficiaries. Strengthen and monitoring the graduation and post-graduation out of poverty to enable the poorest people to exit from vulnerability.
- *Strengthen the capacity of sub-national actors, particularly local authorities, to coordinate and facilitate local innovation in HGSs.* Capacity enhancement is particularly and urgently needed to improve the quality of design, implementation and reporting on *Imihigo*, the innovation and leadership of *Umuganda*, as well as effective support to VUP and *Girinka* beneficiaries, beyond simple operational activities.
- *Expand the space and incentives for active youth engagement.* An entire range of incentives and opportunities for enhanced, active youth participation and influence should be explored and appropriate investments made. For instance, youth should be facilitated to lead and transform *Umuganda* into community development platforms of the digital era. Similarly, public and private investments that increase productivity and promote value addition to *Girinka*-related products should be promoted to widen opportunities for youth.
- *Address climate change and related risks* in order to enhance sustainable graduation from poverty and deprivation and strengthen the resilience and ability of the local communities and the economy. Integrating climate change adaptation actions in all VUP, *Imihigo*, *Umuganda* and *Girinka* activities would increase the efficacy and sustainability of outcomes.
- *Leverage technology and knowledge to address the barriers of information gaps and resource scarcity and enhance labour productivity.* Most of the HGSs will greatly benefit from the enhanced incorporation of technology.
- For specific HGSs, the Report recommends the following:
- *Imihigo*, especially at the local government level, should identify and promote transformational results that could effectively address the challenges that ordinary citizens face. Intergovernmental relations and stakeholder coordination need to improve in order to make the concept of joint planning and delivery work. Furthermore, implementation of innovative mechanisms and incentives to enhance private sector participation in the planning, financing, implementation and post-implementation maintenance and scale-up of *Imihigo* projects and associated impacts are key for enhanced impact.

- *Umuganda* could significantly contribute to human development with strengthened community capacity to identify and implement innovative interventions that are consistent with their unique needs. This should include relevant national and sub-national institutions to provide appropriate leadership and coordination of *Umuganda* activities. In line with the new *Umuganda* policy, it is necessary to create a platform or a framework for community input to better adapt *Umuganda* to the new urbanization and demographic trends.
- VUP has significant potential to address vulnerability. However, it requires further alignment to reach women as well as the bottom 40 per cent of the population. In particular, based on the ongoing review of the *Ubudehe* categorization, the focus of VUP-Direct Support (DS), which is to reach the bottom 40 per cent and female-headed households, should be strengthened. In further harnessing the full potential of VUP-Public Works (PW), it is essential to increase resources to allow for an increased number of days allotted to every beneficiary, in addition to streamlining the payment methods. VUP-PW links to climate change adaptation activities must be strengthened to address vulnerabilities that arise from climate change shocks.
- Similarly, VUP-Financial Services (FS) could benefit from enhanced targeting of the most vulnerable through the FS loan scheme and provide affordable preferential interest rates and other terms to enhance access and uptake by the target beneficiaries, with a focus on rural and urban poor women, and out-of-school youth.
- The *Girinka* Program should be strongly supported with high technical expertise to reap its enormous potential for improving nutrition, food security, productivity and standard of living; there should be a strong capacity-building element to harness this potential. A strong policy link should be established with the private sector with a focus on value addition on milk and milk products, involving the growing youth population at all levels of the value chain.
- CBHI should continue to expand its coverage while ensuring appropriate risk sharing approaches. The Government and its partners should push for a last mile effort to ensure that the hard-to-reach segments of the population who are uninsured are included in the scheme, including individuals within extremely poor households.

Rationale of the 3rd National Human Development Report

Framework: how policy innovations foster transformative change

In order to achieve the SDGs a transformative change is required so as to tackle the complex challenges that countries are facing, including poverty, inequality, demographic changes, violence and environmental degradation and climate change, among others. While innovations are taking place in many different areas such institutional, technological etc; policy innovations are key drivers for transformative change in socio economic situations of nation by identifying and promoting new approaches based on evidence.

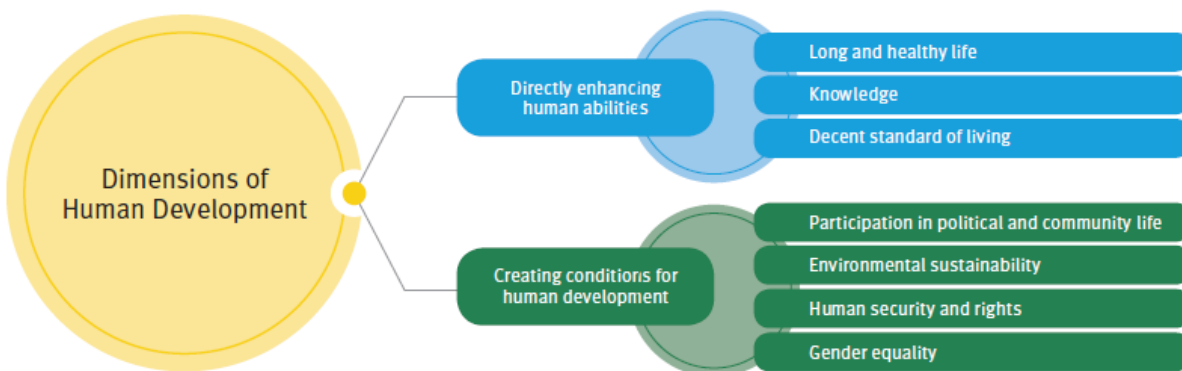


Rwanda is among many countries that opted to adopt innovative social policies to bring lasting change in the welfare of its population. These innovative social policies are largely categorized as home-grown solutions (HGSs). The Rwanda NHDR was commissioned to analyse the contribution of HGSs to human development in the country.

Human development trends in Rwanda

Human development concerns the freedom people have in deciding who to be, what to do, and how to live. People have more choices when they live long and healthy lives, exercise freedom to acquire and impart or share knowledge, and have the capability to meet their material and other needs. This perspective, referred to as the 'capability approach', created by UNDP has guided the development of human development index and other measurements that enabled for decades policy development in many countries.

Hierarchical illustration of the dimensions of human development



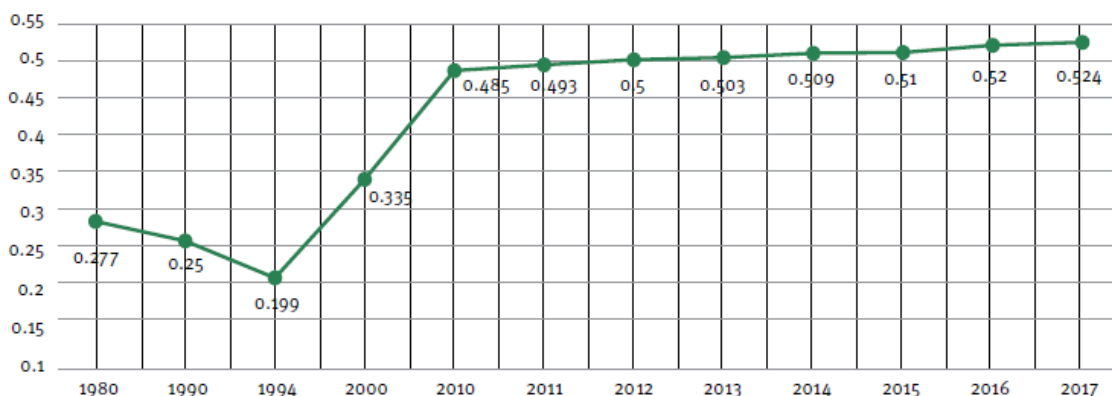
Source: UNDP, 2015f.

In incorporating this approach into the current human development concept, UNDP stressed how human capabilities and choices are influenced by several factors, including the social and institutional environment. Human development is measured through the Human Development Index.

The Human Development Index

Over the last two decades, Rwanda has achieved tremendous progress. Between 1990 and 2017, its HDI value (using the global Human Development Index (HDI)) increased from 0.250 to 0.524, or 109.6 per cent, scoring the highest average annual HDI growth ever registered by any country in the world over the period, at 2.78 per cent.

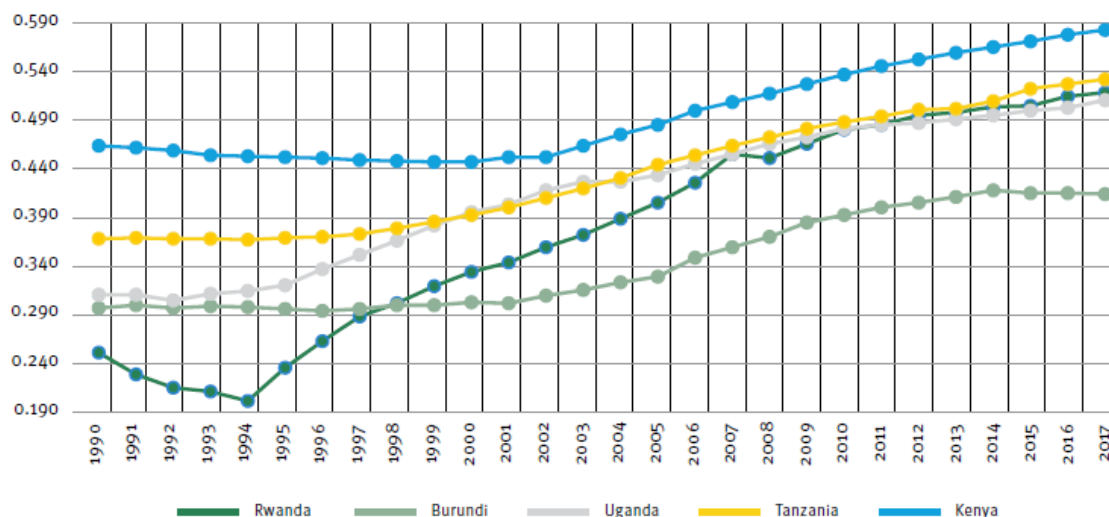
Rwanda's Human Development Index, 1980–2017



Source: UNDP, 2018b, Human Development Report Update, 2018.

Rwanda's HDI of 0.524 is above the average of 0.504 for countries in the low human development group and below the average of 0.537 for countries in sub-Saharan Africa. Rwanda's remarkable progress in terms of human development compares favourably with its neighbours and members of the regional intergovernmental organization in which it belongs, namely the East African Community.

East African Community HDI values, 1990–2017

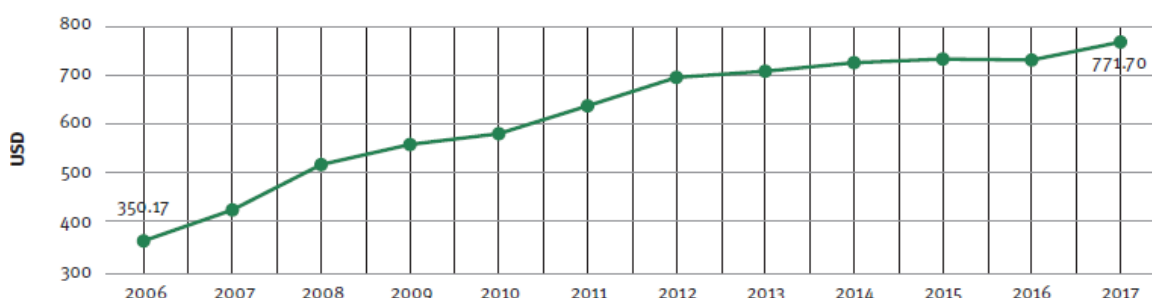


Source: UNDP, Human Development Statistical Update, 2018. Authors' tabulation.

Dimensions of human development - Living standards

Over the 1990–2017 period, there was impressive overall human development progress, including a remarkable performance in the standard of living dimension. Gross national income (GNI per capita at 2011 US\$ purchasing power parity) increased from \$1,133 in 2011 to \$1,811 in 2017. However, when adjusted for inequality, Rwanda's HDI value falls from 0.524 to 0.367, a loss of 36.4 per cent; this adjusted value is referred to as the IHDI.

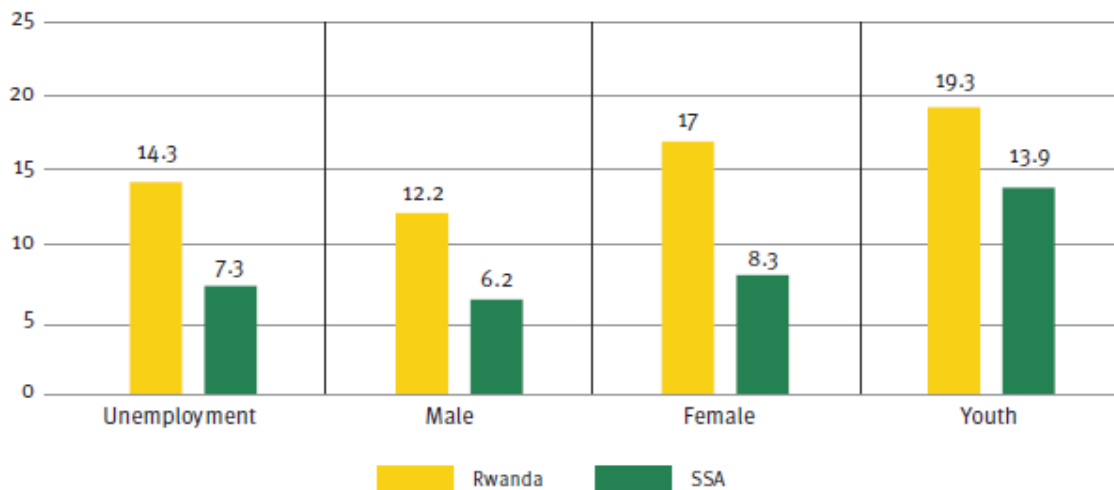
Rwanda's GDP per capita growth, 2006–2017



Source: NISR, 2017b, 2018c; Authors' tabulation.

Notwithstanding the improvement in per capita income, Rwandan economy is undergoing structural transformation that needs to pick significant pace by enhancing productivity of the economy across sectors, while creating adequate decent jobs employment opportunities for the youthful population and address unemployment and underemployment.

Unemployment in Rwanda and sub-Saharan Africa by population groups (%), 2018

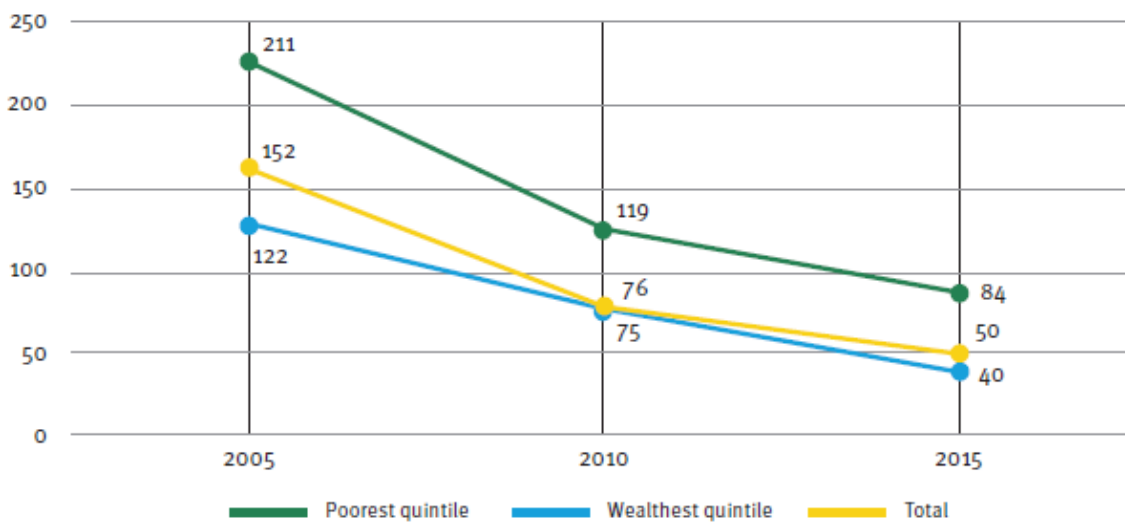


Source: for Rwanda NISR, 2018d; for sub-Saharan Africa (SSA) World Bank, Open Data Portal, 2018.

Dimensions of human development - Long and healthy lives

In 2017, life expectancy in Rwanda increased from 49 years in 2000 to 66.6 years (NISR, 2018b). This progress is a result of improvements in key health outcomes, notably general mortality, and especially significant reductions in maternal, infant and child mortality.

Trends in under-five mortality, by wealth quintile



Source: UNICEF, Annual Report 2017 and National Institute of Statistics, RDHS 2000, 2005, 2010 and 2015.

Key malnutrition indicators for children under five years of age have also improved over the 2000–2015 period but remain high, particularly chronic malnutrition (stunting).

Progress on selected malnutrition-related indicators

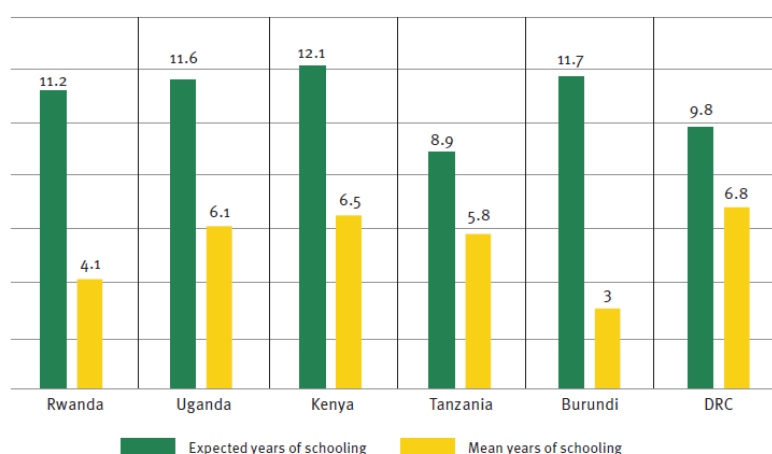
Health indicator	2000	2005	2010	2015
Neonatal mortality rate (per 1,000 live births)	43	51	44	38
Infant mortality (per 1,000 live births)		5	3	2
Percentage (%) of unmet need for family planning (among currently married women aged 15-49)		18	11	9

Source: UNICEF, Annual Report 2017 and National Institute of Statistics, RDHS 2000, 2005, 2010 and 2015.

Dimensions of human development - Access to knowledge

Primary school enrolment increased by 16 per cent from 2,190,270 pupils in 2008 (of whom 50.9 per cent were girls) to 2,540,374 pupils in 2017 (of whom 49.9 per cent were girls). The numbers show an absolute increase in the number of pupils over the 2008–2017 period. Given the significant push on expanding education, Rwanda has seen massive improvement in expected years of schooling while the actual mean years of schooling has increased marginally from 2.3 years in 2000 to 4.1 years in 2017. This is largely due to limited survival rates.

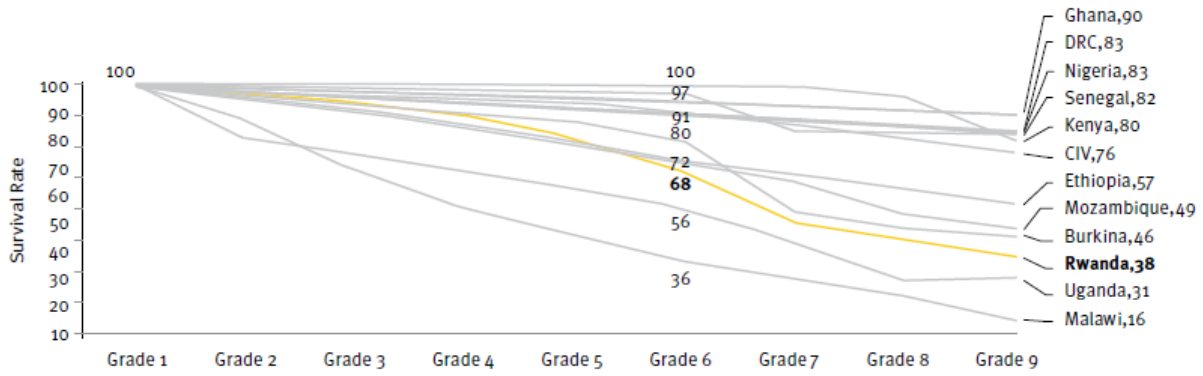
Expected and mean years of schooling in Rwanda and neighbouring countries (%), 2017



Source: World Bank, World Development Indicators, 2018.

Owing to the massive expansion in education, net enrolment rates (NERs) reached a high level (98 per cent in of 2017), however only 38 per cent of pupils completed the last grade of primary school.

School survival rates in Rwanda and other sub-Saharan African countries

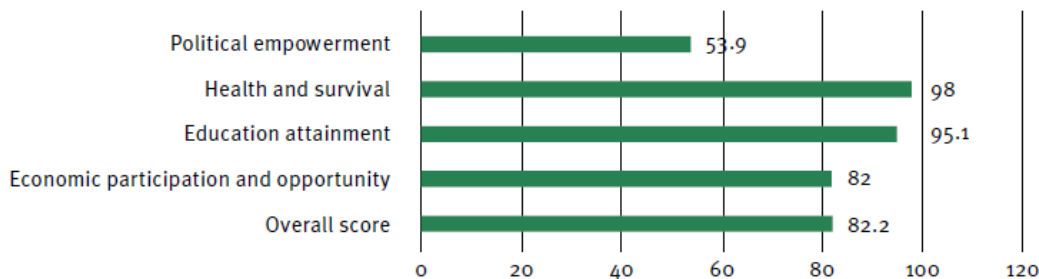


Source: World Bank and Agence française de développement, 2018

Other dimensions of human development - Gender equality

The Gender Development Index (GDI) measures the disparity in human development achieved by men and women as a ratio of female HDI over male HDI.

Closing the gender gap by dimension (GGI 2017)



Source: Global Gender Gaps Report, 2017.

Rwanda is far ahead of the region and the continent in closing the gender gap in maternal health and political participation; high representation in the Parliament and participation in the labour force as well as low maternal mortality and adolescent birth rates account for this progress.

Progress in closing the gender gap (GGI), 2014–2017

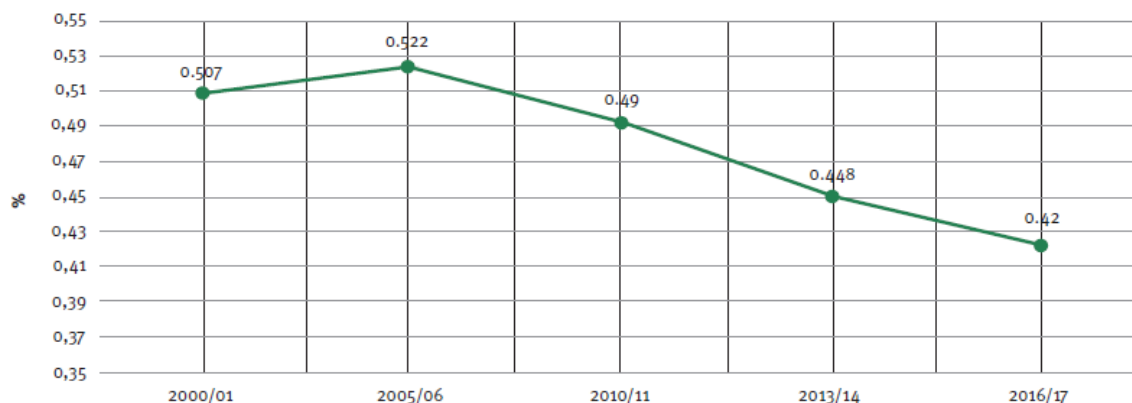
	Overall score				Overall global rank			
	2014	2015	2016	2017	2014	2015	2016	2017
Rwanda	0.7854	0.794	0.8	0.822	7	6	5	4
Burundi	0.7565	0.748	0.768	0.755	17	23	12	22
Uganda	0.6821	0.708	0.704	0.721	88	58	61	45
Tanzania	0.7182	0.718	0.716	0.7	47	49	53	68
Kenya	0.7258	0.719	0.702	0.694	37	48	63	76

Source: World Economic Forum, Global Gender Gaps Reports and various years.

Other dimensions of human development - Inequality

The inequality gap has gradually narrowed in terms of income, as well as, importantly, in terms of access to essential social and economic services. Reflecting the progress made in reducing income disparity, the Gini coefficient declined, it however, needs to decline further, if the principle of leave no one behind is going to be achieved.

Inequality trends for Rwanda (Gini Index)



Source: National Institute of Statistics, 2018a.

Multidimensional poverty in Rwanda

The Multi-Dimensional Poverty Index (MPI), looks beyond income to identify how people are progressing or being left behind across three key dimensions: health, education and standard of living. It measures deprivation in such necessities as clean water, sanitation, adequate nutrition and primary education. Those who are deprived in at least a third of the MPI's components are defined as multi-dimensionally poor. Close to 28.86% of the total population in Rwanda is multidimensionally poor, multidimensional poverty is higher in the Southern Province and lower in Kigali. Although the incidence of poverty is markedly lower in Kigali, the intensity of poverty is similar across the whole country.

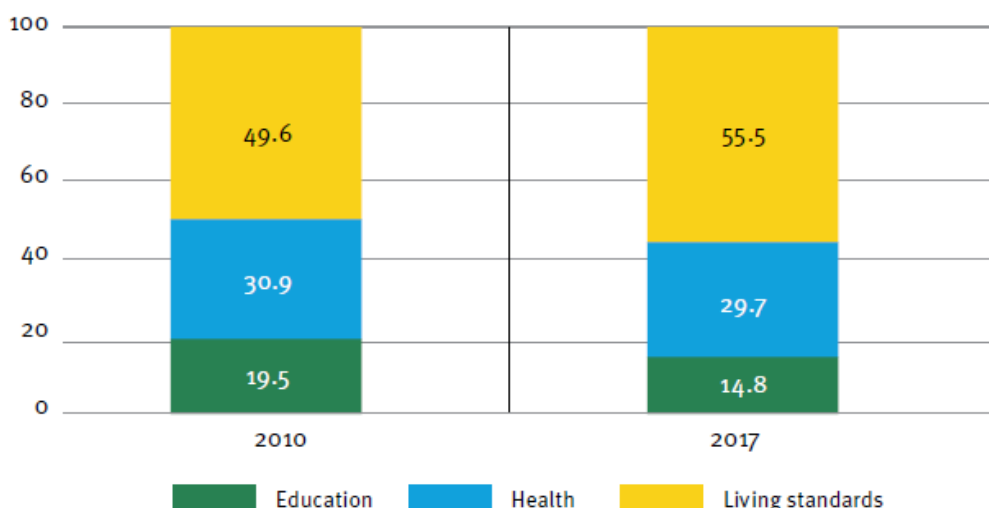
Rwanda global MPI values by province, 2018

Province	MPI	Incidence (H)	Intensity (A)	Vulnerable	Severe poverty	Population share
Kigali City	0.118	26.2%	45.0%	23.1%	8.1%	11.1%
East	0.286	60.3%	47.4%	23.9%	24.2%	25.3%
North	0.245	53.0%	46.3%	28.5%	18.6%	16.4%
South	0.305	62.3%	49.0%	24.2%	29.3%	24.3%
West	0.29	60.5%	47.9%	25.2%	25.1%	22.9%

Source: OPHI, MPI Resources, 2018.

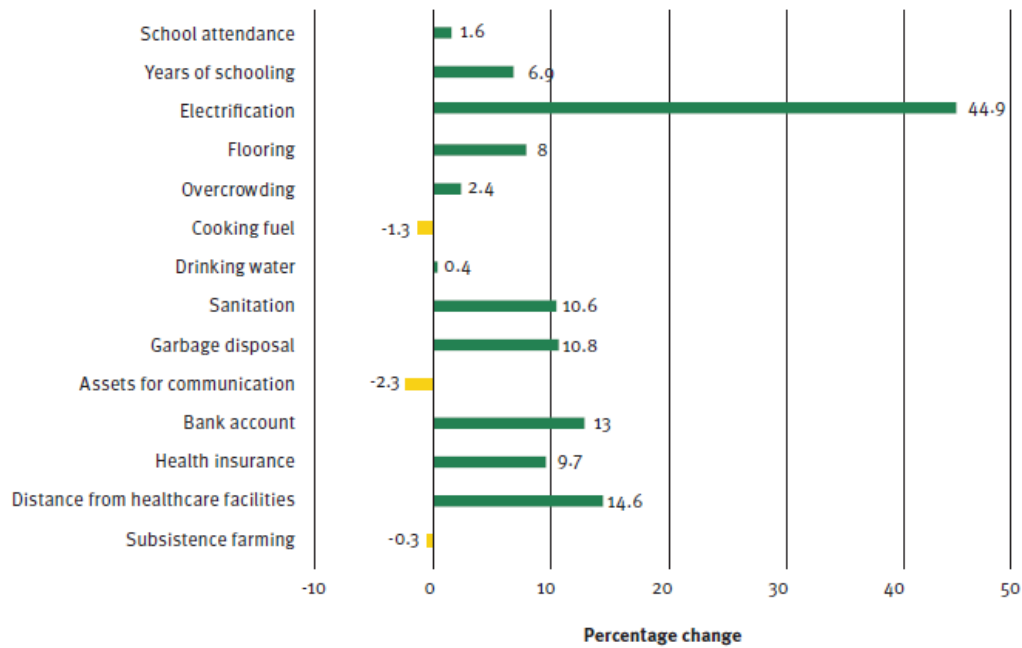
Since the MPI is calculated over the three dimensions of health, education and standard of living, it is useful to consider the relative contribution of each one to the overall MPI score. During the 2010–2017 period, for which disaggregated data are available, there was a reduction in the contribution of the health and education dimensions to multi-dimensional poverty and an increase in the contribution of the standard of living dimension. This means Rwandans are increasingly less deprived in the health dimension, and more than half of the MPI is due to deprivation in income and other standard of living aspects.

Contribution of the three dimensions to the MPI score (%), 2010–2017



Source: UNDP Human Development Index data (2018).

Change in share of poor people deprived in each of selected multi-dimensional poverty indicators in 2010/11 and 2016/17

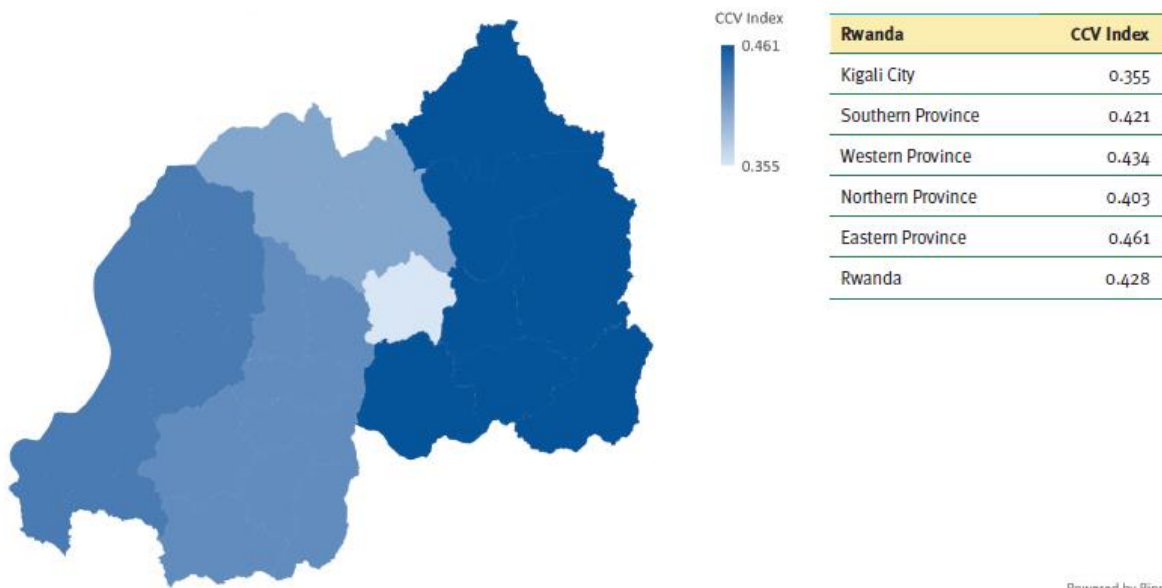


Note: The indicators are retrieved from EICV 3 (2010/11) and EICV 5 (2016/17)
 Source: NISR (2018c) Rwanda Multi-dimensional Poverty Report.

Climate change and resilience

Rwanda is highly dependent on natural resources. With increased population pressure and climate changes, gains in development broadly and human development are in treat. Using Baseline Climate Change Vulnerability Index, the country assessed the exposure, sensitivity and adaptive capacity to climate change at the household level in Rwanda. Rwanda has developed and is implementing a comprehensive strategy to address vulnerabilities including those arising from environmental degradation and climate change.

Rwanda Climate Change Vulnerability (CCV) Index, by province



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The National Human Development Index (NHDI)

The NHDR developed a National Human Development Index (NHDI) for Rwanda based on the country's own surveys and administrative data. The NHDI improved from 0.5139 in 2010/11 to 0.5306 in 2014/15, but slightly declined to 0.5205 in 2016/17.

National HDI values, by district (2010/11, 2013/14 and 2016/17, and trends)

District	EICV ₃ NHDI	EICV ₄ NHDI	EICV ₅ NHDI	Trend
Bugesera	0.520	0.536	0.516	
Burera	0.482	0.498	0.501	
Gakenke	0.488	0.511	0.517	
Gasabo	0.590	0.615	0.637	
Gatsibo	0.497	0.513	0.472	
Gicumbi	0.479	0.497	0.511	
Gisagara	0.472	0.483	0.440	
Huye	0.531	0.543	0.521	
Kamonyi	0.531	0.551	0.554	
Karongi	0.509	0.522	0.504	
Kayanza	0.527	0.546	0.501	
Kicukiro	0.609	0.643	0.672	
Kirehe	0.501	0.515	0.485	
Muhanga	0.534	0.555	0.553	
Musanze	0.536	0.551	0.535	
Ngoma	0.497	0.511	0.515	
Ngororero	0.487	0.496	0.468	
Nyabihu	0.501	0.512	0.490	
Nyagatare	0.512	0.521	0.470	
Nyamagabe	0.490	0.511	0.506	
Nyamasheke	0.473	0.483	0.513	
Nyanza	0.509	0.528	0.526	
Nyarugenge	0.585	0.614	0.639	
Nyaruguru	0.480	0.492	0.479	
Rubavu	0.540	0.550	0.524	
Ruhango	0.510	0.533	0.530	
Rulindo	0.490	0.508	0.499	
Rusizi	0.528	0.545	0.530	
Rutsiro	0.477	0.488	0.465	
Rwamagana	0.532	0.551	0.544	

Note : the NHDI cannot be directly compared with the global HDI because the two indices do not use similar indicators.

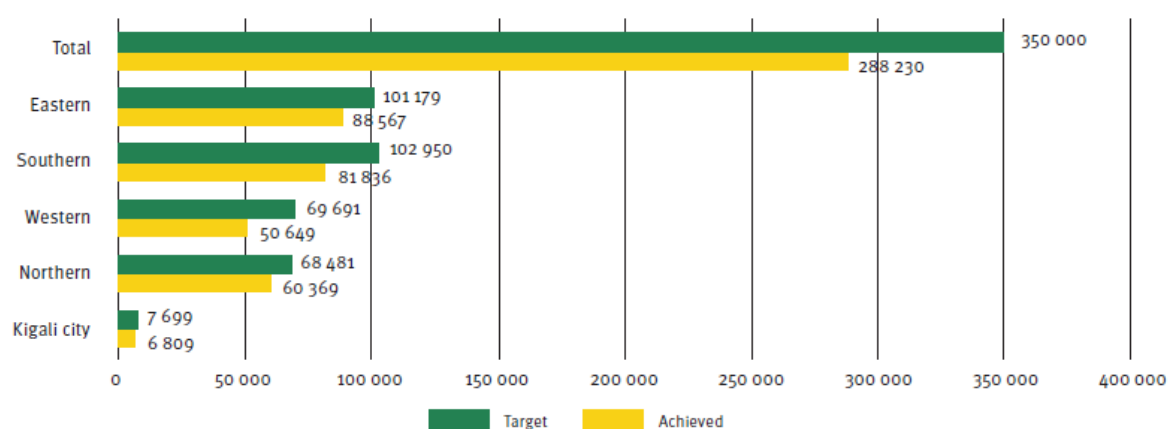
Home-grown solutions (HGSs)

Girinka

Girinka was introduced by the President of Republic of Rwanda in 2006 as part of the strategies to fight against rural poverty in Rwanda, malnutrition and food insecurity. It aims, inter alia, to improve the nutrition status of children and mothers, increase crop productivity, increase household incomes by selling milk not consumed by the household, and promote social harmony and cohesion.



Number of cows distributed under the *Girinka* Program, by province, 2006–2017

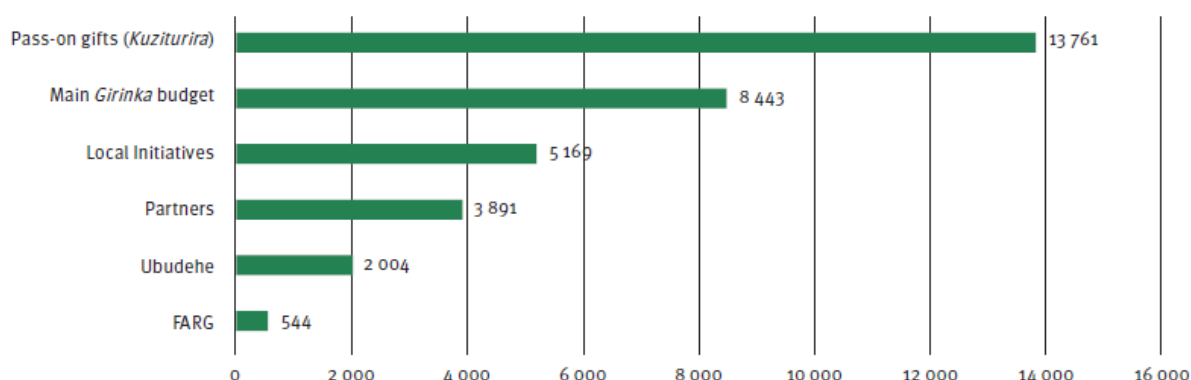


Source: MINAGRI, *Girinka* Annual Report, 2017.

The primary targets of Girinka are the poorest households (primarily those in Ubudehe categories 1 and 2). The beneficiaries are nominated by fellow citizens at the village level in the community assembly due to being poor and fulfilling the conditions prescribed by the Ministerial Guidelines.

The *Girinka* Program is funded largely through *kuzuturira* (pass-on gifts) (30 per cent) and partners, including the private sector (30 per cent), while the government- earmarked funds account for 29 per cent and other local initiatives, 12 per cent.

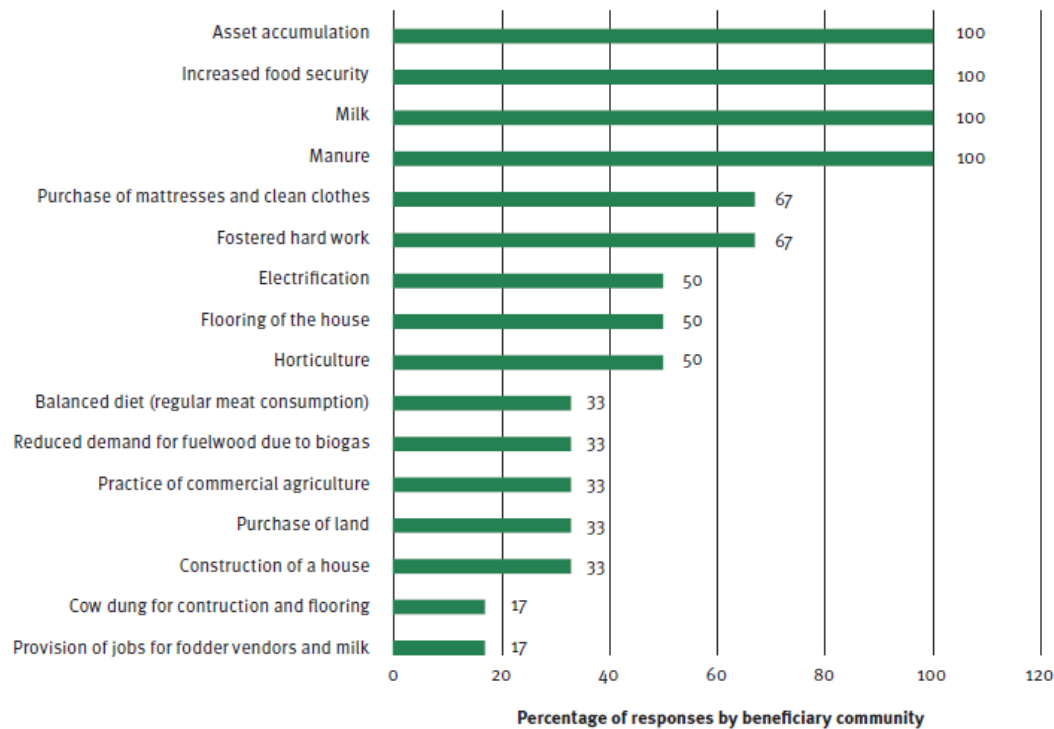
Cows distributed, by source, 2006–2017



Source: RGB, 2018b.

A comparative analysis of findings from household surveys conducted in 2010/11 (EICV 3), 2013/14 (EICV 4) and 2016/17 (EICV5) shows that *Girinka* had a positive impact on the standard of living of the beneficiaries by allowing them to consume their own produce instead of purchased goods to cope with changing climate conditions in the rural areas.

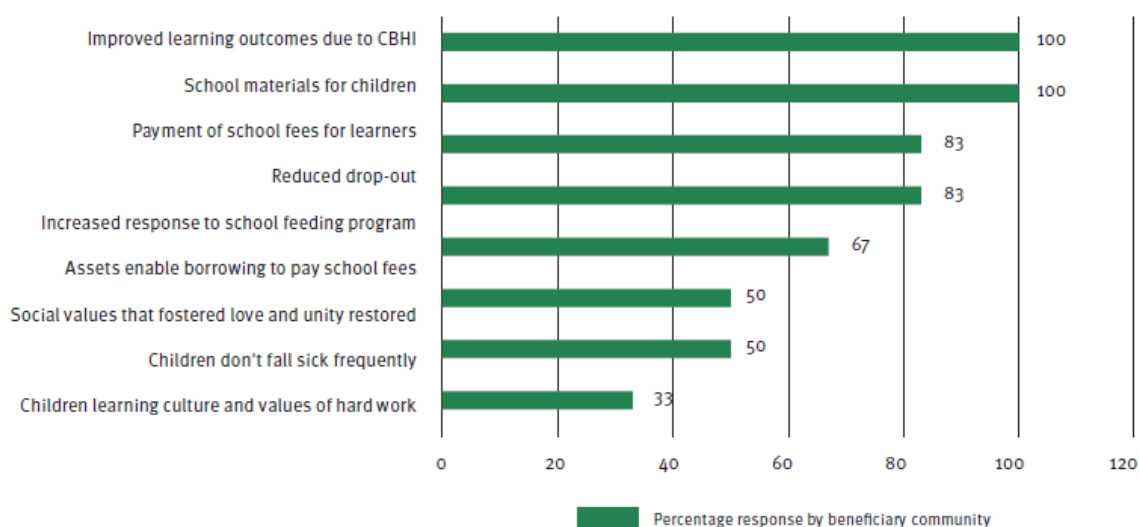
Most common benefits from the *Girinka* Program, by type of standard of living improvement



Source: Primary data from the field collected by the NHDR consultants team.

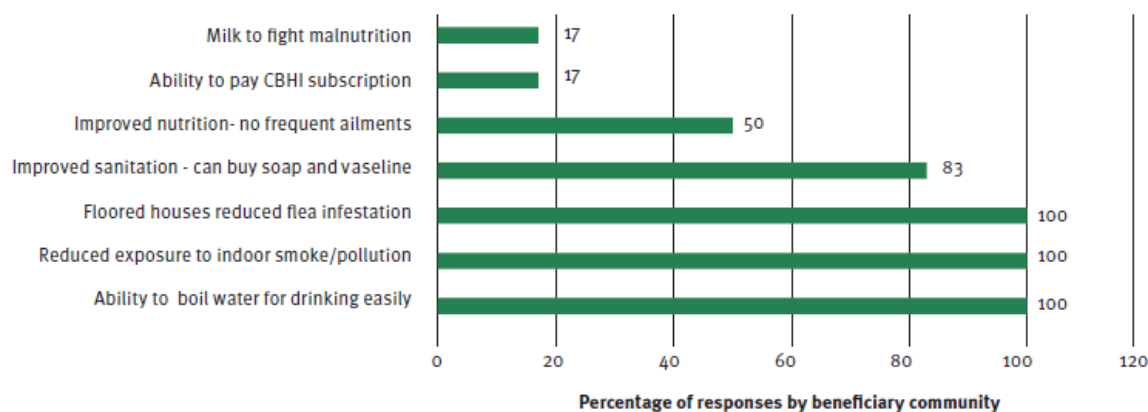
The *Girinka* Program has expanded opportunities for many poor households to invest in the education of their children and is associated with an increase in literacy by 47 per cent. Furthermore, the Program is associated with improved household educational attainment in the bottom 40 per cent population group. It should be noted that *Girinka* beneficiary households are poor and have the lowest education level.

Most common contributions of the *Girinka* Program to access to knowledge as identified by community members



Source: Focus group discussions with selected beneficiary communities (May–June 2018).

Most common community-identified contribution of the *Girinka* Program's to living a long and healthy life

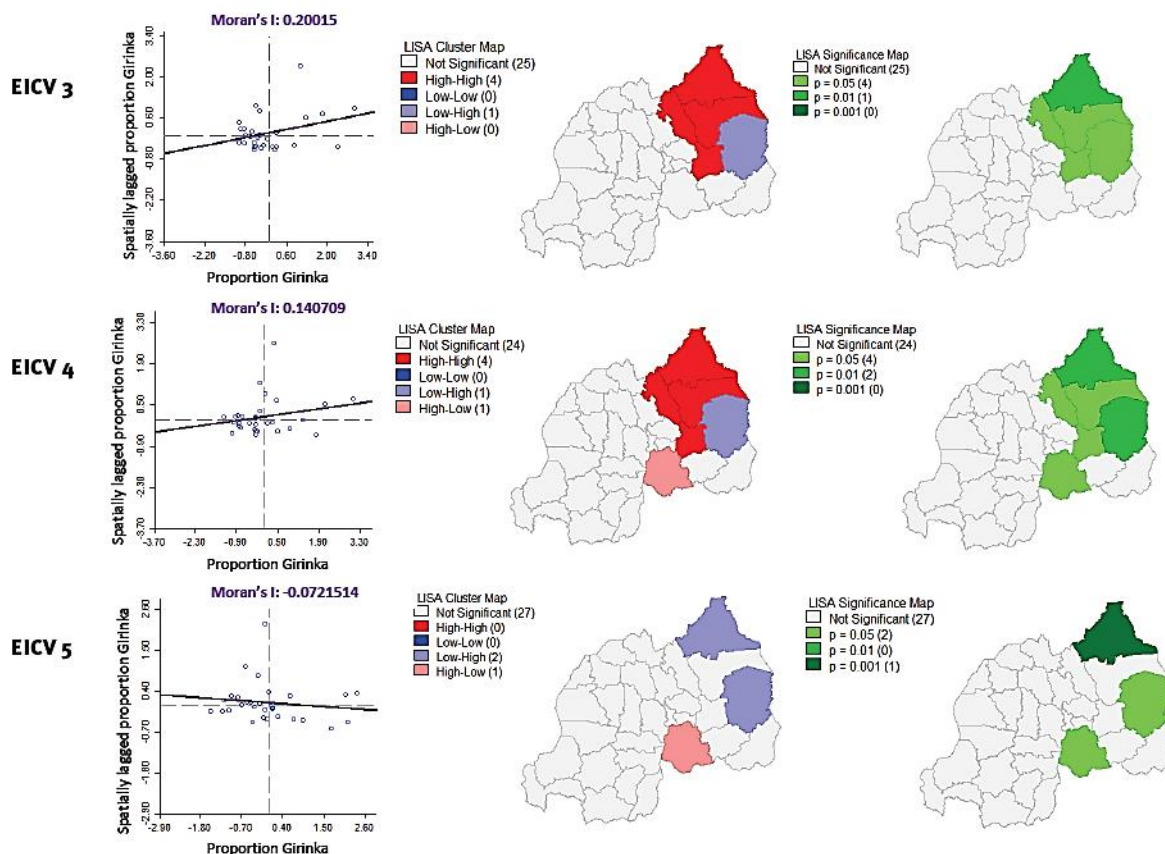


Source: Primary data from FGDs in selected projects.

The Girinka Program has also contributed towards longer, healthier and productive lives of poor Rwandans in multiple but related ways. First, it has increased household food security and raised the incomes of beneficiaries. This increased the households' ability to enrol in CBHI and access healthcare, as well as acquire basic household assets. Analysis of household data shows that the Girinka Program is associated with decreased per capita health expenditures in addition to a 17 per cent increase in the likelihood that program beneficiaries would seek a medical consultation, even for minor health visits.

The cluster map shows enrolment (red) was initially clustered in the Eastern Province, but in EICV 5, clustering is not evident when the distribution of cows continued to expand across the country. These findings suggest that improvements in targeting were made during 2013/14 and 2016/17 since the same level of clustering of low coverage between 2010/11 and 2013/14 did not persist.

Clustering of Girinka support, per district



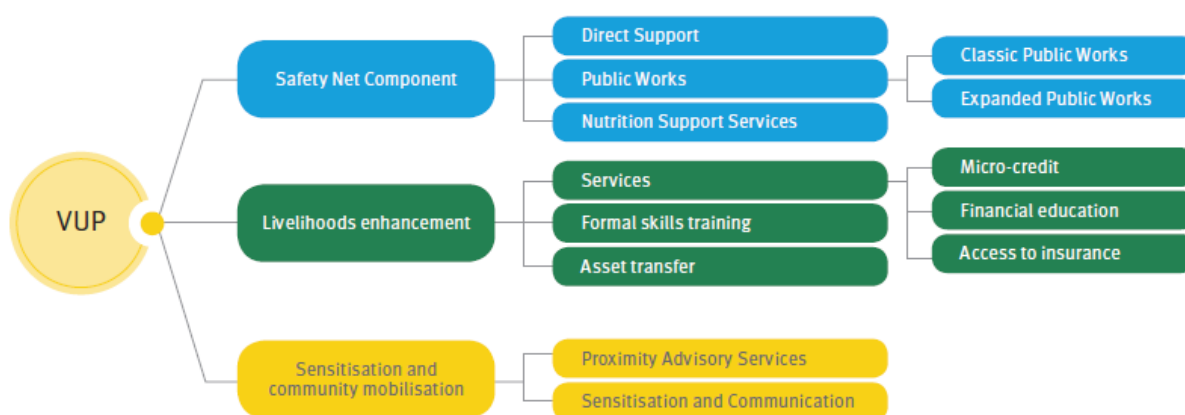
Girinka contribution to human development and way forward to enhance its impact.

HGSs	Human development indicators (for three dimensions)	National Human Development Index	Observations on spatial and population targeting/coverage
<i>Girinka</i>	There is evidence of encouraging positive relationships between <i>Girinka</i> and all three dimensions of human development, particularly for the bottom 40 per cent of the population.	A positive relationship is observed but not significant, which might be due to its scope and coverage.	Although <i>Girinka</i> is reaching target group of poor people (notwithstanding eligibility requirements), policy-specific data collection is necessary to ascertain its targeting.
HGSs	Major challenge	Key policy recommendation	
<i>Girinka</i>	Targets for the distribution of cows still do not meet the needs despite the significant progress.	<ul style="list-style-type: none"> Mobilize resources to enable more poor households to receive cows so as to achieve poverty reduction and socio-economic transformation outcomes of the program. In line with the draft social protection policy direction, complement the <i>Girinka</i> programme design by scaling up access to small livestock, particularly among households with children and women at risk of malnutrition. (This initiative should be integrated in the Minimum Package for Graduation.) This should be carefully balanced to maintain the 'pass-on' aspect of the <i>Girinka</i> model while meeting the need for more rapid results. Address the corruption problems highlighted in the RGB report, "Assessing the <i>Girinka</i> Program (2006-2016)", to ensure that beneficiaries receive the cows and do not sell them. 	
	Limited capacity of <i>Girinka</i> beneficiaries and the <i>Girinka</i> support system to productively manage the cows (mostly manifested in insufficient feeding), leading to low manure and milk production, low weight and slowed growth, and ultimately low incomes for beneficiaries.	<ul style="list-style-type: none"> Strengthen the administrative and technical capacity of the local extension system to provide appropriate holistic livestock advisory services. Promote modern, intensive livestock management practices (including training of beneficiaries in local animal feed production). As per the proposed direction of the social protection policy, develop a Management Information System (MIS) for the <i>Girinka</i> Program to increase accountability for resources and results. 	
	Low milk prices result in low returns from the <i>Girinka</i> Program, rendering it inadequate the Program inadequate for reducing poverty and transforming beneficiaries' livelihoods and local economies.	<ul style="list-style-type: none"> Integrate the <i>Girinka</i> Program into the livestock/milk value chains and organize them to form or join cooperatives to increase their bargaining power and access to finance. Invest in training and institutional support to local value chains to improve the quality and competitiveness of milk produced by <i>Girinka</i> beneficiaries. Support <i>Girinka</i> beneficiaries (together with other smallholder livestock farmers) to add value to their milk locally in ways that assure quality for nation-wide distribution and external/regional export market. Enhance market linkages between <i>Girinka</i> beneficiaries and large and medium enterprises operating in the value chain. 	

The Vision 2020 Umurenge Programme (VUP)

VUP is a comprehensive social security program with three interlinked and complementary components. The Safety Net component includes the Direct Support (VUP-DS) scheme, which is provided monthly to a poor household that has no one able to work; the Public Works (VUP-PW) program, which involves providing short-term employment to a significant number of people to implement a public community infrastructure project; and nutrition-sensitive direct support. The Livelihood Enhancement component includes financial services (VUP-FS), skills training and asset transfers. The third component, Sensitization and Community Mobilization, focuses on ensuring availability of the proximity advisory services, awareness raising and communications. VUP-DS, VUP-PW and VUP-FS are program components that have been implemented for many years and cover the highest number of households, hence this report focuses in assessing their contribution to Human development.

Schematic structure of the VUP scheme, by component



Source: LODA, 2016.

VUP beneficiaries for fiscal year 2017/18

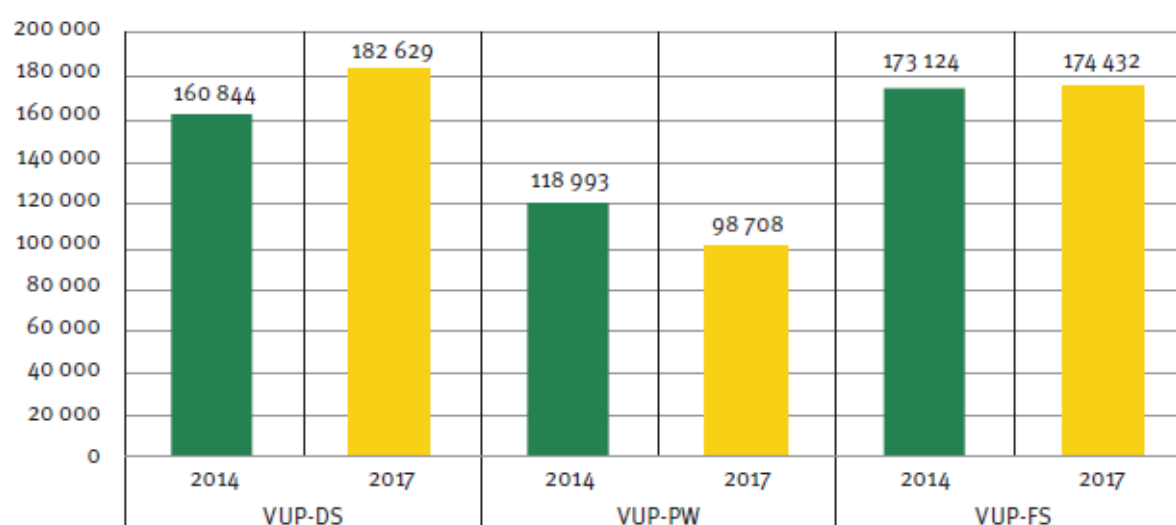
Programs	Geographical coverage	Number beneficiaries (latest year available)
VUP Direct Support	416 sectors	95 004 households
VUP Classic Public Works	244 sectors	134 703 households
VUP Expanded Public Works	80 sectors	13 142 households
VUP Expanded Direct Support	416 sectors	130 000 households in 2019
VUP Nutrition-Sensitive Direct Support	247 sectors	50 000 individuals in 2019
VUP Financial Services		
VUP Asset Grants	271 sectors	39 971 individuals
	89 sectors	5 044 households

Source: Social Protection booklet (UNICEF-LODA, 2019).

VUP-DS was associated with significant increases in household consumption by around 11 per cent, while VUP-FS, was associated with an increase in consumption by around 17 per cent. However, UP-PW was associated with a significant decrease in consumption by 27 per cent. In further linking this with poverty levels, a similar trend emerged. The poverty rate decreased by 10

per cent between 2013/14 and 2016/17 for VUP-DS beneficiaries, while it remained the same for VUP-FS and increased for VUPPW beneficiaries. The situation is also reflected among the extreme poor and mirrored by the level of median expenditures

Median expenditure (Rwf)



Source: NISR, VUP Thematic Report (2018).

The qualitative data collected through interviews and FDGs also provide some positive aspects in support of VUP's contribution to standards of living. During field work, the research team observed that the contribution of VUP to the consumption and asset acquisition among beneficiaries may be more clearly demonstrated among the VUP-DS grantees, considering their low consumption and extreme poverty situation prior to the support.

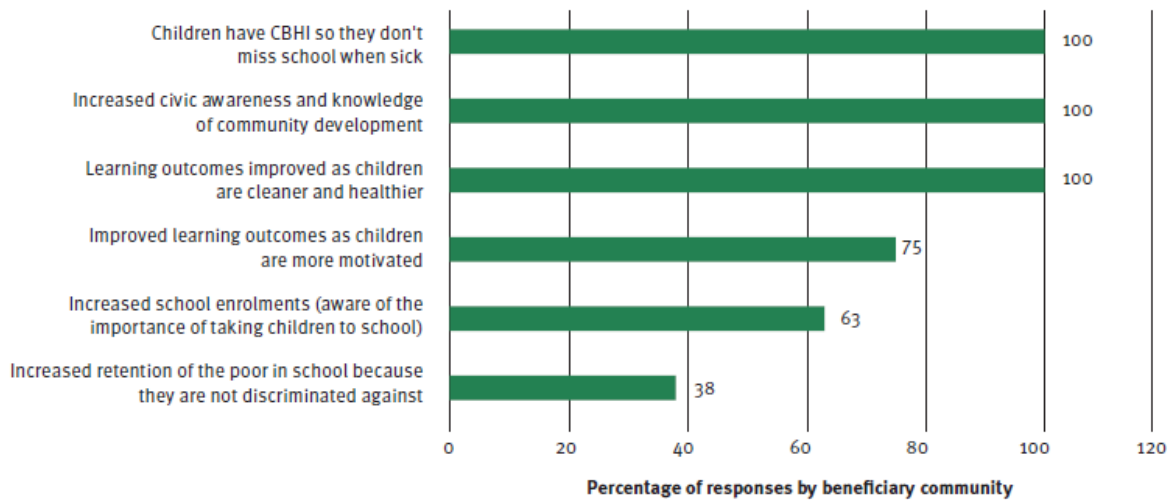
Percentage of VUP beneficiaries, by asset accumulation levels

Asset	2014			2017		
	Direct Support (DS)	Public Works (PW)	Financial Support (FS)	DS	PW	FS
Concrete floor in the home	4.8	4.4	14.7	8.4	5.3	20.1
Corrugated iron roof	50.8	39.4	41.5	58.9	54.1	59.9
Livestock/poultry	73.6	77.4	84.6	65.1	73.5	89.6
A radio	33.9	54.3	68.8	22.7	29.5	56.3
A mobile phone	32	48.8	72.3	22.6	49.1	78.5
Savings account	94.1	87.5	82.5	96.7	95.1	94

Source: NISR, VUP Thematic Report (2018).

VUP-PW and VUP-FS demonstrated strong positive relationships with household educational achievement, as well as in increases in the likelihood of literacy, while for the VUP-DS, it is only possible to confirm a positive association with literacy outcomes.

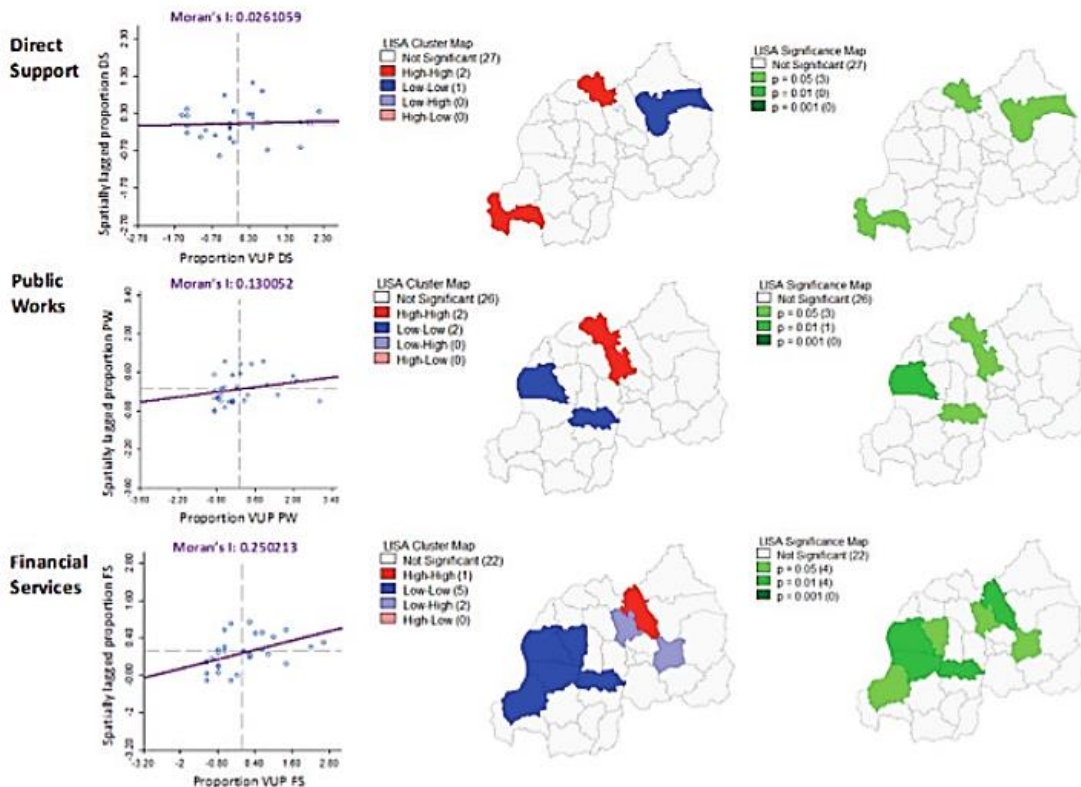
Most common community perceptions of VUP's contribution to increased access to knowledge



Source: Field data, May – June 2018.

While the coverage of the three components of VUP varies by province and over time; it was notable that VUP -PW reached out to the most vulnerable while, VUP-DS and VUP-FS are yet to full be aligned to their objective of reaching the most vulnerable. Furthermore, there is low/high coverage of the VUP by districts.

Clustering of CBHI enrolment, per VUP category and per district



VUP contribution to Human development and way forward to enhance its impact.

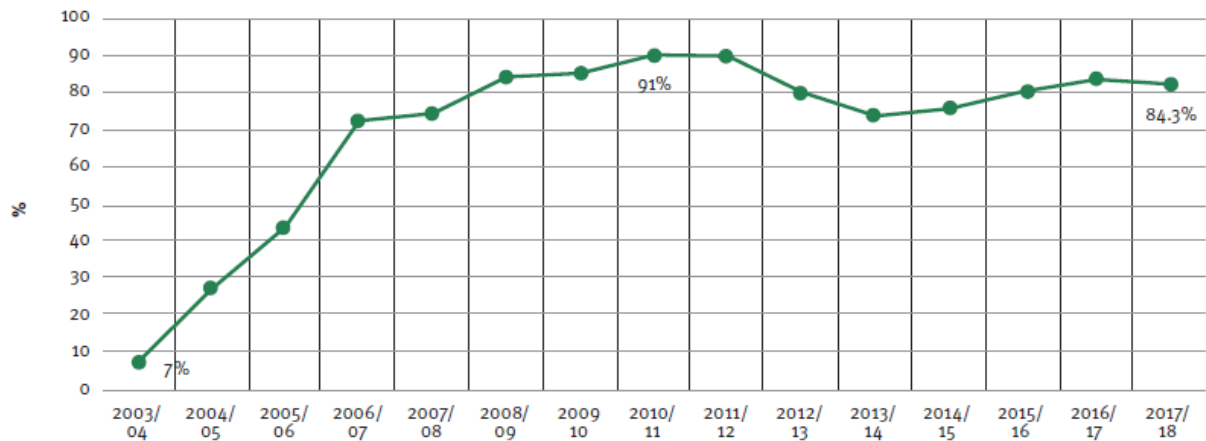
HGSs	Human development indicators (for three dimensions)	National Human Development Index	Observations on spatial and population targeting/coverage
Vision 2020 Umurenge Program (VUP)	<p>There is evidence of encouraging, positive associations for VUP-Direct Support (DS) and VUP-Financial Services (FS) with the Standard of Living dimension; VUP-Public Works (PW) was negatively related to standard of living indicators.</p> <p>VUP-PW and VUP-FS demonstrated positive relationships with household educational achievement, whereas VUP-DS was associated with a significant negative correlation.</p> <p>VUP-DS and VUP-FS had an insignificant negative relationship with health expenditures, controlling for recent medical consultations and health insurance through CBHI. VUP-PW, in contrast, was associated with an insignificant increase in health expenditures.</p>	<p>There is strong evidence of an association of both VUP-DS and VUP-PW with the National Human Development Index (NHD). There was no statistically significant relationship between VUP-FS and NHD.</p>	<p>VUP generally needs to be assessed in terms of its targeting with a focus on both components, i.e. DS and PW. Scale-up is necessary, and PW currently targets the poorest of the three VUP schemes. Implementation challenges should be addressed if VUP is to reach its full potential, and links to climate change adaptation interventions are key.</p>

HGSs	Major challenge	Key policy recommendation
VUP	VUP-DS does not effectively target the bottom 40 per cent of the population nor adequately female-headed households.	<ul style="list-style-type: none"> Based on the ongoing review of the Ubudehe categorization, strengthen the focus of VUP-DS on households that are in the bottom 40 per cent and that are female-headed.
	VUP-PW does not provide a sufficient number of working days to achieve its objectives, based on the current payment structure.	<ul style="list-style-type: none"> Finalize the draft Social Protection Policy and ensure that more resources are budgeted for VUP-PW allowing for an increased number of days allotted to every beneficiary.
	The short-term nature of VUP benefits and lack of appropriate mechanisms for sustainable livelihood opportunities, limits its impact on poverty and human wellbeing.	<ul style="list-style-type: none"> Organise VUP-PW beneficiaries into formal, managed groups and equip them with relevant skills (e.g. for rural infrastructure operation and maintenance). Establish long-term partnerships with youth groups under VUP and help them access employment/business opportunities as local contractors in appropriate infrastructure maintenance. Support local governments with budget and requisite organizational support to mobilize and engage PW beneficiaries in maintenance of the infrastructure established by VUP. Further enhance the link between VUP-PW and climate change-related interventions.
	Inadequate support for livelihood and economic diversification of activities, resulting in limited impact on the transition out of poverty	<ul style="list-style-type: none"> Design and implement a specific program to provide follow-up support for VUP beneficiaries, particularly PW and FS beneficiaries. Use the ongoing revision of VUP-FS to review the FS loan scheme and provide affordable preferential interest rates and other terms to enhance access and uptake by the target beneficiaries, with a focus on rural and urban poor women and out-of-school youth. Organize training and mentorship support for VUP beneficiaries to conceptualize and implement more appropriate income-generating activities.

Community –Based Health Insurance (CBHI)

Rwanda started Community-Based Health Insurance (CBHI)⁸⁶ in 1999. The Government rolled out the scheme across the country, and in 2004, a CBHI policy was formulated. Risk-pooling is made at the household level, and each household is insured as a unit. For anyone to access healthcare, all members of the household must be fully subscribed. This risk-pooling mechanism has enabled substantial amounts to be collected to fund healthcare even with low premiums. As a result, household premiums constitute two-thirds of total funding to CBHI.

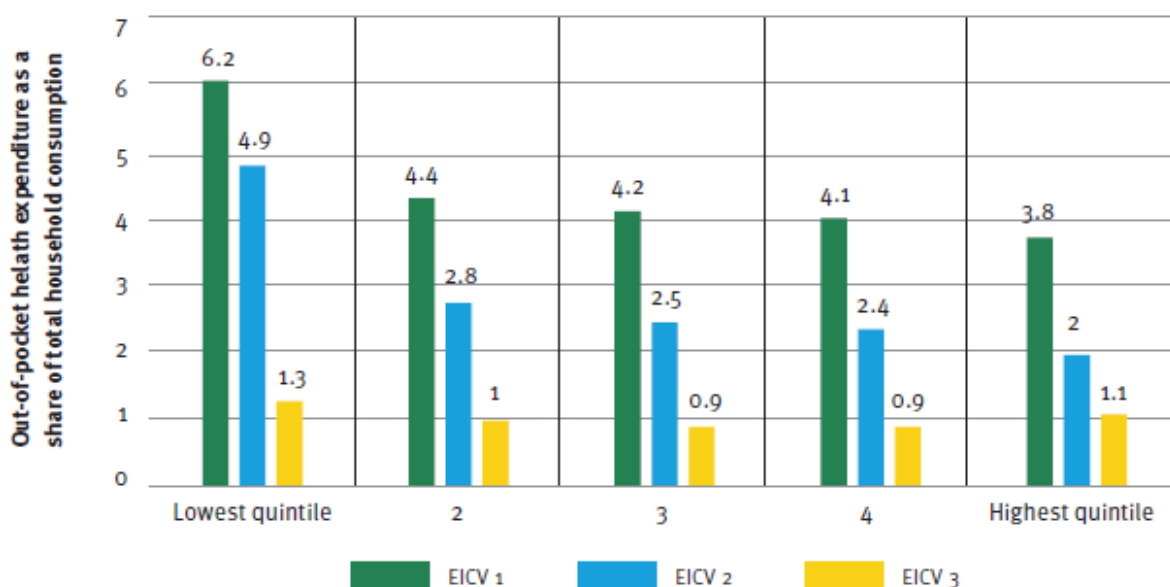
Evolution of CBHI coverage, December 2003 to July 2018



Note: The years from 2011 onwards are fiscal years.

Expanded coverage of health insurance through CBHI has contributed to many Rwandans accessing healthcare when ill. CBHI contributed to all aspect of human development. CBHI has helped cushion the assets of the poor and non-poor in Rwanda by significantly reducing the risk of catastrophic spending to meet medical and emergency costs.

Out-of-pocket health expenditures as a share of household income

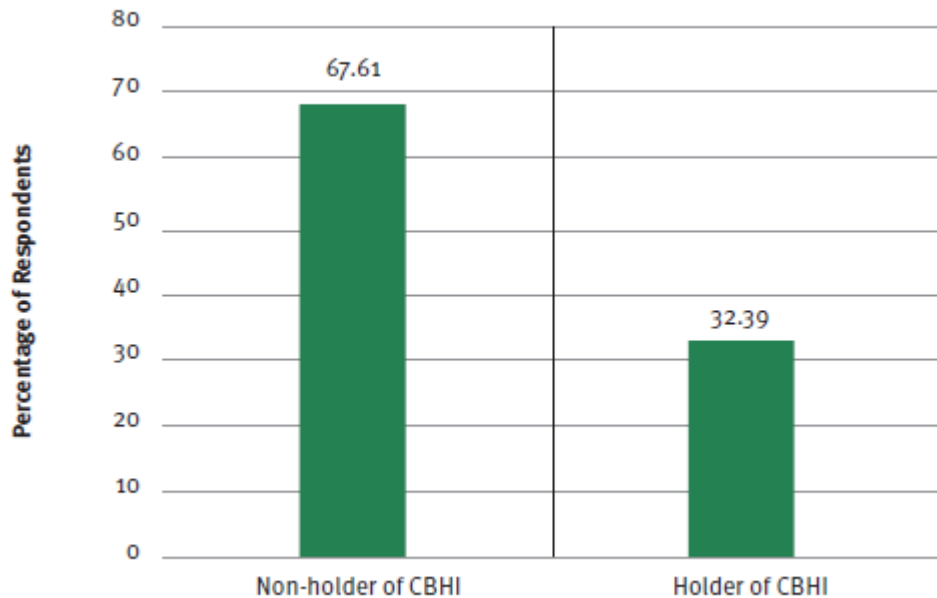


Source: Kalisa et al., 2015; EICV 4.

A quantitative analysis of the EICV 3, 4 and 5 survey data further reveals that CBHI contributed to increased household’s access to health services based on reported medical consultations and to a significantly reduced mean household expenditure for health services. The analysis further

suggested that CBHI is positively associated with increased access to health services through medical consultation. Strikingly, CBHI increases the likelihood of attending or seeking a medical consultation by approximately 194 per cent.¹

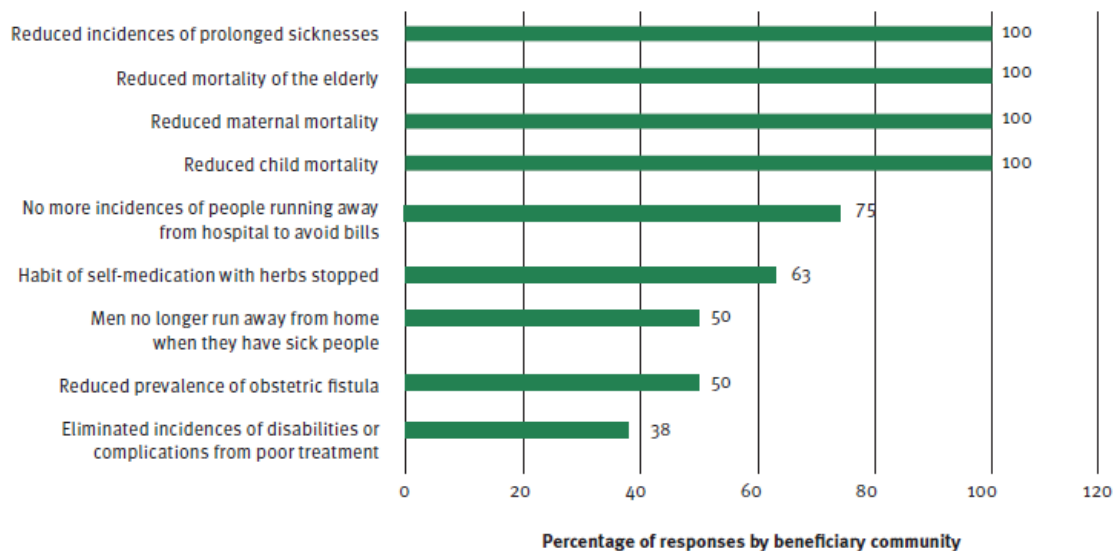
Incidences of illness among CBHI beneficiaries and non-beneficiaries



Source: Access to Finance Rwanda/AFR, 2016.

Field testimonies further reaffirmed this finding since most at-risk groups that have benefited most from CBHI are the elderly, young children and women of child-bearing age.

Most common community-identified contribution of CBHI to living long and healthy lives

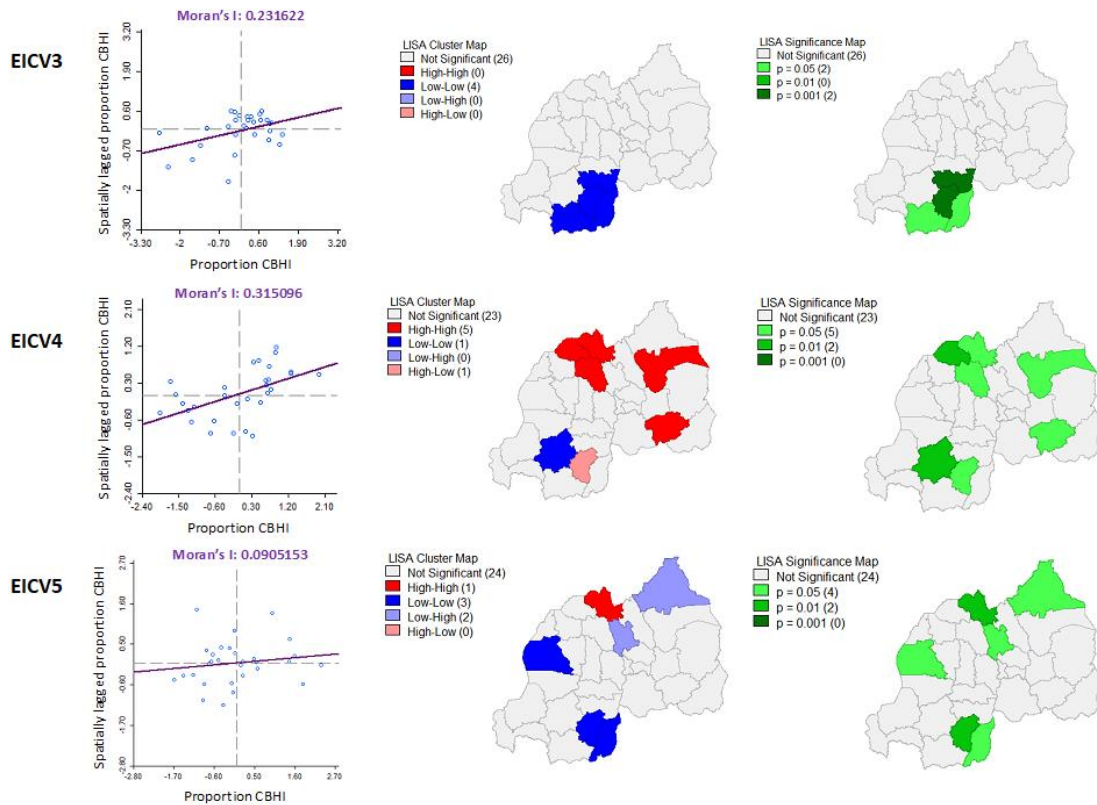


Source: Field data (May–June 2018).

Cluster maps developed based on EICV3, 4 and 5 data show that on average there is a marginal increase in coverage of CBHI across the country, but there were variations at the district level. While there has been increase in some districts in CBHI coverage, in others, there was a decline. In terms of clustering of low coverage, low CBHI enrolment (blue) is clustered in the districts within the Southern Province in 2010/11 and improved in 2013/14. In addition, there was

increased clustering of high enrolment (red) in CBHI in 2014 around Bugesera, which was sustained in 2016/17. However, clustering of low enrolment slightly increased again from 2013/14 to 2016/17, with low relative clustering in districts within Southern Province returning. This shows the importance of promoting the benefits of health insurance across districts to retain the population already covered while recruiting new households.

Clustering of CBHI enrolment, per district



CBHI contribution to human development and way forward to enhance its impact.

HGSs	Human development indicators (for three dimensions)	National Human Development Index	Observations on spatial and population targeting/coverage
Community-based health insurance (CBHI)	There is evidence of encouraging, positive relationships between CBHI and all three dimensions of human development indicators.	There is evidence of a positive association between the National Human Development Index (NHDI) and CBHI.	Enrolment and retention for the bottom 40 per cent and the most vulnerable populations are necessary if the full potential of CBHI was to be realized for enhanced human development outcomes.
HGSs	Major challenge	Key policy recommendation	
CBHI	The increase in the coverage has plateaued and there remains still a population group uninsured	<ul style="list-style-type: none"> Push for a 'last mile' effort to ensure that the hard-to-reach parts of the population that are yet uninsured are included in the scheme including pockets of individuals within a household. 	

Umuganda

Umuganda is a traditional practice deeply rooted in Rwandan culture. It was used as social and economic development mechanism in which community members pulled efforts together to achieve or complete a task. At present, *Umuganda* is considered by the Government of Rwanda as “a mechanism for achieving the rights to education, health, and to a clean environment”.⁹ Its mission is to encourage Rwandan communities to address challenges in a collective manner and to achieve sustainable socio-economic development and social cohesion.

Number of kitchen gardens constructed by Umuganda for poor and vulnerable people, 2017

Province	No. of kitchen gardens constructed
Kigali City	136
Southern	186,900
Northern	2,976
Eastern	1,582
Western	1,378
Rwanda	142,972

Source: MINALOC, *Umuganda* Annual Report 2017/18 (2018).

Number of houses constructed for vulnerable people through Umuganda, by province

Province	Number of houses constructed
Kigali City	70
Southern	1,302
Northern	490
Eastern	755
Western	792
National total	3,409

Source: MINALOC, *Umuganda* Annual Report 2017/18 (2018).

Umuganda is a program implemented throughout the nation. It has made a significant contribution to standards of living, particularly for the poor. This ranges from public infrastructure (roads, bridges, health centres, schools, backyard kitchen gardens, and in some areas, water supply systems) to private assets and amenities such as housing, sanitation facilities, tree planting and terracing agricultural lands at risk of erosion. In addition to the private facilities that most often are established for the poor, public infrastructure is most likely to benefit the poor the most, enabling them to access public services. *Umuganda* has contributed to increased access to knowledge mainly through infrastructure quality improvement and citizens’ mobilization and awareness raising.

Number of schools constructed by Umuganda, by province, 2017

Province	Number of schools constructed
Kigali City	36
Southern	398
Northern	319
Eastern	27
Western	531
Total for Rwanda	1 311

Source: MINALOC, *Umuganda* Annual Report 2017/18 (2018).

Number of health posts constructed under Umuganda, FY 2016/17

Province	Number of health posts
Kigali City	0
Southern	3
Northern	6
Eastern	6
Western	1
Total Rwanda	12

Source: MINALOC, *Umuganda* Annual Report 2017/18 (2018).

At the community level, *Umuganda*’s contribution to improved healthcare is mainly reflected in the construction of health posts. During 2016/17 alone, local communities constructed 12 health posts across the country. *Umuganda* has also contributed to the implementation of the health

sector strategic plan and a reduction in the number of people who have to walk long distances to health centres. The Government of Rwanda plans to establish at least one health post in each cell.

Sanitation facilities constructed by *Umuganda* for vulnerable people

Province	Number of sanitation facilities constructed
Kigali city	221
Southern	9 213
Northern	5 679
Eastern	12 885
Western	2 316
Total Rwanda	30 314

Source: MINALOC, *Umuganda* Annual Report 2017/18 (2018).

Hygiene improvement in public spaces through *Umuganda*, 2016/17

Province	Area of public space (m ²) cleaned
Kigali City	104 559
Southern	9 669
Northern	83
Eastern	336
Western	150
Total Rwanda	114 797

Source: MINALOC, *Umuganda* Annual Report 2017/18 (2018).

Way forward to enhance *Umuganda*'s impact on human development

HGs	Major challenge	Key policy recommendation
<i>Umuganda</i>	Inadequate skills, knowledge, tools and standards or guidelines to establish or maintain community infrastructure to an appropriate and sustainable level.	<ul style="list-style-type: none"> Provide holistic capacity-building support to local governments and communities to establish more reliable and sustainable infrastructure. This should include the provision of a budget for local government entities and communities to acquire relevant equipment to supplement citizens' own tools/equipment, the provision of skills through training and mentorship of youth in each community (e.g. in basic masonry or design), and the provision of appropriate guidelines and standards for community infrastructure establishment, operation and maintenance. Enhance technical planning and supervision of <i>Umuganda</i> to ensure a more appropriate establishment and maintenance of community infrastructure and other works (including houses constructed for vulnerable people).
	Citizens are likely to be discouraged if the <i>Umuganda</i> -established community infrastructure becomes dysfunctional soon after its establishment.	
	Limited use of post- <i>Umuganda</i> meetings as community development platform.	<ul style="list-style-type: none"> Develop and implement a supportive framework for post-<i>Umuganda</i> meetings to be structured and planned around events/thematic topics identified under the provisions of the revised policy on <i>Umuganda</i> (2017). The framework can be detailed in the new guidelines for institutionalizing <i>Umuganda</i> coordination and will help <i>Umuganda</i> become an effective long-term tool for local development.
	Limited adaptation of <i>Umuganda</i> activities to the growing section of the urban population and youth.	<ul style="list-style-type: none"> Enhance communities' capacity to identify and implement innovative interventions that are consistent with their communities' unique needs. This should be consistent with the national values. Strengthen relevant national and sub-national institutions to provide appropriate leadership and coordination of <i>Umuganda</i> activities. Create a platform for community input to better adapt <i>Umuganda</i> to the new urbanization and demographic trends.

Imihigo

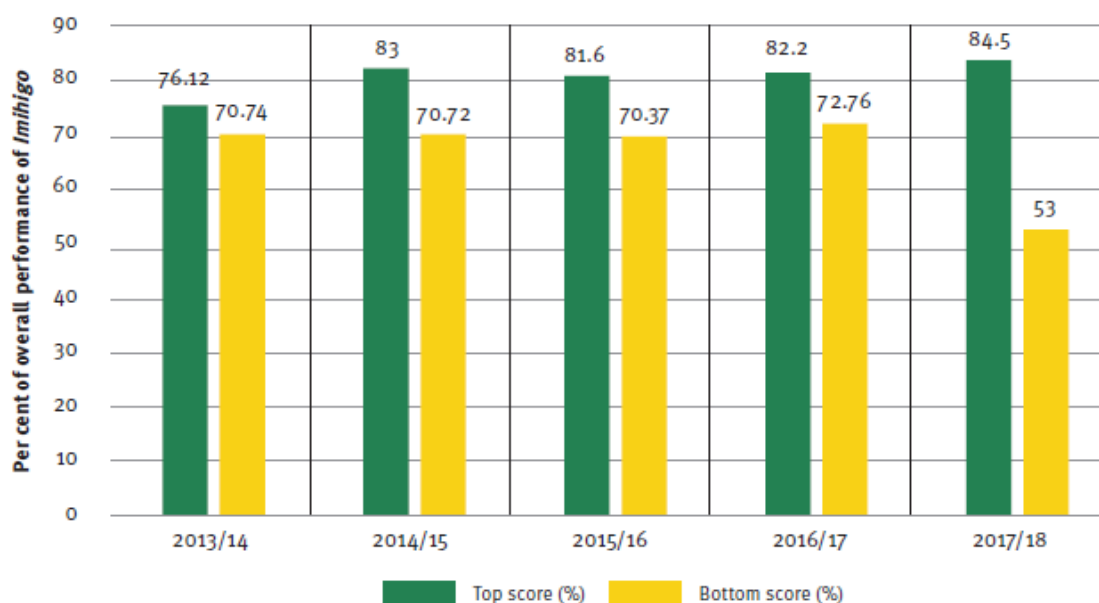
Imihigo was introduced by the Government in 2006 as a part of a wave of local government reforms that streamlined territorial administration and sought to position and empower local government entities as the centres of participatory governance, inclusive development and citizen-centred service delivery. The Government aimed to deepen local accountability, establish innovative leadership and promote participatory governance while fast-tracking poverty reduction and local development.



Official logo of *Imihigo*

Imihigo starts with participatory consultations, with citizens in *Inteko z'abaturage* (citizens' assemblies) at the village level identifying development challenges and prioritizing needs. These priorities are categorized into those they can accomplish on their own, which constitute their own *Imihigo*, and those for which they need the intervention of higher authorities. They are then aggregated and re-prioritized at the cell and sector levels all the way up to the district level, where they are approved by the respective councils.

Performance trends of the best- and worst-performing districts in *Imihigo*



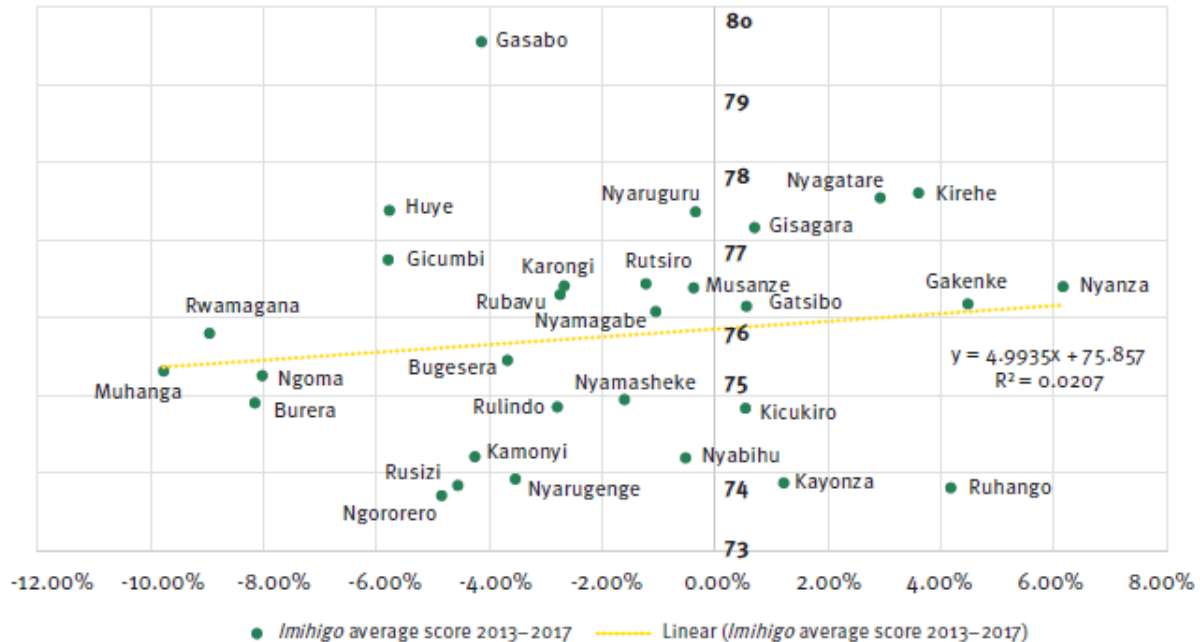
Source: RGB, *Imihigo* evaluation reports, various years.

The difference between the best- and worst-performing districts has widened, from 5.4 per cent in 2014 to 31.5 per cent in 2018. However, as performance at the bottom declined. This has significant implications for equitable development and calls for specific interventions to address the underlying causes of underperformance in some districts. District resource allocations based on a multifactor formula considering poverty levels and other factors as well as bottom-up priority setting during the preparation of *Imihigo*, already allow for differentiated responses to the challenges experienced by every district. However, the widening performance divide between districts requires specific capacity building measures among other interventions targeting the persistently low performing districts.

The relationship between *Imihigo* scores and the HDI is not clear-cut. Districts are granted flexibility to include indicators and targets related to their specific needs and potentialities. However, a significant number of indicators and targets are generic across all districts. Given the wide differences in socio-economic situation, and demographic and infrastructural issues, as attested in the Rwanda's multi-dimensional poverty analysis, an increased share of district

specific indicators and targets will play a key role in further stirring local level conversations around the district-specific issues, the lessons learned in addressing them and the determination of the way forward.

HDI percentage change (EICV 4 and 5) and *Imihigo* performance scores in percentage changes, 2012/2013 – 2016/2017




















Source: *Imihigo* evaluations, various years and authors' calculation for NHDH.


























Way forward to enhance Umuganda's impact on human development

HGSs	Major challenge	Key policy recommendation
<i>Imihigo</i>	Inadequate capacity for strategic planning and linkages with district planning processes to be further reinforced. This often leads to inadequate design that also affects monitoring, reporting and development results management.	<ul style="list-style-type: none"> Strengthen institutional capacity for policy analysis and provide strategic guidance to sub-national entities (targeting line ministries). Continue enhancing the bottom-up approach and linkages with district plans with the view to balance national strategic priorities and local needs. Enhance citizen engagement over the full cycle of <i>Imihigo</i> including in the prioritization of interventions, implementation and monitoring.
	Inadequate private sector engagement, which leads to limited ownership of the <i>Imihigo</i> process and outcomes. This is underpinned and further exacerbated by limited capacity for innovative program execution.	<ul style="list-style-type: none"> Implement innovative mechanisms and provide incentives to enhance private sector participation and innovative contribution to the planning, financing, maintenance and scale-up of <i>Imihigo</i> projects and associated impacts. Ensure that the appropriate involvement of private sector actors at all levels of <i>Imihigo</i> will increase project innovation, efficiency and effectiveness, enhance synergy and local ownership, thereby contributing to an optimal, positive impact on local economies and human development, and strengthen sustainability of outcomes. Provide incentives through locally relevant public-private partnerships, which could help motivate and promote private sector participation in <i>Imihigo</i> beyond the current framework of vendor/supply status that currently defines most private sector involvement.
	Limited transformational scope of the project interventions and tendency for local government entities to implement too many targets that may be difficult to meet in one year and within the constraints of financial and institutional capabilities.	<ul style="list-style-type: none"> Strengthen local government entities' capacity for planning, resource mobilization and project management. Continue to improve inter-governmental relations to ensure that joint (local and central) planning improves coordination and ensures adequate and timely disbursement of funds.

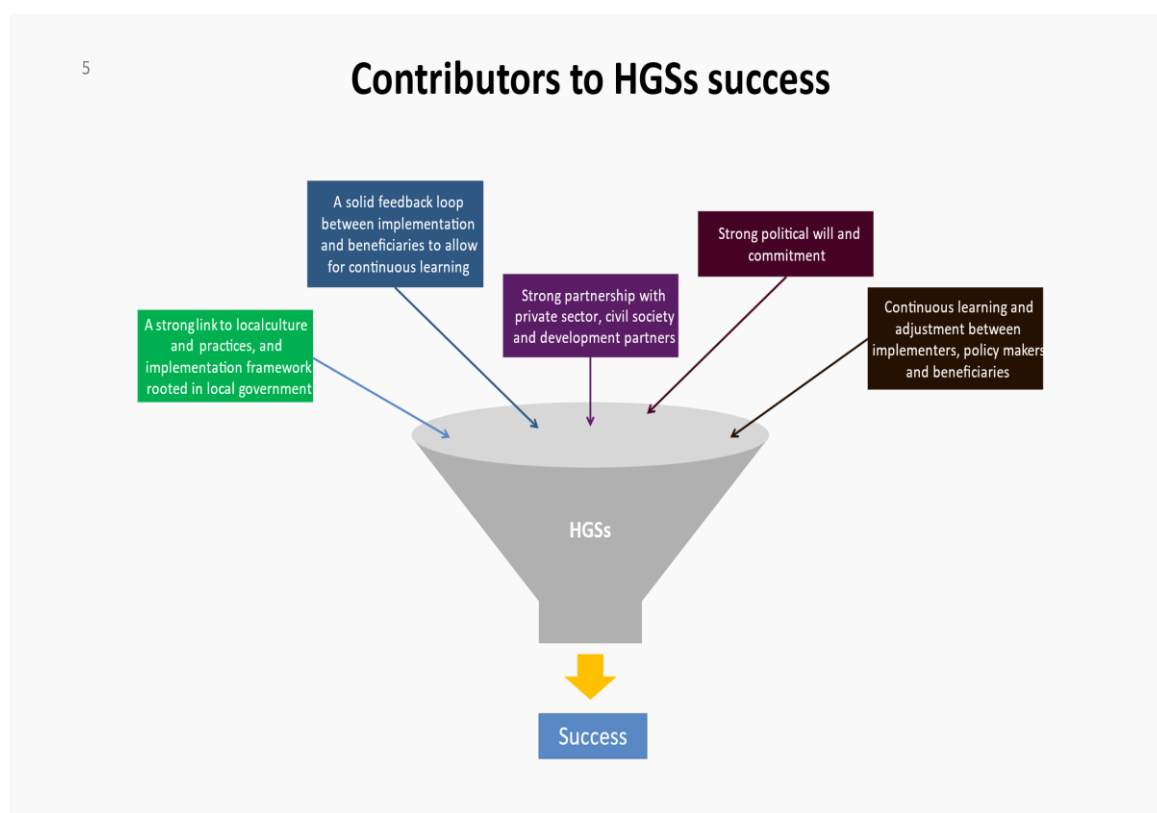
HGSs and Agenda 2030

The potential contribution of home-grown solutions to achieving the Sustainable Development Goals in Rwanda

Home-grown solutions (HGSs)	Associated Sustainable Development Goals (SDGs)	Linkage between HGSs and the SDGs
<i>Girinka</i>	          	<ul style="list-style-type: none"> • Since its inception, <i>Girinka</i> has improved the well-being of its nearly 300,000 beneficiary households and their neighbours by increasing agriculture production and food security, as well as improving nutrition through the provision of manure and milk. It has significant potential to scale up and further improve food security, consumption and income of households. Through its income-enhancing impact, it enables households to spend their income on health and other essential services such as education. Over the long term, it has potential to address inequality in all its forms and to reduce vulnerability. • <i>Girinka</i> has provided start-up support for the rural poor to become commercial farmers as well as economic assets that can support diversified income sources. It has also contributed to milk and crop value chains in which the poor are potentially active beneficiaries. It has therefore contributed to the reduction in poverty and inequality among Rwandans. It has enormous potential to involve youth in the value chain if collaborative partnerships can be forged in the years leading to 2030. • <i>Girinka</i> has the potential to increase access to clean energy through biogas, as well as to reduce pollution by substituting demand for chemical fertilizers with organic manure from cow dung. This, however, is currently at a low scale due to limited uptake of biogas technology. • <i>Girinka</i> through its local participatory approach has a strengthened impact in empowering the poor.
Community-based health insurance (CBHI)	     	<ul style="list-style-type: none"> • CBHI has eliminated the risks of catastrophic out-of-pocket spending and protected the assets of the poor by guaranteeing affordable healthcare, thereby reducing morbidity and mortality. It has enormous potential to keep Rwandans healthy and could even be expanded to hard-to-reach populations and contribute to fulfilling the 'leave no one behind' pledge. • It also contributed to enhanced labour productivity and increased access to clean water and sanitation. It has also enabled the rural poor to send their children to school and keep them there by saving families from catastrophic spending on healthcare, allowing the resources to be used for school materials. It has also motivated the poor to come together and save in order to invest in income-generating activities. This contribution could be exploited for strengthening the link between education and health by looking into coverage for youth. • By providing the poor with affordable healthcare, CBHI has reduced inequalities, social vulnerabilities and incidences of conflict and social discontent, and has promoted social cohesion. It has enormous potential that can be further exploited in the years leading to 2030.

Home-grown solutions (HGSs)	Associated Sustainable Development Goals (SDGs)	Linkage between HGSs and the SDGs
<i>Umuganda</i>	      	<ul style="list-style-type: none"> • <i>Umuganda</i> has constructed sanitation facilities for poor people, especially in rural areas. In some areas, water supply systems have been established. <i>Umuganda</i> has also served as a platform for improving hygiene at the household and community levels. <i>Umuganda's</i> contribution to improving the overall infrastructure can be more systematically capitalized on in bridging the infrastructure gap in the years. • <i>Umuganda</i> has helped the poor to access energy-saving cooking stoves through awareness-raising and information campaigns. These stoves have reduced the exposure of poor women and children to in-door pollution and has empowered rural communities to solve their local infrastructure and other development problems. This program has great potential to support environmental management, expand access to renewable energy and address the main challenge of access to clean energy in Rwanda. • <i>Umuganda</i> has helped expand access to and quality of learning outcomes for children in poor households/communities by constructing school classrooms and sanitation facilities under the 9-YBE program. More than 3,170 classrooms were constructed during the 2006–2017 period. The monetary value of the <i>Umuganda</i> contribution in community infrastructure is estimated by the Government of Rwanda to have increased from Rwf4,112 billion in 2008 to Rwf21,801 billion in 2017/18.⁴⁰
VUP	        	<ul style="list-style-type: none"> • VUP can increase the value of labour, especially among the rural poor, because it provides better earnings opportunities while improving rural infrastructure, thereby contributing to decent work and economic growth. This potential is currently not fully exploited, and by redesigning of the program, there would be enormous potential for linking the environment, climate change and VUP. • VUP-DS has helped to reduce poverty and inequality. It also indirectly contributed to food security. Its full potential can be harnessed by scaling up the program to cover both the income and the multidimensional poor. • VUP has also contributed positively to social cohesion and peaceful co-existence. If effectively used, it could contribute more by ensuring that those who are extremely poor are brought into the social protection net, which would enable them to lead productive and health lives.
<i>Imihigo</i>	        	<ul style="list-style-type: none"> • <i>Imihigo</i> has enabled the Government to create jobs and enhance efficiency of, and effectiveness and accountability in, public spending for job creation. Over the last five years of EDPRS 2 implementation, each of the 30 districts has set targets for decent jobs to be created and mobilized resources to this end. This has significantly contributed to and is credited for service delivery, in particular education, health, water and sanitation, as well as environmental management and sustainability. This cross-cutting program could be harnessed to deliver on enhancing social service delivery, address poverty and inequality, and ensure the full participation of the community.

Lessons learned and recommendations



Lessons learned

Poverty and vulnerability manifest themselves in multi-dimensional ways, and addressing deprivations arising from such vulnerabilities requires multiple and coordinated interventions.

- Poverty manifests itself in multiple ways, including lack of income, limited human capital, housing, access to energy, etc.
- This complex situation cannot be addressed by a single HGSs intervention (e.g. free CBHI subscription or *Girinka*).
- Findings from data analysis and field observations reveal that severe deprivations or multiple vulnerabilities are most effectively addressed by multiple HGSs interventions that are appropriately interlinked.
- Thus, the contribution of HGSs to human development could be maximized if the target groups, especially the poorest facing severe multiple deprivations, are supported by more than one HGSs.

HGSs have transformational potential, but scale matters.

- HGSs contributed substantially to human development and each of the five HGSs have demonstrated enormous potential for impact.
- However, it is clear that scale of intervention matters for transformation.
- CBHI, which has a relatively large coverage of a wide range of households, is contributing immensely in diverse areas of human development.
- *Girinka* has made a significant contribution to human development but has yet to fully exploit its full potential because of its limited scale.

Lifting the poor out of poverty cannot be achieved simply by developing an innovative program.

- Successful implementation of innovative policies requires much more than

designing program and mobilizing resources;

- It requires close follow-up, streamlined process, and engagement of citizens and structures that promote transparency and accountability.

Recommendations

Consolidate gains from HGSs in all dimensions of human development and build resilience in order to sustain these gains. Three levels of intervention are needed to ensure this. At the policy level, each HGS is constantly improved and adapted to enhance its efficiency and effectiveness. At the inter-institutional level, this will be achieved by fostering the interlinkages between different HGSs and harmonizing their targeting through increased coordination. At the strategic level, HGSs as single policies and as an integrated system of interventions continue to be linked to the existing transformational agenda. These interventions will ensure that the gains and the policies are sustainable in the long term. Align incentives with the transformation agenda to spur greater innovation: The HGSs have helped and are helping Rwanda to transform along the lines dictated by the subsequent development strategies. With the progressive shift from the post-genocide recovery agenda to the transformational agenda, HGSs will be required to change and adapt to the new development needs and to a rapidly changing context (an increasingly young population, technological developments and increasingly interconnected value chains). There is, therefore, a need to align incentives at the local government level to encourage the innovation of existing HGSs and the design of new HGSs to support the transformational agenda set out in the NST I. The Government is already moving in this direction. The creation of the Rwanda Cooperation Initiative (RCI) responds not only to the need to streamline Rwanda's participation to South-South and triangular cooperation, but also to nurture innovative approaches to existing problems by designing new HGSs.

Enhance the implementation of a comprehensive, national social protection and transformation framework: Despite the existence of this framework, there are still challenges in enhancing the implementation of social protection interventions, which affect both

the effectiveness of the policies and the efficiency of their management, because the programs often target the same people, but not in a coordinated and systematic manner. Greater efficacy lies in exploring and leveraging interlinkages that address the complex barriers to poverty reduction and socio-economic transformation in different ecosystems and localities. Rural Rwandans struggle to live on scarce natural and economic resources, and those with the least access to these resources struggle the hardest. United Nations Population Fund (UNFPA) (2015) argued that an inclusive and broad-based social protection system is needed to protect the poorest households and children from extreme deprivation, and to provide opportunities for the promotion of livelihood

and productive activities for both men and women. It is within this framework that the country has now drafted the provisions that are being discussed in the draft Social Protection Strategy 2018–2024, such as the Minimum Graduation Package, the Senior Citizen Grant and Disability Living Grant. This framework, if approved and implemented, could improve the outreach and effectiveness of social protection in Rwanda. Realigning the different social protection interventions under a well-coordinated institutional framework with clear outcomes and innovative, tailor-made support mechanisms to lift the poor out of poverty will effectively address the complex vulnerabilities that the poor face and deliver on both the national transformation agenda and the global Agenda 2030.

Strengthen the capacity of sub-national actors: A key challenge raised throughout the districts and lower levels is that the HGSs and the decentralization implementation process focus strongly on citizens in highly ambitious ways that are not, however, unmatched by the capacities of local implementation actors. Although the human and institutional capacity of local government structures has expanded to a great extent since the decentralization policy was adopted in 2001, and they now manage about one-fifth of Rwanda's national budget, their ability to motivate and retain quality human resources remains a serious

challenge. Key elements to further effective delivery of HGSs and broader social and economic services will include building on the success of *Imihigo*, promoting mutual learning, putting in place systematic capacity building benchmarked on the best local government entities, as well as enhancing development partners' support to them.

Engage youth more proactively in HGSs:

Rwanda is increasingly becoming a youthful country. Youth are active players and beneficiaries of HGSs, and there are ample opportunities to engage them more proactively. Under VUP there is scope for reviewing the design and implementation of regulations to create specific opportunities for rural youth. The focus should be on innovative activities that add value to local resources and/or solve local development challenges, such as energy, livestock feed water and waste management. Also, within the *Girinka*, greater opportunities to add value can be exploited by involving youth in the milk/dairy value chain. In *Umuganda*'s Revised Policy and Strategy, a provision is now made to focus on the youth dimension in HGSs policymaking by promoting youth participation in *Umuganda* through the structures in place, such as the Youth National Council and the *Itorero/Urugero* (*Itorero* is a national civic education training program and *Urugerero* is the National Service Program), thus fostering synergies and coordination. Significantly, the Policy suggests that greater participation should be achieved by identifying attractive activities for youth.

Addressing climate change and related risks:

CBHI has succeeded in cushioning Rwandans, especially the poor, from significant risks related to ill-health. As demonstrated in this Report, the implications for human development stretch beyond improving health and life expectancy, because households' critical economic assets are protected, labour productivity improves, and children's learning outcomes improve. There are, however, other emerging risks that threaten the health and living standards of the population. For example, climate change and the associated effects on the economy is

affecting and will continue to affect human wellbeing in multiple ways that may undermine the human development outcomes of HGSs. As part of the climate change adaptation, the role of HGSs interventions should be considered to build the resilience of communities and household systems.

Leveraging technology and knowledge:

There are opportunities to address challenges such as resource scarcity, and the quality and productivity of labour by leveraging appropriate modern technologies, which would make a significant difference if productively exploited. With possibly the exception of CBHI, most of the HGSs are yet to fully exploit this potential. With the increased recognition of *Umuganda* as part of the development strategy contributing to achieving local and national development objectives, the activities and outcomes of *Umuganda* should, for example, be guided by technical studies (e.g. for water supply systems, community roads and bridges scientifically planned with technical guidance on local materials to use). Similarly, the *Girinka* program could benefit a great deal from adopting best practices in animal husbandry and using technology to link farmers with large enterprises.

