



PERFORMANCE CONTRACTS

AND SOCIAL SERVICE DELIVERY- LESSONS FROM RWANDA



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Table of contents

I.0	INTRODUCTION	5
I.	Background	5
II.	History of IMIHIGO.	6
III	IMIHIGO and national planning system	7
IV.	Key outcomes	9
V.	Challenges	11
VI.	Lessons	12
VII.	REFERENCES	13

List of acronyms

AGI	–	African Governance initiative
DDP	–	District Development Plans
EDPRS	–	Economic Development and Poverty Reduction Strategy
GDP	–	Gross Domestic Product
GOR	–	Government of Rwanda
JADF	–	Joint Action Development Forum
M & E	–	Monitoring and evaluation
MDG	–	Millennium Development Goal
MINECOFIN	–	Ministry of Finance and Economic Planning
MTEF	–	Medium Term Expenditure Framework
PRSP	–	Poverty Reduction Strategy Paper
SACCOs	–	Savings and Credit Cooperative Organizations
SSP	–	Sector Strategic Plans
SWG	–	Sector Working Group

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Judges signing Imihigo with President Kagame.

INTRODUCTION

i. Background

1. Rwanda experienced one of the most violent conflicts of the 20th century but has recovered and is making significant progress towards reconciliation, reconstruction and development. This progress has been the result of a combination of good leadership, development partner support, national ownership, and innovative approaches to governance.

The use of Rwanda's indigenous knowledge system, known as Imihigo (performance contracts), is one of those innovative and home-grown approaches that has strengthened service delivery and contributed significantly to improvements in the

socio economic well being of citizens.

2. This brief explores the contribution of Imihigo to improvements in social service delivery in Rwanda and examines its challenges and opportunities.

The brief is organized as follows: Section (ii) reviews the history of Imihigo in Rwanda's traditional past, section (iii) describes how it has been adapted in the national planning system and section (iv) documents the key development outcomes attained at local government and national levels as a result of institutionalizing performance contracts in the planning processes. Section (v) discusses the challenges of Imihigo and

section (vi) highlights the lessons learnt.

ii. The history of IMIHIGO

3. “Imihigo” is a Kinyarwanda word, meaning the setting of goals upon which “Kwesa imihigo” (evaluation) will be conducted at a future point in time. Imihigo is founded on the old Rwandan cultural practice whereby two parties publicly committed themselves to the achievement of a particularly demanding task. Failing to meet these commitments usually led to dishonor, not only to the participating individuals but to the community as a whole. Those who achieved their pledges became role models in the community, and their exploits were echoed in history.

4. Imihigo also included an element of evaluation: a public ceremony was usually organized to facilitate the dissemination of outcomes of an agreed upon undertaking to the community. People’s courage, bravery and hard work set examples which others were usually encouraged to emulate. The spirit of Imihigo in the Rwandan cultural context therefore embodies the principles of setting ambitious goals that require commitment to action and personal responsibility, reciprocity of obligations and mutual respect between high-

er and lower ranks, higher moral values and patriotism, competition to achieve the best results and evaluation of the out-comes.

5. The Government of Rwanda (GoR) introduced Imihigo as a performance based management tool to strengthen strategic planning and management and improve service delivery in the Local Government system. During the design of the Economic Development and Poverty Reduction Strategy (EDPRS) in 2006, performance contracts were fully adopted as a critical tool to create efficiency in EDPRS implementation and to improve the quality of public service delivery.

6. The idea of introducing Imihigo into the national planning framework of EDPRS emanates from the evaluations of the first phase of Rwanda’s Poverty Reduction Strategy (PRSP: 2003-2005), which revealed that weaknesses in policy coordination, and monitoring and evaluation contributed to marginal impact on poverty reduction. For instance, poverty declined from 58.9% in 2000 to 56.7% in 2005/6, casting serious doubt on the achievement of the MDGS target of 30%.

7. The evaluation of the PRSP also revealed that the M&E

system contained insufficient tools to monitor performance. Moreover, activities were not well prioritized, sequenced and targeted within sectors and between different levels of government.

8. The relationships of accountability between service providers and citizens were not also well defined, and citizens' participation in decision making at all levels of public administration was not well coordinated. Drawing from the recommendations of the PRSP evaluation process, the GOR and its partners convened a year-long dialogue in 2006. The discussion culminated in, among other things, institutionalizing performance contracts in the central and Local Government planning system in order to increase the rate and quality of the execution of government programs and priorities. Imihigo is now integrated into the national planning system via the EDPRS Sector Strategic Plans (SSP) and District Development Plans (DDPs).

iii. Imihigo and national planning system

9. Line ministries, public agencies and districts are required each year to sign formal public service agreements to deliver key specific outputs. The activities to be included



Citizens participate in public works(Umuganda). Grassroot consultations take place within this forum.

in the performance contracts are derived from the SSPs, and DDPs, Cabinet resolutions, leadership retreats and through grassroots consultations. The policy actions are clustered in three broad categories of social welfare, good governance and economic development, and they must be high priority programs. The remaining routine actions are considered in the district development plans. Attention is given to key issues of public service delivery, including issues with a greater impact on community well being and public finance management.

10. The process begins with grassroots consultations which take place at the lowest level of administrative hierarchy, known as Umudu-

gudu (village). In a community public works event (Umu-ganda), citizens are asked to identify the activities they consider to be the priorities for their socio economic well-being. The village leaders submit citizens' priorities to the next administrative level - the Akagari (cell), where all of the respective village proposals are consolidated and submitted to the next level called the Umurenge (sector)¹. At this level, a committee known as the Joint Action Development Forum² undertakes a careful selection and filtering of ideas to ensure that the sector priorities mirror national and local ones. The pre screened priorities are then consolidated at the district level and are matched with the resource envelope. The final set of performance targets for the upcoming fiscal year is discussed and approved by the district leadership. Following the completion of the grass-roots and Local Government consultations, all districts participate in a ceremony during which the previous financial year's targets and performance are appraised (Kwesa imihigo) and the performance contracts for the upcoming year are signed with H.E. President Kagame. The top three mayors are rewarded for their exemplary achievements, and the top ten mayors get a chance to take a group photo with the guest of

honor. The rest of the mayors are encouraged to improve their performance in the next fiscal year, and measures are identified to improve performance in the lagging districts. Following the signing of the national performance contracts, the representatives of the lower administrative units at the sector, cell and village level also draw their performance objectives from the district performance contracts and sign performance reviews with their respective leaders in the order of hierarchy.

11. Reporting on Imihigo is done quarterly in line with EDPRS reporting framework. In addition, the district organizes a public accountability day at the end of each quarter to disseminate the findings and to receive feedback from citizens on the quality of evaluation. This feedback informs measures to sustain improved progress.

12. Finally, an annual evaluation is conducted by the national quality assurance team to determine the extent to which districts have achieved their objectives and contributed to improvements in the socio economic wellbeing of citizens. Table I illustrates how the districts' priorities are set and evaluated. The evaluations for 2010/11 show a sig-

¹The umurenge (sector level) is the basic decentralized administrative level below the district, with delegated financial autonomy from the district to implement policies. Rwanda has 416 sectors country-wide.

²The joint action forum is a multilayer platform at the district level (Akarere) or the lower administrative level called sector (umurenge), where the local authorities and CSOs jointly plan and monitor the performance of service delivery.



An Association of women weaving baskets for sale.

nificant improvement in the districts' capacity to implement government programs because the performance contracts have enabled them to focus on outputs/results rather than routine activities.

	Target	achieved	%achieved
Economic growth sector			
Families resettled in community settlement (imidugudu)	4500	4059	90%
Homes connected to the electricity grid	400	360.8	90%
Km of feeder roads constructed	34	31	96%
Social welfare			
Number of classrooms built for nine-year basic education	474	422.334	89%
Families having access to clean water	400	356.4	89%
Cows supplied to poor families under one cow/family program	400	356.4	89%
Families with health insurance	100%	89%	89%
Strengthening governance			
30 sectors supplied with computers	30	21	70%
Community mobilized to do public works (umuganda)	98%	91%	93%

Source: Imihigo evaluation report 2010/11 and Rulindo district M&E.

The average score for all the 30 districts in the three broad areas of evaluation³ was 81.5% in 2010/11, up from 66.3% in 2009/11. Rulindo district emerged as the best, with an average score of 90.6%, while Gakenke district lagged behind, with an average score of 64.4%. Out of 30 districts, 29 made positive improvements in performance of their targets. Rwamagana district improved most, rising from 52.6% in 2009/10 to 80.2% in 2010/11.

iv. Key outcomes

13. The enhanced creativity and strong focus on results introduced by performance contracts at the district and sector level have translated into significant national development outcomes (see Table 2).

The most notable examples include: the construction of rural roads, the expansion of access to clean water, complete eradication of grass thatched houses through a national campaign called

	Baseline(2006)	Target2012/13	Actual(2011)
Economic growth			
Share of population living in poverty (%)	57	46	44.9
Share of population living in extreme poverty (%)	37	24	24.1
Agricultural land protected against soil erosion (%)	40	100	87.3
Classified road network in good condition (%)	11	31	59.9
Electricity generation (off/on grid, MW)	45	130	97.4
Social			
Population covered by health insurance schemes (%)	70	95	89
Access to safe drinking water (% of population)	64	86	74
Pupil/teacher ratio in primary schools	70	47	58
Governance			
Share of population expressing satisfaction in decentralised governance (%)	65	70	74.2

Source: EDPRS Lessons Learned (2008 -2011).

³The district Imihigo are categorized under three broad pillars of economic development, social development and governance in line with the EDPRS flagship programs.



A model Village (Umudugudu).

bye-bye Nyakatsi⁴, and increased agriculture productivity and livestock. The population covered by health insurance schemes increased from 70 % to 89% between 2006 and 2011, and 74.2% of citizens feel that they are actively participating in local decision making and that local government is listening and addressing their priority concerns, from the baseline of 65% in 2006. These national outcomes have been

achieved because ordinary citizens are given a greater role in policy formulation and evaluation, and officials at all levels are specifically thinking about Imihigo with a focus on results.

v. Challenges

14. The key challenges in the Imihigo planning process include: inadequate skills in monitoring and evaluation, especially at the Local Gov-

⁴Bye Bye Nyakatsi was a nationwide campaign conducted in 2010/11 to build permanent metal-roofing houses for poor families through community mobilization. It started as an initiative by the Rwandan diaspora aimed at building a model village for 504 families and was adopted and scaled up based on its success to serve all the vulnerable citizens in Rwanda.



Intore : (Rwanda traditional dancers) imitate how the ritual of uguhiga was done in the past.

ernment level. For example, it was observed during the 2010/11 annual evaluations that the M&E frameworks for most of the districts failed to maintain logic and consistency in setting objectives, baseline indicators and outputs/outcomes targets, which made it difficult to measure progress. Other challenges include weakness in data management; limited resources competing against large expenditure needs; delays in disbursements, especially in relation to donor funds; weak capacities in procurement planning by districts; and lack of expertise in managing

large contracts, especially infrastructure related projects. Some districts also reported that frequent changes in leadership disrupted implementation progress of some of their key programs and forced donors to reallocate funds originally budgeted under their performance contract to other districts.

vi. Lessons learned

15. The performance contracts have facilitated progress in the EDPRS implementation by serving to ensure a focus on delivery of results. For example, the signing of

the performance contract by the district mayors in 2010 to begin the implementation of the nine year basic education program spurred the district leaders to mobilize the local community support in constructing the required classrooms and allowed the program to start on schedule.

16. Strong political will is important to ensure the successful implementation of performance contracts. President Kagame's leadership role in this matter has been exemplary, and his strong focus on results has inspired the local and national leaders to work towards delivering results.

17. In implementing performance contracts, quality assurance services are essential to support the local authorities in establishing a proper functioning M&E framework for measuring progress. Quality assurance services are also required to ensure that the priorities identified at the local level adequately reflect national priorities.

18. The Imihigo planning process has served to improve the functions of planning, budgeting and policy review at the local government level. Districts plans are now designed and implemented according to the affordable resource envelope, hence ensuring the alignment

of expenditure to expected outputs/outcomes.

19. International donors have played an important role in the Imihigo process, through budget support and technical advice. Constant dialogue and coordination through the JADF has enhanced the alignment of funding to the national priorities.

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