

Module RUD 7231 «Good Governance, Decentralization & Local Development»

Principles of Decentralisation, Governance & Local Development

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Introduction

- **Basic elements of this module:** title, codification, units, credits, hours, ...;
- **Aims, content and learning outcomes:**
- Having successfully completed this module, the learn must be able to:
- This module have a **three components**:
 - First: Principles of Decentralization, Governance and Local Development;
 - 2nd: Community Development;
 - 3rd: Private Sector and Development
- The **indicative sources**:
 - List of bibliographic sources;
 - Electronic and websites sources

Definitions of Key Words

- Centralization (related to Central Gunt);
- Concentration (related to Central Gunt);
- Deconcentration (transfer from CG to LGs);
- Decentralization (transfer from CG to LGs with electoral process/system):
 - Territorial Decentralization;
 - Technical or fonctional Decentralization or Decentralization by services

Origin of Decentralization

- End of colonial regim/system and implementation of centralism;
- «Coups d'Etats», dictatorships, nepotism, regionalism, corruption, *concentration de pouvoirs dans la poignée d'un groupe de gens*;
- During 1980s, World Bank & IMF ...incurie en gestion des deniers publics, corruption in Govnts systems;
- Ere des «ajustements structurels», les PAS;
- Appuis financiers / aides conditionnés;
- Avènement de «good governance» and decentralisation processes

Theories of Decentralization

- Normative theory (norms and standards of good process of decentralization, good governance; consequently, better results in decentralization process);
- Analytical theory (criticism of decentralization process done with miss functioning and rapid process; consequently, bad results, corruption, lack capacities of local leaders, etc.)

Legal Foundation of Policy of Decentralization in Rwanda

- Government of Rwanda: the GoR wanted to give more responsibility to its citizens in order to determine their destin or thei vision;
- Power sharing principle since Arusha treaties in 1993;
- Conférences débats au niveau de la Présidence dans les années 1998-1999: politiques de décentralisation permettront de réconcilier le peuple rwandais et de lutter contre la pauvreté;
- MINALOC: formulation of policy of decentralization in 2000;
- 2001: First phase of decentralisation; Electoral process in 106 Local Governments (Districts, sectors, cells and villages levels);
- 2006: 2nd phase of decentralisation; Electoral process in 31 LGs, nowadays, effective 28 LGs because the 3 usual districts in CoK changed their legal status and are under effective LG, CoK
- Constitution of the Republic of Rwanda on June 2003 revised in 2015, especially in its **6th Article**

Objectives of Decentralization

- Objectives with **administrative aspects** (public services delivery e.g. ID cards, documents of civil status, ...)* Nowadays, many public services delivery are done online through **Irembo Services**;
- Objectives related to **socio-political** and **socio-economic aspects** (strategic and specific objectives (cfr MINALOC, *Politique de la décentralisation*, Mai 2000): institutional capacity building, local development, community development, poverty reduction, etc.

Criteria of Decentralization

- Juridical autonomy by access to legal status (*octroi de la personnalité juridique*);
- Organic autonomy (human resources management, organic framework, structure, equipment, logistics,....);
- Administrative and financial autonomy, funds management;
- Specificity of Decentralized Entities;

Aspects of Decentralization

- Political Aspects in Decentralization (local authorities elected, representativity through consultative councils "Njyanama");
- Administrative Aspects in Decentralization (public services delivery);
- Financial Aspects of Decentralization (local revenues, funds transfert from CG to LGs);
- Economic Aspects in Decentralization (Local Economic Development, poverty alleviation)

Levels of Decentralization

- Deconcentration;
- Power Delegation (transfer of responsibilities, powers and competences);
- Power Devolution (transfer of responsibilities, powers and competences; plus financial means, equipment and logistics);
- Privatisation (on central government and LGs levels)

Means for Promoting of Decentralization

- Human resources and finances;
- Means, equipment and logistics;
- Juridical framework well structured;
- Institutional framework;
- Partnership between several actors

Partnership in Decentralization

- Gunt or public sector (central government, local governments);
- Private sector (companies, entrepreneurship, businessman,);
- Civil society (associations, NGOs, religious organizations, no lucrative associations, ...); also the media actors are assimilated with civil society organizations: lobbying and advocacy

Advantages of Decentralization

- **Political Dimension** (leadership elected in consultative councils at district, sector and cells levels);
- **Administrative Dimension** (public services delivery in LGs, administration, ...);
- **Socioeconomic Dimension** (local and national development, poverty alleviation, participatory planning of community development, ...)

Challenges in Decentralization

- Context and Environment (poverty, dependance vis-a-vis to donors, lack of infrastructures, lack in new technologies, ...);
- Lack of capacities (human resources, ignorance, illiteracy, ...);
- Problems of management; human Resources (mobility, rotation, instability,);
- Problems of Local Finances: lack of revenues, lack of potentialities, ect.

Sources of Funds for Decentralized Entities

- **Local Revenues/ *taxes ou recettes propres***: impôt immobilier, impôt sur les revenus, location des emplacements aux marchés, impôt foncier, frais de stationnement, paiement de services publics, taxes supplémentaires, frais de publicité, licences, patentes, taxe d'exploitation industrielle, etc.
- **Transfers from central government :**
 - Vote budgétaire (cfr processus budgétaire et instances de prises des décisions): from national budget by budget process;
 - Subventions (fonctionnement, support of salaries, maintenance of public infrastructures, ...);
 - Crédits (from private financial institutions);
 - Subsidies de péréquation (dispatching by degree of local revenues);
 - Funds of Development (cfr. mécanismes Rwanda Local Development Support Fund, LODA,..);
- **Subsidiary, revenues from different donors due to specific negotiations, cooperation, transactions, etc.**

Management of Finances for Decentralized Entities

- **Budget Processes:** preparation (budget committee), examen and approbation (consultative council), execution (executive team; executive committee, technical staff), control (consultative council and internal auditor), revision (budget committee and consultative council);
- **Budget Cycle:** from local administrative entities to central Government ...key roles of consultative councils, of central Government through MINECOFIN, MINALOC and Parliament

Management of Finances for Decentralized Entities (continued)

- Resources Mobilisation (identification, census, perception, collection);
- Internal Control (internal auditor): control, supervision of procedures, regulations; suggest, advise, report to MINECOFIN, MINALOC and General Auditor);
- External Control (External Auditor in public institutions is General Auditor): control, supervision, judiciary power ;
- Rwanda Public Procurement Authority (Bureau de passation de marchés): process in bidding, regulations, analysis and deliberation, reporting; supervision of others levels of public procurement;
- Accountability-Transparency in public finances / Responsabilité / Rendre compte

Concept of Good Governance

- Gouvernance: art of government, of direction and of powers...***fundamental principle***: powers of peoples, powers by peoples and powers for peoples;
- Practitioners of international development organisations ...World Bank, FMI; independence decade (1960), then after decade of 1980 (ajustements structurels), ...
- Fondation Ford cité par MINALOC (2000: 16) définit la gouvernance «*enraciné dans la civilisation qu'un gouvernement efficace dépend de la **légitimité** qui lui assure une **participation** à large assise, de l'**équité** et de la **responsabilité***»
- Mo Ibrahim Foundation Definition

Aspects of Governance

- Governance, normative value (norms, standards in governance, ...);
- Governance, analytical tool (Criticism of governance: corruption,);
- Governance, foundation of legitimacy;
- The Government of Rwanda considers the good governance as an exercise of political, administrative, social and economic authority in order to manage public national affairs

Actors of Good Governance (ref. scheme sheet in word doc)

- On **vertical plan**, they are institutions of central government and local governments;
- On **horizontal plan**, they are institutions of private sector and civil society;
- On **intersection of two plans**, there is appropriate space of **principles and practices of good governance and poverty reduction, debate for a consensus**

Actors of Good Governance and Globalization

- Considering two previous plans (vertical and horizontal), it is better to add:
- On **vertical plan**, there are various international and regional organisations with public/government aspects such as UN system and its agencies, [World Bank](#), [IMF](#), African Union, EAC, CEPGL,....
- On **horizontal plan**, there are various organisations of civil society such as Amnsty Intl, Intl Red Cross, Human Rights Watch, OXFAM, etc. but also private organisations; companies, firms, enterprises, multinational like MTN, Tigo, STRABAG, ENGEN, ...

Main characteristics of a good governance

- **Constitution, guarantee of the separation of powers;**
- **Justice and equity;**
- **Dedicated and conscientious leaders/governors;**
- **Long term Vision;**
- **Participatory and democratic mechanisms in making decision process;**
- **Security of persons and properties;**
- **Respect, defense and promotion of human rights and fundamental freedoms;**
- **Transparency, accountability and responsibility;**
- **Unity and reconciliation;**
- **Informed population with qualified human resources;**
- **Public services rendered efficiently and effectively**

Components of a Good Governance

- Economic Governance (strategies and mechanisms of poverty alleviation, LED-Local Economic Development);
- Political Governance (leaders by electoral process, accountability, representativity);
- Managerial Governance (funds management, structure organization, procedures, regulations, control, reporting,..);
- Civic Governance (participation in electoral process, participation in community development,...);

The **poverty reduction** and **sociopolitical development of Rwanda** are considered as outcomes or positive consequence/positive change from interactions between these four dimensions of a good governance.

Requirements of Good Governance

- Sufficient Political and Social Cohesion;
- Freedom Expression of Popular Consensus;
- Social and Political Participation

Current Scheme of Governance and Decentralization in Rwanda (ref. sheet in word doc)

- Different actors and institutions on vertical plan: components of Local Governments and Central Government; linkages between several institutions;
- Also on horizontal plan, there are some public agencies linked with ministries such as RLMUA, REMA, RAB, REB,....

Concept of Participation

- Definitions;
- Participation and representation of the population;
- Participation of rural populations in development projects;
- Conditions of participation;
- Types of projects;
- Models of participation

Concept of development

- **Definitions;**
- **Participatory Development;**
- **Rural Development;**
- **Urban Development;**
- **Local Development;**
- **Community Development;**
- **Economic Development;**
- **Socioeconomic Development;**
- **Integrated Development;**
- **Sustainable Development**

Linkages between Local Development with Decentralization, Local Governance and Poverty reduction

- Introduction; problem statement;
- Different periods of Rwanda post 1994 genocide against the Tutsi:
 - Emergency and Humanitarian Period: Social Assistance, Massive Populations Displacements, various NGOs, UN Agencies;
 - Reconstruction Period: Integration, Resettlement, Social Assistance, ...;
 - 1998-1999: Conference-Debate in «Urugwiro» Presidency;
 - Establishment of a Sustainable Development period;
 - Definition of long term and medium terms strategies of national development and Poverty Reduction;
 - Programmes phares de développement communautaire: Ubudehe, HIMO, VUP, Girinka, SACCO, CIP,

Process of Making Decision: 5 main stages

- Identification and definition of the problem;
- Classification and analysis of the problem;
- Inventory of possible actions, possible/alternative solutions and determination of selection criteria;
- Choosing a better solution among possible solutions;
- Implementation or execution of the chosen solution

Cultural Values, Social Organization as Foundation of Local Governance and Decentralization

- Umuganda;
- Ubudehe;
- Gacaca;
- Umusanzu;
- Kuremera;
- Abunzi;
- Imihigo; Itorero,...
- Homogénéité linguistique «Kinyarwanda»

Strategic Framework of National and Local Development

- Pillars of Vision 2020 and cross-cutting issues as long term strategies; Vision 2020 is now replaced by Vision 2050
- Under Vision 2020, there are the successive medium term strategies:
 - PRSP 2002-2005: Poverty Reduction Strategy Paper;
 - Economic Development and Poverty Reduction Strategy, EDPRS I (2008 – 2012) and II (2013-2018) then now we have NST1 (2017-2024)
- Poverty Participatory Assessment (PPA); majors levels of social economic categories; ubudehe methodological approach;
- Districts Development Strategies (DDSs)

From Millenium Development Goals (MDGs) to Sustainable Development Goals (SDGs)

- From 8 Millenium Development Goals for development to 17 SDGs at international level;
- Horizon 2012 et horizon 2015, horizon 2020;
- Links with MDGs/SDGs, Vision 2030 and EDPRS/NST1;
- Also, the Sector Wide-Approaches (Education, Health, Agriculture, Justice, Infrastructures, ...) are linked with different policies of different ministries in central government

From PRSP to EDPRS to NST1

- Assessment PRSP 2002-2005;
- EDPRS I (2008-2012) with 4 priorities like:
 - Augmentation of economic growth;
 - Downturn (ralentissement) of population growth rate;
 - Combat of extrem poverty;
 - Realisation of a high efficiency in poverty reduction
- EDPRS II (2013-2018);
- NST1 (National Strategy for Transformation 1)

Process of Districts Development Strategies (DDSs)

- In Decentralisation Process: Planification Framework Approach of bottom-up;
- DDS Elaboration process: Consultative and Participatory; ownership and participation through CDCs & JADF members;
- Technical Group of Planification and Budget (TGPB);
- Three Main Steps such as:
 - Step 1: Situation Analysis at District and Sectors levels;
 - Step 2: Community Consultations;
 - Step 3: Elaboration of DDS

Roles of District Council

”Njyanama y’Akarere”

- Approbation of DDS;
- Approval of Annual District Budget, District MTEF, and Annual Districts Performance contracts «Imihigo»;
- Main Resolutions

Main Achievements & Major Challenges

- Significant Progress were achieved:
 - Establishment of Structures for community development from village level to district level (different committee, CDCs, JADFs);
 - CDCs members were elected;
 - Capacity Building of CDCs;
 - DDSs for all 30 districts were elaborated

Main Achievements & Major Challenges (cn'd)

- Contribution of local and national private sector operators to improving local governance through service provision and job creation;
- Contribution to the promotion of community development in increasing the autonomy of local governments and reducing poverty;
- Roles of CDCs: orientations, policy definitions, implementation, monitoring and evaluation

Main Innovations in Local Governments and Support to Local Communities

- Common Development Fund for support LGs: Rwanda Local Development Support Fund which become LODA;
- Flagship Programmes in Community Development:
 - «Ubudehe» Programme;
 - Programme de développement local à haute intensité de main d'œuvre (PDL-HIMO);
 - Vision 2020 Umurenge Programme (VUP);
 - Girinka Programme «one cow per poor household»;
 - «Agasozi indatwa» Programme;
 - SACCOs Imirenge (savings & credits)

Adjusting of Local Administration Framework for strengthening the autonomy in making decision at local level

- Participatory Approach in Elaboration of Constitution during period of 2001-2002;
- Juridical Texts of Territorial Administrative Reforms;
- Local Leaders elected at different levels;
- Gender Policy: National Women Council at different levels, Gender Monitoring Office;
- Youth: National Youth Council at different levels;
- Financing of Local Governments;
- Operational Guides and Procedures in Financial Management of Local Governments;
- Community Development Policy; strengthening of Good Governance for Poverty Reduction in poorest households

Support to Local Governance by Fiscal and Financial Decentralisation

- Budget Processes delegated to LGs levels (district level); MTEF elaboration—Medium Term Expenditure Framework ou Cadre des Dépenses à Moyen Terme (3 years): review and updating each year;
- Trainings on Budget processes by MINALOC and MINECOFIN as key ministries, RMI Rwanda Management Institute;
- Decentralisation Policy: Financial Management and Fiscality;
- Autonomy related to financial and budget management

Links between role to local entities and Civil Society Organisations (CSOs) when considering the governance and decentralisation policy and process

- The **Joint Action Development Forum (JADF)** is a platform framework in charge of coordination, harmonisation of developmentist interventions among local administrations/entities;
- Also it arbitrates different actors' interventions to avoid possible overlaps and conflicts between different development actors;
- It operate at two main levels: district and sector levels;
- It bring together all actors; public/governmental, parapublic institutions/organisations, CSOs and Private Sector actors/institutions/organisations

Local and National Issues

- There are Problems, Constraints and Difficulties for to establish linkages between Local Governance and National Policies, National programs and procedures at national levels;
- Strategies and mechanisms for effective implementation of local administration and local development for pro-poor households: corruption, fraud, nepotism,

Questions related to support of LGs

- **Common Development Fund:** Mechanisms of Rwanda Local Development Support Fund (RLDSF) become LODA
- The **Local Administrative Entities Development Agency (LODA)** is a Government Fund under the supervision of MINALOC. It was established by law n° 62/2013 of 27/08/2013 establishing the Local Administrative Entities Development Agency (LODA) and determining its responsibilities, organization and functioning.

Local Administrative Entities Development Agency (LODA)

- LODA replaces and takes over all the responsibilities, mission and vision formerly assigned to RLDSF. In the framework of implementing the local economic and community development policies and strategies, social protection and poverty reduction programs.
- LODA focuses on Local Economic & Community Development, Social Protection, capacity building of local administrative entities within the scope of its mission. Moreover, LODA does monitoring and evaluation on the implementation process of development programs in LGs with the view of contributing to the capacity building of population and decentralized entities as well as reducing extreme poverty in the country.

In conclusion and recommendations

- Poverty Reduction and local governance require:
 - Facilities of implementation of responsible, credible, efficient and accountable administration;
 - Promotion of a local development/community development/participatory development

Lessons learnt: facilitation of national factors as home made solutions in favour of decentralisation and good governance processes for promotion of local/participatory/community development

- In Local Governments: fora through RALGA;
- Common Development Fund: RLDSF for supporting LGs, become LODA;
- Focal Points and various forums at all levels for coordination of planning and execution;
- JADF at District and Sector levels;
- CDCs at District, Sector and Cells levels;
- Flagship Programmes in Community Development : Ubudehe, PDL-HIMO, Vision 2020 Umurenge, Girinka, Agasozi Indatwa, CIP, SACCOs,...
- Cultural Values within Rwandan social organization

Questions and Debates

- Lack of Local Revenues in some LGs, especially in rural area;
- Somewhere lack of qualifications and competences of human resources;
- Somewhere lack in coordination and harmonisation of interventions in community development...however, there are JADF and CDCs; difficulties of mechanisms of functioning of these bodies

Thanks for your kind attention!