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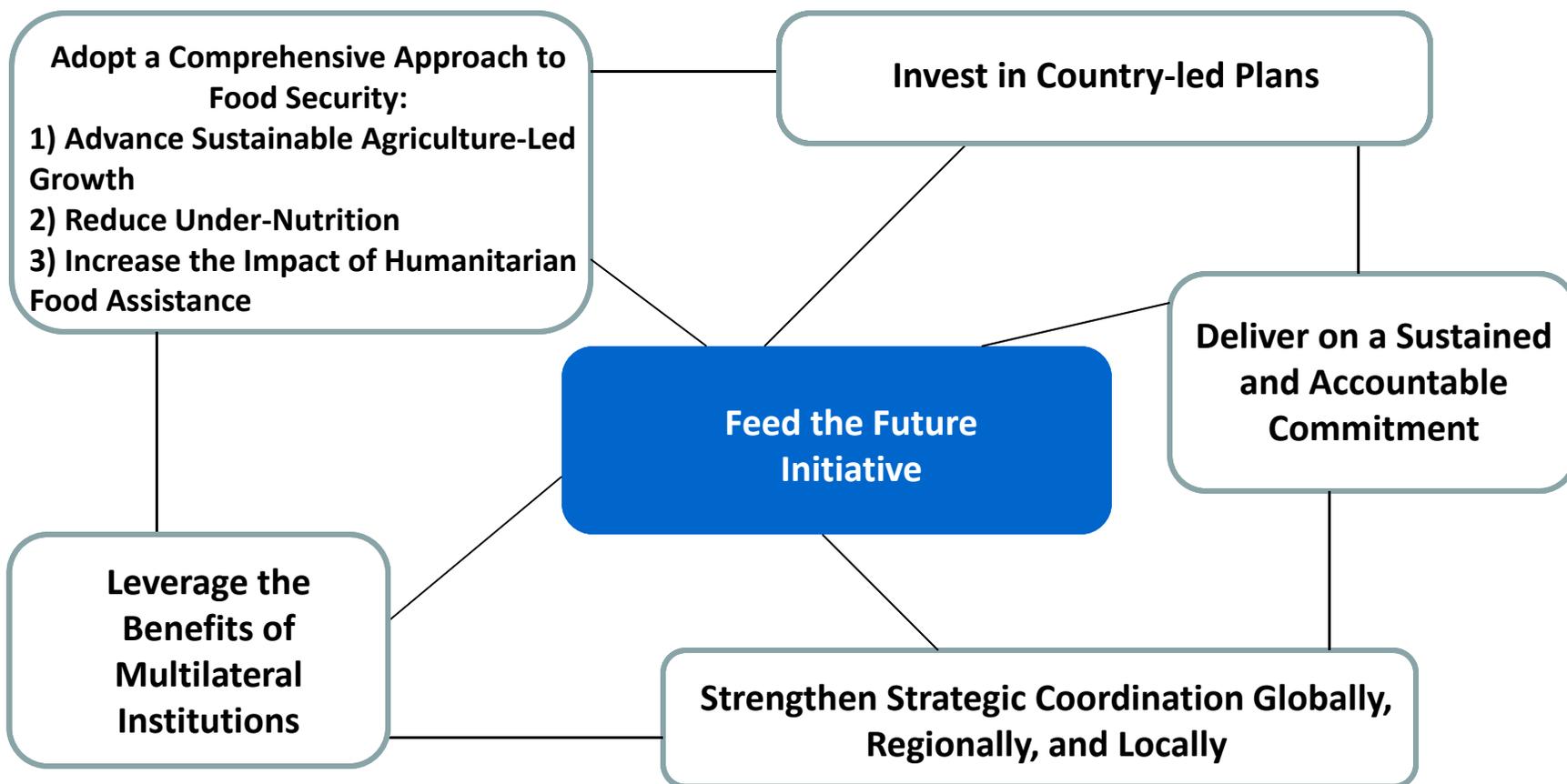
Delivering on Feed the Future & Implementation and Procurement Reform

Sector Program Assistance in Rwanda

**Presentation to IPRI Objective 1 Working Group
2 August 2011**



Feed the Future: Key Principles





Rwanda Aid Policy: Hierarchy of Preferences

- Un-earmarked budget support
- Sector budget support (sector program assistance)
- Pooled/basket funds for programs/sub-programs
- Stand-alone projects (on-budget, on-plan)



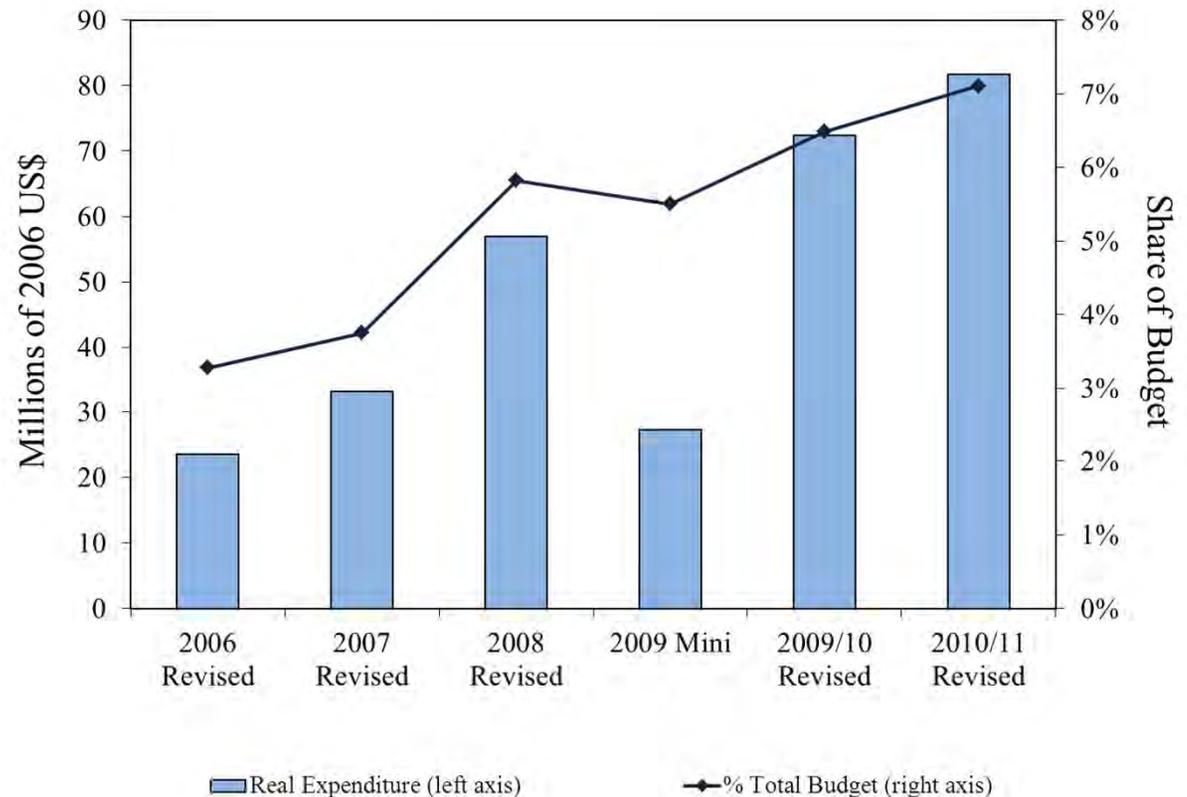
GoR Planning Framework

- Rwanda Vision 2020
- EDPRS: 2008-2012
- PSTA II: 2008-2012
- Agriculture Sector Investment Plan: 2009-2012



GoR Political Commitment to Agriculture

- CAADP compact, March 2007
- Sound sector strategy & investment plan
- Increased expenditure on agriculture
- CAADP post-compact review & high-level meeting, Dec. 2009





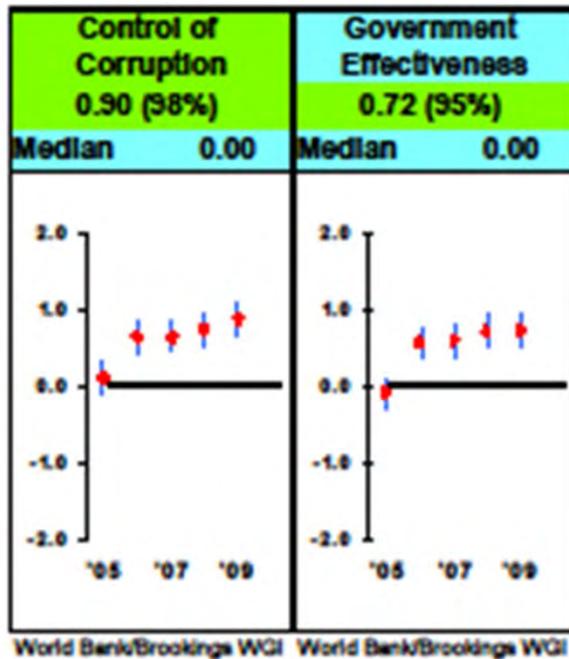
Coordination Arrangements

- Monthly ASWG meetings
- Bi-annual Joint Sector Reviews (JSRs)
- SWAp MoU in place since Nov. 2008
- SWAp steering committee, sub-set of ASWG

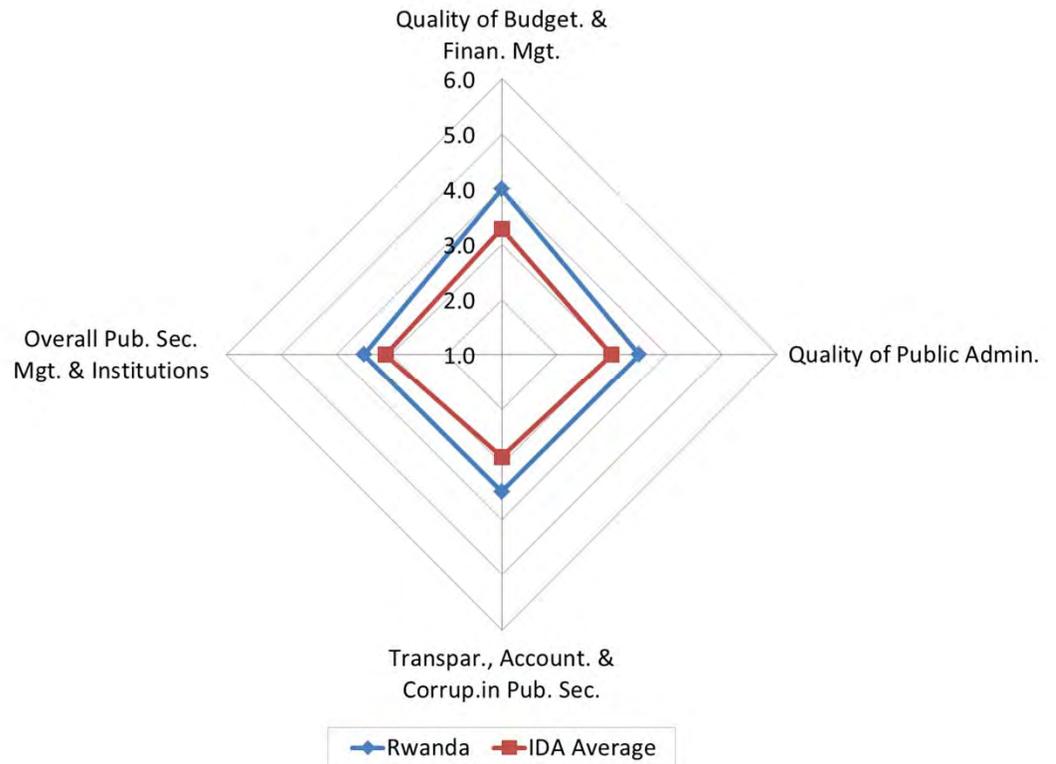


Key Governance Criteria

MCA, FY11



CPIA, 2009





Recent Analyses of PFM Environment

- PEFA, July-November 2010
 - USAID USDH participated as core member of team
- PFMRAF Stage 1, November/December 2010
 - USAID/W & Mission effort
- PFMRAF Stage 2 of MINAGRI, April-June 2011
 - Deloitte & Mission effort
 - Will meet DFID, CIDA, Japan (?) FRA requirements
- DFID FRA (overall PFM environment), May/June 2011
- Agriculture PER, ongoing
- Mission currently working with RIG/Pretoria to certify OAG



The Program for Economic Progress & Productivity Enhancement in Rwanda (PEPPER) Focus

- Accelerating the development of a viable, private sector-driven **fertilizer** industry
- Promoting a private sector-led approach to managing agricultural output and surpluses after harvest, especially reducing **post-harvest** losses, increasing storage capacity, and improving the ability of Rwanda to respond to food emergencies
- Increasing **land tenure** security for private owner-operators of agricultural land through the provision of written, legal title



Strengthening the SWAp

- Priority Actions
 - More detailed annual planning & budgeting
 - Monitoring arrangements clarified & strengthened
 - Strengthen M&E system, harmonize reporting
 - SWAp structure/organization, strengthen existing capacity
 - Shifting from project to program orientation, phasing out PIUs
- Other Key Issues
 - Roles of state vs. private sector (& civil society)
 - Decentralization
 - Links with other Ministries



The PEPPER Budget (Preliminary)

Planned Obligations US\$ ('000s)	U.S. FY	Prior Years	2011	2012	2013	2014	Total
	GoR FY		2011/12	2012/13	2013/14	2014/15	
Program							
Sector Program Assistance			10,000	10,000	10,000	10,000	40,000
Technical Assistance: Fertilizer Privatization		1,000	2,000	1,500	1,500	1,400	7,400
Technical Assistance: Post-Harvest Management		2,500	3,355	3,000			8,855
Technical Assistance: Capacity Building (PFM, M&E, etc.)			2,000	2,000	2,000	2,000	8,000
Total		3,500	17,355	16,500	13,500	13,400	64,255

Note: Figures for U.S. FYs 2012-14 are subject to Congressional appropriation.

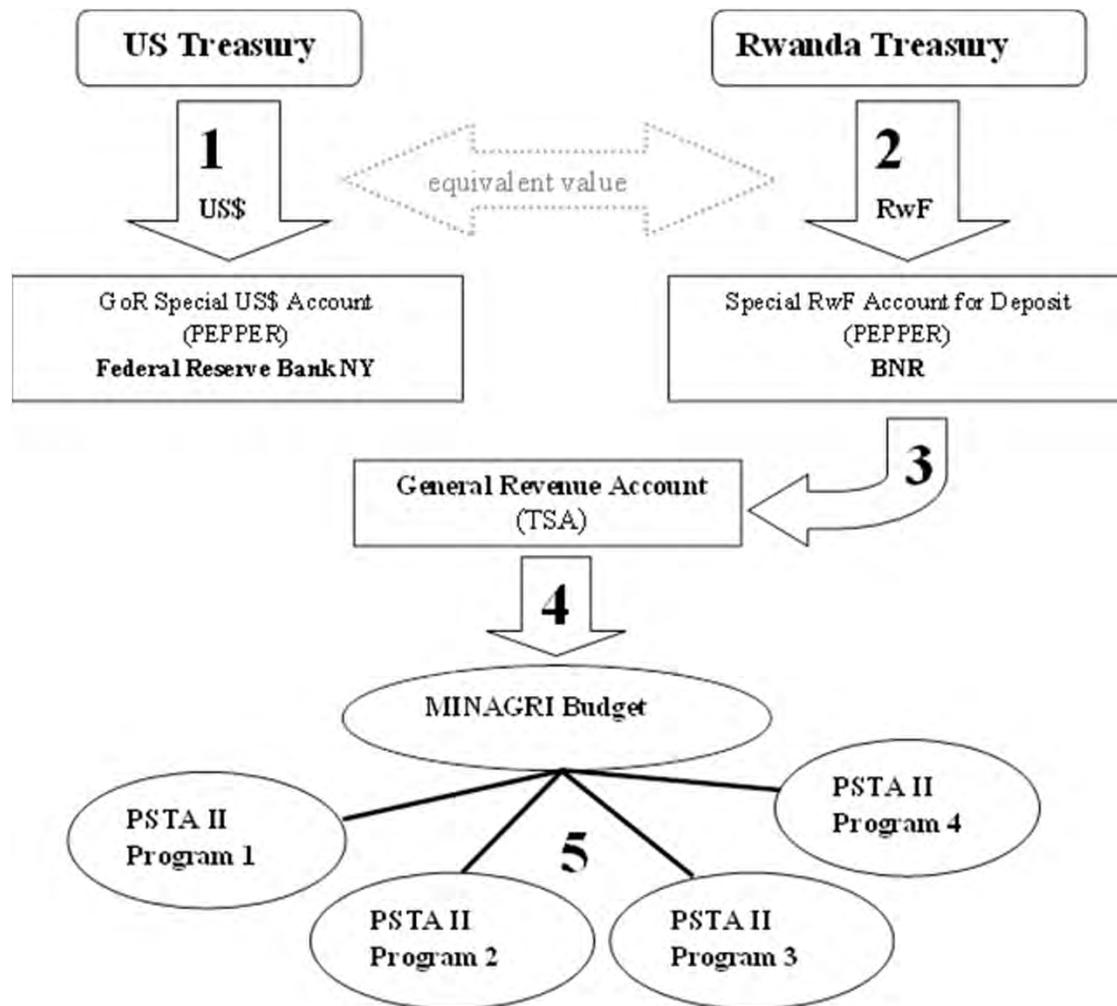


Why Sector Program Assistance?

- Influence over much larger pool of resources than USG assistance (total agriculture budget)
- Reinforces recipient government's ownership
- Utilizes & strengthens recipient government capacity
- Reduces transaction costs?



Sector Program Assistance: The Flow of Funds





Sector Program Assistance: General Approach

- Disbursements made 1X / year based on USAID assessment of performance on pre-agreed benchmarks
 - Benchmarks drawn from existing commitments (CPAF, EDPRS, strategies, action plans, etc.) as much as possible
- Benchmarks established in conjunction with “forward-looking” JSR; performance reviewed in conjunction with “backward-looking” JSR
- Reporting requirements met through existing reports (JSR, PM ¼ly, budget execution, annual OAG audit, etc.) as much as possible



Sector Program Assistance: Disbursement Benchmarks

- 3 types of benchmarks / results
 - 1) Objective-level results (CPAF / PSTA II)
 - 2) Emphasis results
 - a) Fertilizer privatization
 - b) Post-harvest management
 - c) Land tenure security
 - 3) Institutional results (budget, PFM, M&E, etc.)
- See handout for further detail



Additional Complementary Investments

- Land Conflict Mitigation Program
- MCC Threshold Program
 - Media Strengthening Project
 - Civil Society Strengthening Project
 - Strengthening Civic Participation Project (Decentralization)
- Human & Institutional Capacity Development Project – some possible target institutions:
 - Executive (in addition to MINAGRI): MINALOC, MINECOFIN
 - Parliament
 - Office of the Auditor General
 - CSOs re: public expenditure tracking



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Comments or Questions?

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Annex

Rural Feeder Roads Improvement Program (RFRIP)



Key Design Principles

- Utilize district gov't systems to extent possible
- Provide complementary TA to strengthen district gov't systems & engineering capacity
- Involve local leaders & communities in works prioritization, planning & maintenance
- Utilize local contractors/labor to strengthen local private sector
- Emphasize planning for environmental mitigation measures & maintenance



Flow of Funds

