National Budget Brief
Investing in children in Rwanda
2018/2019
Preface

This national budget brief explores the extent to which the Government of Rwanda’s budget addresses the needs of children under 18 years of age as expressed in the National Strategy for Transformation (NST1). The brief analyses the size and composition of budget allocations for the 2018/19 fiscal year (FY) focusing on the priority sectors for children: health (including nutrition), education, social protection, and water and sanitation. The budget briefs aim to synthesize complex budget information and offer recommendations to strengthen budgeting for children. The budget data for 2018/19 are obtained from the original Budget Law, while data for previous years’ budgets are taken from the revised Budget Laws.

Key messages

Promising economic growth and balance of payment: In 2017, the Rwandan economy recorded a strong performance of 6.1 per cent gross domestic product (GDP) growth, higher than the projected growth of 5.2 per cent. Headline inflation declined to 4.9 per cent in 2017 from 5.7 per cent in 2016. This was partly due to better performance of the agriculture sector after prolonged drought that severely affected the sector in 2016. Balance of payment improved with the current account deficit standing at -6.8 per cent of GDP in 2017 in comparison to -15.7 per cent in 2016, leading to 4.2 months’ coverage of imports in 2017.

Growing domestic revenue to finance the budget but still heavy reliance on external borrowing and grants: The total budget resources for FY2018/19 amount to Rwandan francs (FRW) 2,443.5 billion, reflecting an increase of 16.6 per cent when compared to the revised budget for 2017/18 (FRW 2,094.9 billion). The budget will be financed as follows: (i) domestic revenues are projected to FRW 1,645.07 billion, representing 67 per cent, and (ii) the external revenues will amount to FRW 798.5 billion or 33 per cent, of which FRW 396.2 billion are grants and FRW 402.2 billion are proceeds from borrowing.

Growing budget deficit and public debt: The budget deficit is expected to record a slight increase, by -0.4 per cent points, in 2018/19 and is expected to accumulate to -4.6 per cent of GDP. The deficit will be financed through domestic and external borrowings. Domestic borrowing (issuing of government bonds) to finance the national budget is expected to increase significantly, by 85.3 per cent in 2018/19 (from FRW 74.3 billion in 2017/18 to FRW 137.7 billion in 2018/19). The debt to GDP ratio increased from 35.6 per cent in 2015 to 48.3 per cent in 2017.

Budget allocation gives priority to the NST1 pillars but the investment in social sectors and human capital development remains insufficient: The medium-term (2018/19–2020/21) budget allocations follow the NST1 priorities, with the budget share proposed as follows: (i) Economic transformation accounts for more than half of the total budget (56.2 per cent); (ii) Social transformation is allocated 27.4 per cent and; (iii) Transformational...
governance accounts for 16.5 per cent of the proposed budget. The Government of Rwanda, however, needs to increase the budget share allocated to the social sectors to sustain recent achievements and accelerate the implementation of the Sustainable Development Goals.

**Increase in real-term allocations to priority sectors for children:** In both nominal and real terms, the priority sectors for children (health, education, social protection, and water and sanitation) have registered an increase in budget allocation. The allocation to these sectors amounted to FRW 654.8 billion in 2018/19, reflecting an increase of 18 per cent when compared to the allocated budget for 2017/18. However, allocation to social sectors as a share of national budget remained constant (26.8 per cent).

**Low budget execution rates in key social sectors mean that available resources for children are not maximized:** Budget execution rates for total government budget and the budgets for health, social protection, and water and sanitation have declined. During FY2017/18 the budget execution was 65.6 per cent for water and sanitation; 72.8 per cent for social protection; 84.4 per cent for health and 87.5 per cent for total national budget. This is down from 92.4 per cent, 95.8 per cent, 87.1 per cent and 101 per cent respectively in 2014/15. Monitoring of budget execution needs to be strengthened as a measure of the sector effectiveness and to avoid increased budget allocations by sector being weakened by low levels of execution.

**Increase decentralization of social sector budgets:** The social sector budgets allocated to districts increased by 30.9 per cent between 2014/15 and 2018/19. The sector that recorded a significant increase in allocation of decentralized budgets is education, 39.7 per cent, followed by health and social protection with 21.5 per cent and 20.2 per cent increases respectively. However, under the new NST1, there is a need for social sector reviews to identify additional services and functions to be decentralized to bring services closer to the beneficiaries, and for optimal budget gains.

**Considerable progress in improving budget oversight and accountability:** More than 80 per cent of public agencies, government-owned enterprises and districts are audited annually. The number of audited public entities and projects has increased significantly in the past years, from 131 audit reports in 2014/15 to 165 reports in 2017/18. However, the number of public entities obtaining clean audit reports (unqualified audit opinions) remains relatively low (50 per cent). This suggests that the Government of Rwanda needs to increase investments in public financial management (PFM) capacity-building across all levels of public sector expenditure.
Introduction

Table 1: Key development indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population (2018, projection)</td>
<td>12,089,721</td>
</tr>
<tr>
<td>Child population &lt; 0–17 years (2018, projection)</td>
<td>5,494,720</td>
</tr>
<tr>
<td>Share of child population (0–17 years old) to total population</td>
<td>45.4%</td>
</tr>
<tr>
<td>GDP per capita (2017)</td>
<td>US$ 772</td>
</tr>
<tr>
<td>Poverty rate</td>
<td>39.1%</td>
</tr>
<tr>
<td>Total government expenditure as a percentage of GDP</td>
<td>22.9%</td>
</tr>
<tr>
<td>Total social expenditure as a percentage of the total budget</td>
<td>27%</td>
</tr>
<tr>
<td>Share of budget deficit (2016/17) to GDP</td>
<td>-4.6%</td>
</tr>
<tr>
<td>Share of external finance to national budget (grants and loans combined)</td>
<td>33%</td>
</tr>
<tr>
<td>(2018/19)</td>
<td></td>
</tr>
<tr>
<td>Share of tax revenue to national budget</td>
<td>55.3%</td>
</tr>
<tr>
<td>Public debt to GDP ratio including grantees (2018)</td>
<td>49.0%</td>
</tr>
<tr>
<td>External public debt ratio to GDP</td>
<td>39.2%</td>
</tr>
<tr>
<td>Headline inflation (2017)</td>
<td>4.9%</td>
</tr>
<tr>
<td>Food inflation (2018 Q1)</td>
<td>-1.8%</td>
</tr>
</tbody>
</table>

1.1. Rwanda macro-economic performance

1.1.1. Economic growth

The Rwandan economy realized strong performance in 2017, with annual GDP growth of 6.1 per cent, which was higher than the projected growth of 5.2 per cent at the beginning of the year. Headline inflation declined to 4.9 per cent in 2017, from 5.7 per cent in 2016. In 2018, GDP growth and the inflation rate are projected at 7.2 per cent and 6 per cent respectively (Figure 1).
1.1.2. Economic sectors’ contribution to GDP
Rwandan economic growth will be supported by the growth in industry and service sectors, projected to grow at 11.8 per cent and 7.7 per cent on average between 2018 and 2020. The agriculture sector is expected to grow by 4.8 per cent within the same period. The average GDP growth over the next three years is estimated at 7.7 per cent (Figure 2).

1.1.3. Employment and labour market
The Labour Force Survey report, published by the National Institute of Statistics in February 2018, showed that the Rwandan economy is still agrarian, with 65.7 per cent of the labour force in the agriculture sector and 26.2 per cent and 8.1 per cent in the service and industry sector. The employment to population ratio was 44.8 per cent in February 2018, compared to 43.4 per cent in August 2017. The labour force participation rate was estimated at 52.4 per cent while the unemployment rate stood at 16 per cent. The unemployment rate is higher for young people (16–30 years), as the youth population not in employment or in training was estimated at 33.9 per cent and the unemployment rate among women was estimated at 42 per cent.

1.2. Monetary policy developments
In 2017, the National Bank of Rwanda maintained an accommodative monetary policy stance to continue supporting the financing of the economy through the banking sector, given that both inflationary and exchange pressures remained low. The National Bank of Rwanda reduced its lending rates from 6.25 per cent in December 2016 to 6.0 per cent in June 2017 and 5.5 per cent in December 2017. As a result, total outstanding credit to the private sector grew to 13.9 per cent in 2017 from 7.8 per cent in 2016, while broad money increased to 12.3 per cent in 2017 from 7.5 per cent in 2016. The non-performing loans of banks and microfinance institutions dropped slightly in the fourth quarter of 2017. Better performance of the financial sector positively influences future economic growth and prospects for sustainable growth of government revenues through domestic resources.

1.3. Guiding strategic documents of social sectors, key performance indicators and targets
The budget preparation for 2018/19 was aligned with the new NST1 and it is structured around three pillars: (i) Economic transformation, (ii) Social transformation and (iii) Transformational governance. The NST1 and its targets were developed in support of the realization of Vision 2020 and transition to Vision 2050, which is being prepared.
### National Strategy for Transformation

<table>
<thead>
<tr>
<th>Sectors</th>
<th>Performance indicators</th>
<th>Targets</th>
</tr>
</thead>
</table>
| Health                   | Increased health of workforce (NST1)                                                    | • Increase human resources for health by 2024:  
  • from one medical doctor per 10,055 to 7,000 people  
  • from one nurse per 1,142 to 800 people  
  • from one midwife per 4,037 to 2,500 people                                                                 |
|                          | Improved maternal mortality and child health                                            | • Reduce maternal mortality ratio to 126/100,000 in 2024 from 210/100,000 (2014–15)  
  • Reduce under-five-year-old mortality rates to 35/1000 in 2024 from 50/1000 (2014–15)                                           |
| Education                | Increased access to pre-primary education                                               | • Increase access to pre-primary education: pre-primary net enrolment rates increase from 17.5 per cent in 2016 to 45 per cent by 2024 |
|                          | Improved education quality in primary and secondary education                           | • Scale up ‘smart’ classrooms  
  • Schools connected to Internet will increase to 100 per cent by 2024 from 10 per cent in 2016/17                                     |
|                          | Strengthened mechanisms to promote completion rates, especially in primary and secondary education | • Transition rate from primary to lower secondary will increase from 71.1 per cent (2015) to 92.4 per cent in 2024 |
| Social protection        | Eradication of extreme poverty                                                          | • Extreme poverty eradicated by 2024 from 16 per cent in 2013/14                                                                      |
|                          | Reduced malnutrition among children                                                     | • Promoting the ‘1,000 days’ of good nutrition and care at village level as well as sensitizing households on good nutrition practices through early childhood development and health centres |
| Water and sanitation     | Moving towards a modern Rwandan household                                               | • Access to water for all will be scaled up from 85 per cent (2017) to 100 per cent by 2024  
  • Access to sanitation for all will be scaled up from 84 per cent (2016) to 100 per cent, and waste management systems will be developed in cities, towns and rural areas |
1.4. Social sectors – performance

**Education sector**
Pre-primary education has seen rapid development in recent years. The net enrolment rate at the pre-primary level increased from 17.5 per cent in 2016 to 20.6 per cent in 2017. In total, 220,435 children were enrolled in pre-primary schools, comprising 108,462 (49.2 per cent) boys and 111,973 (50.8 per cent) girls. Primary schools have realized slight improvements in the teacher-to-pupil ratio, which fell from 60.1 in 2013 to 58.1 in 2017. Net enrolment in primary schools has remained above 96 per cent for both male and female children between 2014 and 2017. The number of students enrolled in lower and upper secondary schools continued to rise, from 486,437 to 592,501 between 2011 and 2017, reflecting an increase of 21.8 per cent over the past six years. The secondary school net enrolment rate realized an increase from 28 per cent in 2015 to 34 per cent in 2017 (Education Statistical Year Book, 2017).

**Health sector**
Maternal and child health realized impressive progress between 2005 and 2014: i) maternal mortality decreased more than three times (from 750 per 100,000 live births in 2005 to 210 per 100,000 live births in 2014/15) and ii) infant mortality decreased from 152 per 1,000 live births to 50 per 1000 live births in 2014/15. While there was a significant reduction in the stunting level among under-five-year-old children, from 48 per cent in 2005 to 38 per cent in 2014/15, the rate remains unacceptably high. It differs significantly between rural and urban areas, at 40.6 per cent in rural areas compared with 23.7 per cent in urban areas. (Demographic and Health Survey reports, 2015.)

**Social protection sector**
The poverty rate decreased from 58.9 per cent in 2000/01 to 39.1 per cent in 2013/14, while the extreme poverty rate fell from 40 per cent in 2000/01 to 16.3 per cent in 2013/14 (EICV 4, 2013/14). Social protection coverage increased from 44.7 per cent in 2015/16 to 55.9 per cent in 2016/17 (administrative data).

**Water and sanitation sector**
According to the Integrated Household Living Conditions Survey EICV4 (2013/14), more than half of households are within 500 metres of an improved water source7 and around a quarter are within 200 metres. UNICEF/World Health Organization data (2015) indicate that the majority of Rwandans are supplied with piped water (40 per cent) and other improved drinking sources (38 per cent). The proportion of households with water supplies accessible on premises remained low at 13 per cent in 2015, up from 10 per cent in 2011. Latrines are the most commonly used improved sanitation facilities. The proportion of households using latrines has increased from 56 per cent in 2011 to 61 per cent in 2015.

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The Rwandan economy recorded high performance, with real GDP growth of 10.6 per cent and 6.7 in 2018 Q1 and Q2 respectively, compared to 1.7 per cent and 4 per cent in 2017 Q1 and Q2.
2. Government budget trends

The budget approved by Parliament for FY2018/19 amounts to FRW 2,443.5 billion. This constitutes an increase of 16.6 per cent compared to the approved budget for 2017/18 (FRW 2,094.9 billion) (Figure 3).

2.1. Public budget allocation by sector

The allocation by spending sector shows that general public services continued taking a large proportion of the government’s budget for FY2018/19. Its share is 33.7 per cent, followed by economic affairs, which is 25.3 per cent, while the education and health sectors were allocated 11.2 per cent and 8.2 per cent respectively (Figure 4). Unlike the social protection sector budget, which realized an increase of 1.3 per cent point, the percentage share of budget allocated to other priority sectors for children (education and health) decreased in 2018/19.

There is a need to consider options to significantly increase the budget allocated to health and education sectors in order to meet the demand for health and education services, as well as to pave the way to achieving NST1 and Sustainable Development Goal targets.
2.2. Budget allocation by NST1 pillars

The government has committed to implement and monitor the budget for 2018/19 allocated along the three pillars of NST1: (i) Economic transformation was allocated 56.2 per cent; (ii) Social transformation 27.4 per cent and; (iii) Transformational governance’s budget accounted for 16 per cent of the total proposed budget (Figure 5).

Medium-term projections of the social transformation budget allocation do not indicate a substantial increase over the three-year period. There is a need to significantly increase the budget allocations under the social transformation pillar to achieve the ambitious government targets linked to human capital development and inclusion (education infrastructure and teachers’ welfare; water supply, particularly in rural areas; human resources for health, malnutrition and stunting rate reduction; and poverty reduction).

2.3. Spending trends by social sector programmes

The budget for the social sectors as share of total budget declined over the past five years (2014/15–2018/19), from 29.5 per cent in 2014/15 to 27.1 per cent in 2018/19. However, all sectors realized nominal budget increases: (i) The education budget increased from FRW 235 billion to FRW 273 billion; (ii) The health sector budget increased from FRW 189.5 billion to 200.8 billion; (iii) The social protection budget increased from 78 billion to 138.3 billion; and (iv) The water and sanitation budget increased from FRW 38.2 billion to FRW 49.5 billion (Figure 6). Combined social sector budgets realized a real term increase of 26.6 per cent (2014/15 base year). Given the government’s commitment to promote social development as stipulated under NST1, the social sector budget share in the national budget is expected to increase in the medium term.
3. Government spending patterns

Operations of central government show that government expenditure has increased from FRW 794.4 billion to FRW 1,179.4 billion between 2014/15 and 2017/18. Capital expenditure increased from FRW 787 billion to FRW 812.3 billion. Interest payments have increased substantially over the past four years, from FRW 42.9 billion to FRW 91.1 billion, which is more than double, and links to recent increases in government borrowing for public investments (Figure 7). However, despite the increase in interest payments, Rwanda's risk of debt distress remains low, the public debt level as a ratio to GDP is 49.2 per cent (below the East African Community public debt threshold of 55 per cent) and is projected to reduce to 47.3 per cent in 2020.

The Government of Rwanda will need to continue enforcing careful debt management strategies and strengthening domestic revenue collection, combined with improved macroeconomic stability, to ensure consistent capital and current expenditure in priority sectors for children.
4. National budget execution

Over the past four years, the national budget execution rate has remained relatively high, although there were substantial fluctuations between FY2014/15 and FY2017/18. Of particular concern are low execution rates in the social protection and water and sanitation sectors. In 2017/18, national and priority sector budget execution rates declined to: 87.5 per cent for the national budget; 92.1 per cent for the education sector budget; 84.4 per cent for health; 72.8 per cent for the social protection budget, and 65.6 per cent for water supply (Figure 8).

*Rwanda is known for its strong capacity in budget execution. However, the declining trends in budget execution over the past two years requires public attention, particularly by the Ministry of Finance and Economic Planning and line ministries, in order to improve the budget absorption capacities and ensure that the budget increase in some sectors is not undermined by weak budget execution. Emphasis should be placed on improving procurement planning and cash flow plans.*

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**Figure 8: National budget execution**

<table>
<thead>
<tr>
<th>Sector</th>
<th>2014/15</th>
<th>2015/16</th>
<th>2016/17</th>
<th>2017/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>National</td>
<td>95.6</td>
<td>97.1</td>
<td>98.9</td>
<td>94.1</td>
</tr>
<tr>
<td>Education</td>
<td>95.8</td>
<td>97.3</td>
<td>96.2</td>
<td>77.1</td>
</tr>
<tr>
<td>Health</td>
<td>95.6</td>
<td>96.0</td>
<td>74.3</td>
<td>64.3</td>
</tr>
<tr>
<td>Social protection</td>
<td>100.0</td>
<td>97.3</td>
<td>87.5</td>
<td>84.4</td>
</tr>
<tr>
<td>Water and sanitation</td>
<td>92.1</td>
<td>87.1</td>
<td>87.5</td>
<td>72.8</td>
</tr>
</tbody>
</table>

Source: Calculated using budget execution reports.
5. Decentralization of the budget in social sectors

The social sector budgets allocated to districts have increased over the past five years, from FRW 176.2 billion in 2014/15 to FRW 230 billion in 2018/19. In the education sector, budget allocations increased from FRW 102.7 billion to FRW 143.5 billion. The health and social protection budgets increased from FRW 32.6 billion to 39.6 billion and FRW 31 billion in 2014/15 to 39.6 and 37.3 billion in 2018/19 respectively. A slight nominal increase, from 9.9 billion to 10.2 billion, was also observed in the budget allocated to water and sanitation activities (Figure 9).

Figure 9: Budget allocated at district levels (decentralized entities)

Source: Calculated using National Budget Laws
The expected total revenues, grants and loans for the total state budget in 2018/19 amount to FRW 2,443.5 billion. Tax revenues and other non-tax revenues combined, amount to FRW 1,507.6 billion, representing 61.7 per cent of the total. Grants amount to FRW 396.2 billion (16.2 per cent). Proceeds from borrowing were FRW 531.3 billion, representing 21.7 per cent of the total (Figure 10). Rwanda’s main lenders for FY2018/19 are: (i) Bilateral (Export Import Bank of China, Export Import Bank of India, Saudi Fund, Kuwait Fund), and (ii) Multilateral (International Fund for Agricultural Development, the Organization of the Petroleum Exporting Countries, International Development Association, African Development Fund).

As the Government of Rwanda has a proven track record of effective and efficient use of official development assistance, there is much potential to mobilize additional external resources to support financing for development in the country.

The Government of Rwanda needs to strengthen mechanisms of recording off-budget funds, which also contribute to the country’s socioeconomic development activities.
The Government of Rwanda has established the PFM sector with the primary mission of “ensuring efficient, effective and accountable use of public resources as a basis for economic development and poverty eradication through improved service delivery.” The Public Expenditure and Financial Accountability Assessment for 2016 revealed that fiscal discipline in Rwanda is reasonably good and works well. Most elements in the overall PFM system that contribute to achieving fiscal discipline are sound.

The Government of Rwanda has elaborated a new PFM Sector Strategic Plan (2017/18–2023/24) aligned with the NST 1. The PFM strategic plan provides a framework for the following functions: (i) economic planning, (ii) budgeting, (iii) revenue management, (iv) procurement, (v) accounting, (vi) auditing, and (vii) monitoring and evaluation of government programmes and projects.

During the next six years, the PFM strategy will focus on the following priorities:

- Developing a critical mass of professionally qualified and competent PFM staff to achieve and sustain excellent PFM systems
- Developing an adequate policy and regulatory framework for minimum PFM competency requirements, training policies, career progression, staff reward and retention strategies
- Strengthening the organizational and governance arrangements for the effective implementation of PFM learning and development interventions
- Developing mutually beneficial stakeholder partnerships through adequate stakeholder partnership management plans and recognition agreements.

### Figure 11: Audit trends, institutions and report issued

![Figure 11: Audit trends, institutions and report issued](image_url)

Source: Calculated using OAG reports

### Figure 12: Audit coverage, clean audit and implementation of OAG recommendations

![Figure 12: Audit coverage, clean audit and implementation of OAG recommendations](image_url)

Source: Calculated using OAG reports
7.1. PFM and supreme oversight: Auditor General’s reports

The Office of the Auditor General of State Finances (OAG) was established as the Supreme Audit Institution (SAI) of Rwanda. The OAG was created in 1998, and it became an SAI in 2003 with the following mandate:

- Auditing revenues and expenditures of the state as well as local administrative entities, public enterprises, parastatal organizations and government projects
- Auditing the finances of the institutions referred to above, particularly verifying whether expenditures were in conformity with laws and regulations in force and of sound management, and whether they were necessary
- Conducting all audits of accounts, efficient management and control of the functioning of state organs and institutions mentioned above.

7.1.1. Trends of PFM audits

PFM audits have been increasing in number and coverage of consolidated national expenditure. The number of public entities and projects audited increased significantly in the past years, from 131 audit reports in 2014/15 to 165 reports in 2017/18. Within the same period, the number of clean audit reports (unqualified audit opinions) increased from 57 to 82 reports, reflecting an increase of 43.8 per cent (Figure 11).

Audit coverage between 2014/15 and 2017/18 increased from 81 per cent to 86.4 per cent. However, when it comes to the implementation of the Auditor General’s recommendations, the rate has declined from 60 per cent to 48 per cent (Figure 12). The decrease in compliance with AOG recommendations constitutes a concern for PFM reforms.

7.1.2. Rwanda ranking in the Open Budget Index

The Open Budget Survey assesses budget transparency based on the amount and timeliness of budget information governments are making publicly available. Each country is given a score of between 0 and 100 that determines its ranking within the Open Budget Index. According to the 2017 Open Budget Survey, Rwanda overall continues to rank among countries publishing limited budget information to the public. Across three indicators of assessment, Rwanda scored as follows:

- Transparency: 22 out of 100
- Public participation: 13 out of 100
- Budget oversight: 59 out of 100.

To improve its open budget index, the Rwandan Ministry of Finance and Economic Planning (MINECOFIN) has increased the number of budget documents and annexes being published online. In collaboration with Parliament, MINECOFIN will publish periodically and on time detailed budget information, including a citizens’ budget. However, the following aspects linked to overall budget transparency need to be taken into consideration:

- There is a need to strengthen the capacity of government budget managers in PFM, with the goal of increasing the number of clean audit reports (unqualified audit opinions)
- Public agencies should endeavour to implement the Auditor General’s recommendations to increase accountability, effectiveness and efficiency in the use of public funds
- MINECOFIN needs to:
  - Foster timely publication of the following budget reports online: in year, mid-year and end year reports
  - Promote participatory budgeting and social audits
- The Government of Rwanda needs to consider setting up an independent fiscal institution to support effective parliamentary scrutiny of public finances and fiscal policy.
8. Key events in the government budget calendar

<table>
<thead>
<tr>
<th>Month</th>
<th>Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>November</td>
<td>• Training of ministry districts and agencies on planning and budget requirements, including training on the Integrated Financial Management Information and System (IFMIS) planning module, and data entry into IFMIS</td>
</tr>
</tbody>
</table>
| End November/December | • Inter-sectoral consultations, including districts and the private sector  
                              • Joint planning session between central and local governments, including infrastructure needs  
                              • Submissions of planning documentation to the Ministry of Finance and Economic Planning                                            |
| January                | • Planning consultations (ministers present sector plans)  
                              • Public investment committees  
                              • Dissemination of the second planning and budget call circular                                                                           |
| February               | • Preparation of budget proposals, including earmarked transfers to districts  
                              • Budget submissions in ‘smart IFMIS’ and organization of budget consultations                                                            |
| April/May              | • Conduct forward-looking joint sector reviews  
                              • Submission of Budget Framework Paper to Parliament and parliamentary budget hearings                                                            |
| June                   | • Approval of Finance Law by Parliament                                                                                                      |
Endnotes

1. The inflation rate that includes volatile commodities with fast-changing prices.

2. The country’s ability to cope with external shock using its foreign reserves for imports.


6. The total poverty line was computed at FRW 159,375 (US$ 195.5) per adult equivalent per year, and the food (‘extreme’) poverty line at FRW 105,064 (US$ 128.6). (NISR, 2016).

7. ‘Improved drinking water source’ includes piped water on premises (piped household water connection located inside the user’s dwelling, plot or yard), and other improved drinking water sources (public taps or standpipes, tube wells or boreholes, protected dug wells, protected springs and rainwater collection).


9. The Open Budget Survey (OBS) was launched in 2006 by the International Budget Partnership (IBP) and is the world’s only independent, comparative assessment of the three pillars of public budget accountability: transparency, oversight and public participation. The sixth round of this biennial assessment, the 2017 survey, evaluated 115 countries across six continents, adding 13 new countries to the survey since the last round in 2015.