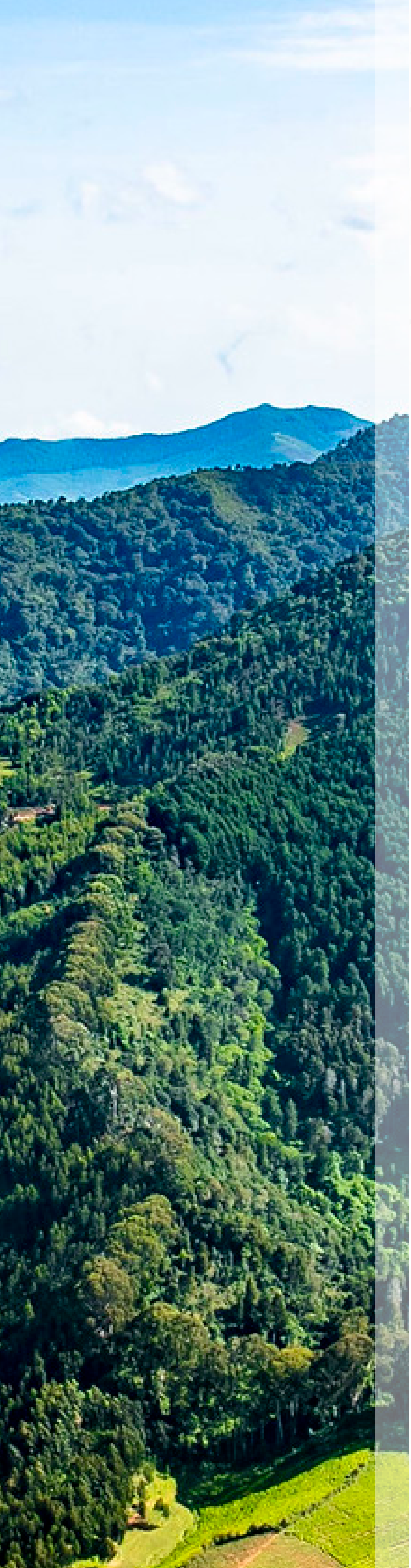
Republic of Rwanda

NATIONAL INVESTMENT POLICY

APRIL, 2023



NATIONAL INVESTMENT POLICY

CONTENT

FOREWORD

The 2023 Public Investment Policy sets out a comprehensive framework for public investment management. It comes at a critical time as the Government -intensifies its efforts to fast-track the implementation of its development agenda, as detailed in the National Strategy for Transformation (NST1) (2017-2024) and Vision 2050.

Over the last two decades, Rwanda has registered a robust and sustained economic performance and social development. Its first 5-year Economic Development and Poverty Reduction Strategy (EDPRS) (2008-12) was adopted in 2007, followed by the second, EDPRS- 2, (2013-2018), in 2012. Both were in line with Vision 2020 and enabled Rwanda to achieve substantial improvements in the economic and social targets and indicators, such as a reduction in poverty, and increase in life expectancy at birth, and a sharp decline in infant and maternal mortality. The National Strategy for Transformation (NST1) (2017-2024) was adopted in 2017, to build on the achievements of EDPRS 2, accelerate economic transformation and poverty reduction as well as sustain a high rate of inclusive economic growth, with the private sector at the helm. NST1 lays the foundation for the achievement of the aspirations of Vision 2050, which includes transforming Rwanda into an upper-middle income country by 2035, and a high-income country by 2050, with high standards of living for all Rwandans.

To achieve the targets of EDPS2, NST1, and SDGs, as well as the goals of Vision 2020, the Government adopted the National Public Investment Policy in 2017, to improve the efficiency and efficacy of public investment management, enhance the coordination between public and private investments, and promote the involvement of the private sector in public investments, through PPPs and Joint Ventures. Since then, there have been significant changes in the medium and long-term development agenda of the country, which have necessitated the updating of the 2017 NIP to integrate emerging issues. These changes included Vision 2050 that was adopted in December 2020, AU Agenda 2063, and the National Land Use Master Plan.

FOREWORD

There was also a need to enhance the inclusion of environmental, social and governance (ESG) considerations in the investment cycle for inclusive and resilient growth in both public and private investment undertakings. Rwanda also adopted the Enhanced Nationally Determined Contributions (NDCs) in 2020 and the revised Green Growth and Climate Resilient Strategy (GGCRS), committing itself to become a developed, climate-resilient, and low carbon economy by 2050. These required the mainstreaming of climate change, climate resilience, and low carbon development in key sectors of the economy. They also required the promotion of green investments, through initiatives aimed at unlocking green finance and promoting Rwanda as a green financial center, in line with Rwanda's sustainable finance roadmap.

In addition, the Ministry of Public Investment and Privatization was established to promote and facilitate public investments that are profit-oriented, ensure that the Government's investment portfolio is managed effectively, and to manage the privatization process of state-owned enterprises and assets.

It is against this background that the national investment policy (NIP) was revised. The revision provides the necessary tools for the effective and efficient implementation of the Government's medium and long –term development agenda. The extensive review process involved wide-ranging consultations with all stakeholders, both within and outside Government, including non-state actors which will guarantee ownership. It culminated in the approval of the revised NIP by Cabinet in April 2023.

It is, therefore, with gratitude that I present the revised national investment policy which will guide the processes and procedures for public investment management in the country. I, therefore, call upon institutions in both central and local government to implement the policy actions in the management of the entire project cycle.

The Ministry of Finance and Economic Planning (MINECOFIN) is ready to support stakeholders across government, private sector, development partners, and civil service organizations in the use of the revised NIP, to ensure that public investments are properly aligned with national priorities going forward. The Ministry will work with other institutions to put in place necessary measures, to facilitate the implementation of the guidelines in the NIP.

On behalf of the Government of Rwanda, I wish to express my gratitude to all stakeholders, who participated in the consultations and contributed to the formulation of this revised National Investment Policy (NIP). It was an effective consultative and iterative process. I, therefore, urge every stakeholder, including Government Ministries, Departments, Agencies, the private sector, development partners, and civil society organizations to support the implementation of the NIP.

Dr. Uzziel NDAGIJIMANA
Minister of Finance and Economic Planning

LIST OF ABBREVIATIONS AND ACRONYMS

AfCFTA	Africa Continental Free Trade Area
AU	African Union
BDF	Business Development Fund
BNR	National Bank of Rwanda
CSO	Civil Society Organization
DDP	District Development Plans
DP	Development partners
EDPRS	Economic Development and Poverty Reduction Strategy
ESG	Environmental and Social Governance
FDI	Foreign Direct Investment
FONERWA	The Rwanda Green Fund
GDP	Gross Domestic Product
GMO	Gender Monitoring Office
GoR	Government of Rwanda
GPMU	Government Portfolio Management Unit
HEC	Higher Education Council
HVAC	Heating, Ventilation, and Air Conditioning
ICT	Information and Communication Technology
IMF	International Monetary Fund
KPI	Key Performance Indicators
LGPAC	Local Government Projects Advisory Committee
LODA	Local Administrative Entities Development Agency
MIFOTRA	Ministry of Public Service and Labour
MINAFFET	Ministry of Foreign Affairs
MINAGRI	Ministry of Agriculture and Animal Resources
MINECOFIN	Ministry of Finance and Economic Planning
MINEDUC	Ministry of Education
MINICOM	Ministry of Trade and Industry
MINICT	Ministry of ICT and Innovation
MININFRA	Ministry of Infrastructure
MOE	Ministry of Environment
MOH	Ministry of Health
MTEF	Medium-Term Expenditure Framework
NAEB	National Agricultural Export Development Board
NDPR	National Development Planning and Research Department
NIRDA	National Industrial Research and Development Agency

LIST OF ABBREVIATIONS AND ACRONYMS

NISR	National Institute of Statistics of Rwanda
NST	National Strategy for Transformation
NWC	National Women Council
NYC	National Youth Council
PIC	Public Investment Committee
PIMA	Public Investment Management Assessment
PPP	Public-Private Partnerships
PS	Private Sector
PSF	Private Sector Federation
RAB	Rwanda Agriculture Board
RBC	Rwanda Biomedical Centre
RBS	Rwanda Bureau of Standards
RCA	Rwanda Cooperative Agency
RCAA	Rwanda Civil Aviation Authority
RDB	Rwanda Development Board
REB	Rwanda Education Board
REG	Rwanda Energy Group
REMA	Rwanda Environment Management Authority
RGB	Rwanda Governance Board
RHA	Rwanda Housing Authority
RISA	Rwanda Information Society Authority
RISA	Rwanda Information Society Agency
RNP	Rwanda National Police
RRA	Rwanda Revenue Authority
RSB	Rwanda Standards Board
RSSB	Rwanda Social Security Board
RTDA	Rwanda Transport Development Agency
RURA	Rwanda Utilities Regulatory Authority
RWFA	Rwanda Water and Forestry Authority
SDG	Sustainable Development Goals
SMEs	Small and Medium-Sized Enterprises
SOE	State Owned Enterprise
UNFCCC	United Nations Framework Convention on Climate Change
USD	United States Dollar
WDA	Workforce Development Authority

CHAPTER 1: **OVERVIEW**

1.1. Background

This revised National Investment Policy serves as a framework for effective and efficient public investment management. The policy aims at strengthening public investment planning and management based on the consistent application and use of measures for the proper project identification, selection, appraisal, implementation, monitoring and evaluation. It is also a guide on how to promote public-private investments in the quest for sustainable development of the country.

1.2. Mandate and scope

This policy, having been approved by Cabinet, shall guide public investment management and related activities by the Central Government, the Local Government and any other public agencies involved directly or indirectly with the allocation and use of public investment resources and, in the identification, appraisal, selection, management, monitoring and evaluation of public projects. Public investment decisions shall be based on the contribution to the attainment of the objectives of the country's development agenda as presented in the NST1, the SDGs Agenda 2023, Vision 2050, the EAC Vision 2050, the AU Agenda 2063, the Africa Continental Free Trade Area (AfCFTA), the Paris Agreements on Climate Change and other regional and international commitments.

The policy shall also be a reference guide for the mobilization, promotion and facilitation of private, domestic and foreign investment as well as the design and facilitation of public-private partnerships and other forms engagement between the public and private sectors for the promotion of investments in the country.

1.3. Role of investment in Rwanda's development aspirations

Both public and private investments play a critical role in the development aspirations of Rwanda as outlined in the country's Vision 2050, NST1 and other high level strategy documents. In the [1]*Future Drivers of Growth in Rwanda*, a number of factors have been highlighted as the ones that will accelerate Rwanda's attainment of its development goals and these are

a. Human capital and innovation
b. Transformation through trade
c. Faster urbanization and greater agglomeration
d. Competitiveness and Enterprise Development for Innovation-Led Growth
e. Transitioning Agriculture and Food as an Engine of Growth
f. Capable and Accountable State Institutions

Rwanda has chosen to become a green economy through the implementation of the Revised Green Growth and Climate Resilience Strategy (GGCRS). The revised GGCRS takes into account the numerous commitments of the government of Rwanda at the national, regional and at international level on Climate Change and the Green Economy aspirations leading to a 'developed, climate –resilient and low carbon economy by 2050'[2].

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[1]*World Bank and Government of Rwanda, 2020. Future Drivers of Growth in Rwanda: Innovation, Integration, Agglomeration, and Competition. Washington, DC: World Bank.*
[2]*Republic of Rwanda 2021, Revised Green Growth and Climate Resilience Strategy of Rwanda*

Rwanda has identified the above factors as the critical drivers of growth, and so public and private investments shall be directed into these areas so that the anticipated rates of economic growth can be attained and the country's Vision 2050 targets are reached. It should be noted that the same factors above have been summarized in the Vision 2050.

Although this policy focuses mainly on public investment, there is a clear recognition that public investment is necessary to catalyze, but not crowd out private sector to play its critical role of producing goods and services for both domestic consumption and for export. It is through this synergy between the public and the private sectors that drives economic growth and development thereby generating the resources needed to address the economic and social challenges that the nation faces.

1.3.1. Economic Growth

Investments stimulate economic growth by creating new businesses, expanding existing ones, and driving innovation and productivity in the country. This leads to creation of increased employment opportunities and higher incomes for Rwandans.

1.3.2. Inclusive and fair development

Investments within the framework of the revised policy support inclusive development by promoting gender equality and creating equal opportunities for all including women, youth, and people living with disabilities. This further helps to reduce inequality and promote gender transformative and socially inclusive development in Rwanda.

1.3.3. Infrastructure Development

Investments also focus on supporting infrastructure development in the country such as roads, airports etc...which are critical to connecting Rwandan businesses to regional and global markets. This will enhance Rwanda's competitiveness and attract more investment to the country.

1.3.4. Human Capital Development

Investments support human capital development by providing funding for education and skills training programs. This helps to address skills gaps and ensure that Rwandans are equipped with the skills they need to succeed in the modern global economy that is getting increasingly sophisticated through rapid technological transformation requiring 21st century skillset to thrive.

1.4. Basis for the Review of the 2017 National Investment Policy

This policy review has been necessary on account of the following compelling factors:

a. Alignment with National Development Goals

Since 2017, the country has revised its medium term and long term development agenda and adopted a number of significant policy changes to achieve its vision for the future. The role of investments-public and private-in achieving this vision is clearly recognized and articulated. The Vision 2050 sets a more ambitious target of achieving upper middle income status by 2035 and high income status by 2050 thereby need for more swiftness and strategic positioning in attracting investments. Other strategy statements include the SDGs, the EAC Vision 2050, the AU Agenda 2063, and the NDCs among others.

According to the 2022 IMF PIMA report, Public investment has averaged around 10 per cent of GDP since the early 2000s with the share increasing to around 12 per cent of GDP prior to the onset of COVID-19. Private investment has also increased significantly, but the share of public investment has been consistently around half of total investment.

The current investment policy which was mainly aligned to Vision 2020 has been revised to reflect such higher ambition- including promotion of diverse, innovative and blended sources of finance.

b. Incorporating new strategic goal / objective of promoting Green Investments

Rwanda has embarked on an ambitious agenda for becoming a climate-resilient, low-carbon economy by 2050. To achieve this status, implementation of the measures stipulated in the revised Nationally Determined Contributions (NDCs) would cost Rwanda $11b for a period of 10 years (2020-2030)[3]. This clearly indicates the need to strengthen climate-sensitive public as well as private investment management practices. Rwanda has committed itself to the net zero agenda by 2050.

Recent developments in climate financing have promoted a shift from project based to Programmatic and coordinated approach that promotes long-term, coordinated and more predictable provision of climate finance around a nationally owned unified vision. In the case of Rwanda, the Green Growth and Climate Resilience Strategy (GGCRS) approved by GoR Cabinet in February 2023 seeks to implement and deliver on the Vision 2050 Carbon neutral and climate resilience targets.

It is the need to integrate these significant developments that made the revision of the 2017 NIP necessary. This will ensure that public investments are allocated and implemented in a manner that reflects the development aspirations of the country and delivers the much needed growth for the Rwanda we want[4].

c. Integrating the Climate Change Commitments into the investment cycle

Rwanda has committed itself to become a developed, climate-resilient, and low carbon economy by 2050. Rwanda's Green Growth and Climate Resilience Strategy (GGCRS) aligns with the Vision 2050 to ensure it defines a development pathway for Rwanda that is climate resilient and harnesses green economic innovation.

[3] *Republic of Rwanda, 2020 Rwanda Updated NDC, May 2020 pp 16*
[4] *Republic of Rwanda, 2020, Vision 2050 Abridged English Version pp 5*

This will be achieved through infrastructure and systems that enable low-carbon growth and sustainable resource use, the natural capital and associated spatial development that ensure sustainable development, and the human capital development and economic inclusion that will build the resilience of the Rwandan people.

To respond to pressing challenges climate and environment, the country's recently revised National Determined Contributions (NDCs) outline the country's commitments to reducing greenhouse gas emissions and adapting to the impacts of climate change. Rwanda's NDCs were first submitted to the United Nations Framework Convention on Climate Change (UNFCCC) in 2015 and were updated in 2020.

The NDCs set ambitious targets for reducing greenhouse gas emissions whereby the country aims to reduce its emissions by 38%[5] by 2030 compared to business-as-usual levels. This reduction is equivalent to 4.6 million tons of carbon dioxide equivalent (CO2) per year. Rwanda's NDCs also include a target for achieving universal access to electricity by 2024 and increasing the share of renewable energy in the national energy mix to 42% by 2021.

NDCs are integral to the Green Growth and Climate Resilience Strategy, Rwanda's long term climate change vision which aligns with and is planned to implement Vision 2050. Broad based climate finance access modalities require investment plans that are programmatic and able to attract platform financing. GGCRS provides a critical entry point to a fully integrated approach to climate, development, and green growth and offers a predictable mechanism for accessing climate finance at speed and scale that is responsive to Rwanda's ambitious climate action,

To achieve the GGCRS and therefore NDC targets, a range of policy measures and investment priorities[6] are outlined which include (i) Scaling up renewable energy; (ii) Promoting energy efficiency; (iii) Reducing emissions from agriculture and (iv) Strengthening climate resilience among key economic and social sectors. To date, access to climate finance has been slow, complex, resource intensive, uncertain, and project based offering a piecemeal response to Rwanda's needs. Thus, a transformational shift towards a program-based investment planning is crucial to delivering long term climate action outcomes.

One of the key benefits of using the NDCs as a guideline for investment policy and planning is that it will help to ensure coherence between Rwanda's development goals and its climate objectives. The NDCs provide a roadmap for transitioning towards a low-carbon and climate-resilient economy while also supporting sustainable development objectives such as poverty reduction, job creation, and economic growth.

Secondly, using the GGCRS and the integral NDCs as a guideline for investment policy and planning is that it helps to attract finance and investment from international partners. Many international climate funds require countries to demonstrate that their investment priorities align with their NDCs and long term climate strategies. By aligning its investment policy with the NDCs as integral to GGCRS, Rwanda can access a wider range of climate finance options and attract investment from International partners.

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[5] *Republic of Rwanda, 2020, Rwanda Updated NDC May 2020, pg 13*

Lastly, using the GGCRS and NDCs as a guideline for investment policy and planning helps to ensure that public resources are used efficiently and effectively. By prioritizing investments that contribute to the country's climate goals, the GoR can maximize the impact of its investments and ensure that public resources are directed towards programs/projects that deliver long-term benefits for the country

d. Changing global economic landscape

The global investment landscape is constantly evolving, and Rwanda's investment regime needs to remain relevant and competitive in the face of these changes. Countries that are responsive and adoptive to these evolving changes remain attractive to investors and Rwanda needs to position itself through a relevant and rapidly adaptive investment policy framework.

e. Alignment with the latest Investment Code or Law

The current investment Policy was adopted in 2017 while its complementary legal framework, the new Investment Code/Law which is aimed at increasing both domestic and foreign direct investment was promulgated in 2021 with some new policy orientation. These changes in the new investment code mainly relate to the need to promote greater flexibility to adapt to evolving priorities and new information; paying more attention to services, maximizing effectiveness and ensuring that incentives more explicitly target investments that would not have been made otherwise; prioritizing *"efficiency-seeking"* FDI and maximizing cost-effectiveness where incentives ought to be time-bound and performance-based.

There is therefore need to align with the related strategic documents guiding investment promotion in the Country.

f. Inclusion and emphasis of leaving no behind as per the commitment to deliver on the 2030 Agenda

Much as the first Planning and Budget Call Circulars issued by MINECOFIN on annual basis as well feasibility study guidelines promote job creation and gender equity, the current policy does not adequately emphasize the elements of inclusion for the different categories including youth, women and people with disabilities. This is to be emphasized for Rwanda to continue the pace especially in this decade of action to deliver on the Sustainable Development Goals.

g. Need to integrate latest developments in the Coordination Framework of Public Investments Management

New changes such as the new Ministry in charge of Public Investments and privatization will need to be captured in the framework for management of public investments to show the distinction between the roles and responsibilities to avoid confusion among investors.

CHAPTER 2: STRATEGIC FRAMEWORK FOR PUBLIC AND PRIVATE INVESTMENT

2.1. Foundations of the policy

This policy draws its mandate from the various policy statements of the government of Rwanda indicating the strategic direction of the country's development trajectory. In particular, the policy vision is inspired by the Vision 2050 aspirations, the SDGs, the EAC Vision 2050, the AU Agenda 2063, the AfCFTA and different climate change commitments summarized in the NDCs that is integral to GGCRS among other commitments.

The policy is fully anchored in the national planning framework and is adopted by Cabinet to guide all public and private entities in the decisions about investment in the country. Building on the 2017 policy, this policy extends the scope of investments covered to include the private sector. The policy does not replace other sector policies; rather the NIP emphasizes the need to align all these policies to the broader development agenda of the country in the choice of investments to undertake and implement.

For the public sector, the policy covers all investments undertaken by public sector entities at the central and local government levels. This includes public investments which are of a commercial nature. In other words, the policy deals with what is traditionally regarded as "public investment", which refers to capital investment in public goods, like physical assets / infrastructure (e.g. property, roads, government buildings, etc.), and soft assets / infrastructure (e.g. human capital development, innovation support, research and development and also with capital expenditure on commercial goods and businesses[7]. This means investing in commercially driven enterprises that are expected to generate positive cash flows and/or generate beneficial effects for the development of key sectors in the Rwandan economy. It is in this regard that the government of Rwanda established a Ministry responsible for managing these kinds of investments.

For the private sector, this policy recommends the need to address the issues associated with investor confidence, investment promotion and facilitation, investment registration and aftercare services in order to increase levels of both domestic and foreign direct investment to the country.

In addition, this policy requires the government and the private sector to identify as many opportunities for PPPs in the different sectors of the economy as possible. Figure 1[8] below shows the structure of investment goods covered.

Building upon this definition the National Investment Program shall cover all investments in capital assets as well as in all developmental projects. This means on the hand to include all projects in the National Investment Program, which are listed in the development budget and on the other hand to encompass all other investments, including shares and guarantees, which may be budgeted for under recurrent expenditure.

This approach serves the purposes of availing structured information on public investments in a proven manner, to inform and align all investment decisions by government and to allow for provision of credible data about the increase of Rwanda's capital stock.

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[7] *Ministry of Finance and Economic Planning, 2017, National Investment Policy pp 8, 9*

8 Ibid, pp 9

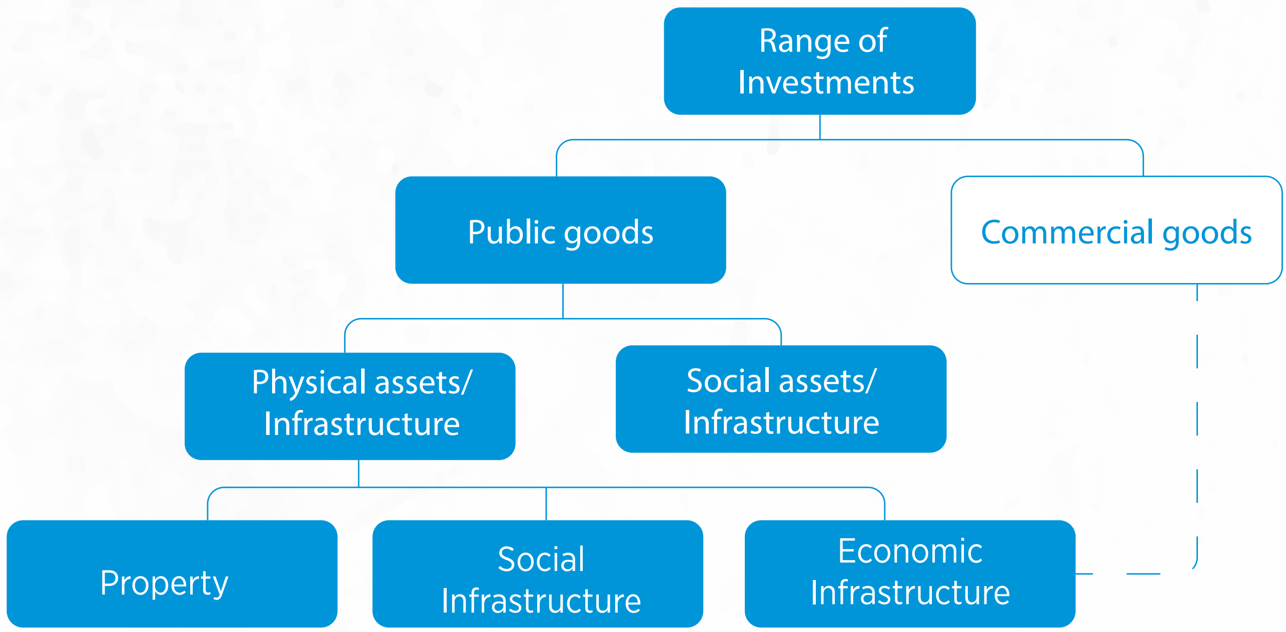


Figure 1: Structure of investment options covered

Following this line of thinking means knowingly accepting that some projects or programs listed in the National Investment Program will not be capital investments in the sense, that they do not generate gross fixed capital formation (GFCF), which as such has to last longer than one year, with measurable return on the invested sum. This applies in particular to technical assistance projects.

2.2. Goal of the Revised National Investment Policy

The goal of the revised national investment policy is to ensure the efficient and effective mobilization, allocation and management of public investments, in a sustainable manner to ensure that the different short-term and long-term development objectives of the country are achieved. The policy also serves as a guide to mobilizing private domestic and foreign direct investment into priority economic activities for the creation of jobs, increasing the revenue base and transfer of technology and skills needed for sustainable inclusive economic and social development. The expected outcome of this policy is that by 2050, Rwanda will be a private sector driven, gender transformative climate sensitive, socially inclusive and resilient knowledge-based economy.

2.3 Strategic Objectives

The strategic objectives of this policy are:

a. To integrate the medium term and long term development agenda of the country at all levels of public investment

These include NST1, SDGs, Vision 2050 and all its regional and international commitments (EAC Vision 2050, AfCFTA, AU Agenda 2063) among others. Embedded in these goals are specific sector goals such as those of the industrial sector, agriculture, education, health, ICT among others. These have to be integrated into the public investment planning and management across all levels of government and throughout the investment cycle

b. To enhance the effectiveness of public investment management across all levels of government and throughout the investment cycle

Addressing the efficiency and effectiveness of public investment management through coordinated programmatic approach among other measures remains critical for the country. A number of measures need to be implemented to improve the efficiency and effectiveness of public investment management and these include:

» Investment Planning
- Operationalize the 2018 project appraisal guidelines and selection criteria, including climate considerations, at MINECOFIN website
- Ensure that the Government IFMIS is developed to provide adequate support to the public investment process

» Investment allocation
- MINECOFIN to issue multiyear budget ceilings at the Budget Agency and district level earlier in the budget preparation process as an annex to the Budget Outlook Paper and solicit Cabinet approval prior to issuance in the second Budget Call Circular
- Develop guidelines and thresholds for maintenance that include specific methodologies and thresholds for routine and major maintenance

» Investment implementation
- Progress reports should include all details on physical and financial progress, including key dates and risks to better inform management decisions
- The ex-post evaluation process for large projects shall be strengthened including the requirement for such projects to be evaluated comprehensively

c. To integrate environmental and social governance (ESG) in the investment cycle for inclusive and resilient growth in both public and private investment undertakings.

Integrating environmental concerns, social issues and corporate governance matters has become an essential and integral part within the entire investment cycle. Rwanda is a signatory to the Paris agreement and aspires to be a 'developed climate-resilient, low-carbon economy by 2050'.[9]

[9] *Republic of Rwanda 2021, Revised Green Growth and Climate Resilience Strategy of Rwanda, pp*

The transition to net zero carbon status required that climate change becomes a cross cutting issue across the spectrum of sector and institutional investment plans. Entities will increasingly be required to demonstrate how they are incorporating ESG in their plans in order to access public funds for capital expenditure.

In particular, programs/projects will be required to demonstrate how they address the issues of emissions and other climate change interventions throughout the investment cycle in line with the country's nationally determined contribution and in alignment with the s Green Growth and Climate Resilience Strategy.

In addition to the above considerations, investment programs/projects will be required to incorporate impact on gender, youth, persons with disabilities and the elderly as identified in the country's social sector strategic plan and in line with commitments.

d. To ensure the implementation of the Revised Green Growth and Climate Resilient Strategy (GGCRS) and the revised NDCs

The policy encourages the promotion of green investments through initiatives such as promoting green procurement as well as the Sustainable finance roadmap (2022-2029), aiming at unlocking green finance and promoting Rwanda as a green financial center. The policy will promote innovative approaches and diverse set of instruments to mobilize sustainable finance that specifically target the country's adaptation and mitigation goals. Non-debt as well as debt based solutions will be applied in a complementary fashion through initiatives such as the IREME INVEST that can catalyze private investment in climate sensitive programs and projects. The Ireme invest is a USD 100M facility that aims at boosting private sector access to green finance. It was launched by President Paul Kagame at COP 27 as a facility 'to support Rwanda's private sector to access green finance and increase the sector's contribution to the country's response to climate change'[10]

Rwanda has demonstrated a strong commitment to green growth and climate resilience, as evidenced by its ambitious green and sustainable urbanization and renewable energy targets and investments in sustainable agriculture. The establishment of the Ireme Invest (Green Finance Facility) managed by FONERWA and BRD among other initiatives, is further evidence that Rwanda is determined to achieve its Climate Change commitments through innovative enterprise climate sensitive financing.

To effectively implement the GGCRS, Rwanda shall adopt different policy initiatives including the following:

I. Design and develop GGCRS based investment plans on priority sector interventions. A program-based investment planning will provide a roadmap for implementing sustainable development initiatives around four thematic areas of the current strategy as follows: (i) Green industrialization and trade, (ii) Green Urban transition and integration, (iii) Sustainable land use and Natural Resources Management, and (iv) Vibrant Resilient Rural Livelihoods.

II. Guide Rwanda's key economic sectors around the identification of measures, interventions and sector actions for green growth and climate resilience, ensuring that key economic sectors catalyse and/or enable access to predictable green and climate finance at speed and scale to foster and support their cumulative, cross-sectoral impact at a national scale.

10 https://www.brd.rw/rwanda-launches-100-million-facility-to-boost-private-sector-access-to-green-finance/4/47/2023 at 10:57

III. Widen the scope of the green finance market, as part of the broader capital market development effort, to help mobilize financing and provide a roadmap for implementing sustainable development initiatives (the current strategy is built around three main pillars: (i) sustainable agriculture land use and management, (ii) sustainable energy, and (iii) sustainable transport). This will require actions by financial regulators and supervisors to implement environmental, social and governance standards in operations of Rwanda's financial institutions as well as developing a pipeline of bankable and monitorable green programs/projects.

In particular, introduce new financial products through support of new technical knowledge, e.g., to develop crop and livestock insurance products tailored to meet the needs of smallholders. Accelerate and diversify operational modalities of the Ireme invest including access to blended funds that improve affordability and access to finance sustainable development programs/projects by providing them with financing, technical assistance/ capacity building and other resources to benefit from the financial instruments on offer (grants, loans, equity investments, and guarantees).

IV. Encourage private sector investment in sustainable development by incentivizing them through tax breaks, grants, and other innovative financial incentives.

V. Strengthen environmental and social governance frameworks to ensure that businesses operate in an environmentally and socially responsible manner by developing regulations and standards for environmental and social performance, and also enforcing these standards through regular audits and inspections by responsible institutions.

e. To continuously support the improvement of the business environment in the country by addressing challenges faced by both domestic and foreign investors

Rwanda has made tremendous progress in improving the environment for doing business. This is validated by its performance in the World Bank 'Doing Business Report' 2020 where the country has consistently improved its ranking. The country therefore, needs to consolidate the gains registered and take additional measures to address the areas where its scores have not been impressive. Some of the areas highlighted in the report for further action included protection of minority rights, enforcing contracts, resolving insolvency and dealing with construction permits. RDB has addressed some of the concerns and continues to do so. The legal, policy and related measures to continue to make Rwanda a friendly investment destination will be put in place and existing ones reviewed to achieve that purpose.

f. To enhance the capacity of government across all levels to generate a steady stream of high-quality public and PPP bankable projects for investments

It has been noted that one of the challenges with attracting investment in the country has been the dearth of well prepared, well appraised bankable projects. There is need to prepare, appraise and continuously update a pipeline of high quality programs/projects from the different sectors. These projects can then be 'sold' to the private sector for funding. The absence of such programs/projects has been attributed to the limited capacity of public entities to generate them. This, in turn, is a result of limited technical capacity within the entities. In some cases, technical assistance has supported such efforts but there is limited knowledge transfer and so once the technical assistance dries up, the internal capacity is still limited.

Some sectors require complex skills to generate programs/projects and the skills may be in very limited supply.

The required capacity development interventions will be developed to enhance the skills of concerned entities and their staff in program/project proposal development.

Transformational changes and urgent actions have been recommended across four aspects of climate and development resourcing that can lead to a measurable shift in access to climate finance at scale. These include climate finance, access to finance, responding to impacts, and debt and fiscal sustainability. Investment in High quality skills development is key & urgent in this 4th Industrial revolution, for Rwanda to compete regionally and worldwide. This will in turn require programmatic approach to investment planning as well as country owned coordinated delivery of technical assistance that supports efficient and effective national capacities for sustained preparation and implementation of cross sector programs.

g. Strengthening Land Management to support the investment climate

Land management that includes land rights and optimal land use is a prerequisite to sustain the investment climate that exists. The focus should be on the following:

I. Developing land use master plans that guide investment on land

II. Sustain land rights through strengthening the land administration information system in order to continue securing these rights

III. To ease the access of updated land information to investors and to inform the Government for planning purposes

IV. Strengthen land use monitoring in order to ensure the implementation of land use plans an exemplary land service delivery

V. Enhance land service delivery through transparency and clarity that promote land governance in order to encourage investments on land.

2.4. Policy Guiding Principles

The following key principles will support the achievement of the objectives of the National Investment Policy and ensure that the policy is implemented to attain optimal results:

2.4.1. Alignment with national goals and priorities

Identification and selection of all projects shall be guided by national priorities laid out in strategic documents, e.g. the NST1, the SDGs, National Vision 2050, EAC Vision 2050, and AU Agenda 2063, NDCs etc.

2.4.2. Leveraging private sector

Rwanda aspires to be a private sector led economy in line with the Vision 2050. National investments will as much as possible leverage additional private sector financing.

2.4.3. Sustainability

At all times and at all levels, investment design and selection shall consider environmental and economic impacts as well as gender and social inclusion impacts.

2.4.4. Promotion of local content and encouraging local participation

Investment designs and selection shall consider the objectives of knowledge transfer and promotion of the local economy, especially targeting the creation of local jobs as much as possible as well as empowering local businesses (Micro, Small and Medium Enterprises) and communities by providing both men and women with equal opportunities to participate in the investment process and to benefit from its outcomes is a cardinal principle.

2.4.5. Value for money

All projects, regardless how they are implemented, shall deliver optimal value for money and contribute to growth by maximizing the efficiency through better selection, preparation and management of investments.

2.4.6. Effectiveness and impact orientation

The selection and design of future projects shall be driven by systematically assessed experiences about achieved impacts and lessons learnt from ongoing and completed projects.

2.4.7. Efficiency of investments

This will be achieved by ensuring investment selection and design take into consideration the importance of reducing fragmentation and scattering of resources wherever possible while increasing complementarity of projects.

2.4.8. Transparency and reliability

All procedures and decisions within the public investment management shall be transparent to all stakeholders to ensure sound understanding and good predictability of resource allocation.

2.49. Coordination and accountability

The roles and responsibilities of all involved stakeholders shall be clearly described to ensure proper and effective coordination across sectors and government levels and to enable all institutions to plan and implement projects/programs effectively.

2.4.10. Autonomous decision taking by Districts

Based upon the principle of decentralization, investment management at local government level will be autonomous as provided by the Decentralization policy. For purposes of coordination across the country, central government institutions will provide advisory and quality assurance support.

2.4.11. Clear policy framework for private investment

In addition to the investment policy, the government has to put in place other policies, regulations and procedures to facilitate investors. Key polices in this regard include trade policy, competition policy, and tax policy. Additional policies covering corporate governance, promotion of responsible business conduct, human resource development, infrastructure and financial sector development are necessary to ensure that private investments are undertaken in an environment that is investment friendly.

2.4.12. Regular evaluation of impact of measures/reforms

The policy shall be periodically and continuously assessed to evaluate the achievement of pre-set objectives and its impact. The policy implementation framework that forms part of this policy provides a detailed breakdown of institutional responsibility and accountability for the implementation of specific actions. A biannual meeting bringing together public institutions (MDAs), the private sector and CSOs shall be organized to assess the progress in the operationalization of the investment policy and its related impacts and challenges.

CHAPTER 3: INSTITUTIONAL FRAMEWORK FOR POLICY IMPLEMENTATION

3.1. Formulation and Implementation Oversight of Investment related policies[11]

The implementation of the revised Investment Policy is a critical process that requires a very high level of coordination and communication among the various Government Ministries, Departments and Agencies that deal with investment matters

The Governance framework for the implementation of the NIP has three levels, namely: Direction; Coordination and Execution. The highest level (Direction) will be coordinated by a Public Investment Committee (PIC) chaired by MINECOFIN. The PIC will be responsible for overseeing and taking the necessary actions in order to guarantee that the different activities of the Action Plan and Monitoring Mechanism are completed, and the results achieved within the planned time frame. The committee will focus on directing, enabling and safeguarding operations.

For each of the other levels, there are government agencies that participate with specific roles and responsibilities. The integration and functioning of the three levels are crucial for the success of the NIP. The implementation of the NIP requires coordination by the Rwanda Development Agency (RDB), with cooperation among all actors involved in attracting FDI into Rwanda so as to position the country as an attractive investment destination through image-building activities, investment generation, investor servicing/facilitation and policy advocacy. The policy names key partner ministries, agencies and other stakeholders that will have roles to play in supporting its implementation.

Efficient and effective implementation of investments requires a strong institutional framework with clear roles and responsibilities. In pursuit of the objectives and principles of this policy, the government of Rwanda approach to investment will be applied in accordance with the legal provisions of the various Arms of Government namely; the Executive, Legislature and Judiciary.

Government will also work closely with various stakeholders, including the Private Sector, Development Partners and Civil Society Organizations (CSOs) to achieve the objectives of the policy. The institutional arrangement presented here will deliver efficient, productive and effective investments in the country. Government will adopt a multi-sectoral programmatic approach on public investment. The policy will leverage programmatic planning and implementation using a holistic, integrated, multi-sectoral approach that promote economic and ecological and human linkages to optimize resilience and sustainability of sector interventions.

3.1.1. Role of Cabinet

Cabinet is responsible for formulation and approval of the National Investment Policy. It is the discretion of Cabinet to designate a public body responsible for the implementation and oversight of the policy. Unless otherwise, it is assumed that MINECOFIN will continue to be the custodian of the policy, and therefore responsible for its implementation and will be accountable to stakeholders including Cabinet.

[11]This section of the revised NIP retains the 2017 section because the legal and institutional framework has not changed by much with the exception of the creation of MININVEST. It may be necessary to restructure the PIC to include MININVEST.

3.1.2. Role of Parliament

Although parliament is not directly involved in policy formulation and approval, the Executive may call upon parliament from time to time to enact laws and regulations that support the government's efforts to improve both public and private investment performance. Such laws and regulations related to investment may include trade, land, taxation, intellectual property, competition, labour market regulation, environmental policies and access to land. Also, the laws and regulations provide for investor obligations and guide investors on how to comply with the national laws. The laws and regulations relating to all investments and investors and their implementation and enforcement will be clear, transparent, and readily accessible to all investors, and shall not impose unnecessary burdens to the investors.

Implementation of laws pertinent to investment in Rwanda is done by the relevant regulatory bodies of Government. Key amongst them are Rwanda Development Board (RDB); Local Administrative Entities Development Agency; Rwanda Utilities Regulatory Authority (RURA), Rwanda Environment Management Authority (REMA); Capital Markets Authority Rwanda; and Rwanda Revenue Authority

3.1.3. The Judiciary

The judiciary, on its part, is responsible for supporting contract enforcement through adjudication and other mechanisms of dispute resolution so as to resolve any critical differences relating to investment amongst different parties. Investors are required to comply with all national laws, regulations, polices and other guidelines that relate to investment including establishment, acquisition, management and operation of investments, corporate governance and environmental protection among others.

3.1.4. Role of District Councils

In the course of investment planning, implementation and monitoring, District Councils are involved as key decision-makers for investments in the respective districts.

3.1.5. Public Investment Committee

The Public Investment Committee (PIC) is a body that approves new investment projects on central government level, which meet the requirements for implementation. The PIC is chaired by a high-level representative of MINECOFIN. The Committee also comprises of high-level representatives of key spending ministries and agencies.

3.1.6. Local Government Projects Advisory Committee

The Local Government Projects Advisory Committee (LGPAC) is a body, which advises on the quality and relevance of new projects that meet the requirements for implementation on district level.

The LGPAC is chaired by a high-level representative of MINECOFIN and co-chaired by a high-level representative of MINALOC. The Committee is constituted by high-level representatives from Provinces and key spending ministries.

3.1.7. PPP Steering Committee

As per Law Nº 14/2016 of 02/05/2016 governing public private partnerships, the PPP Steering Committee will take over the gateway and oversight function of PPP projects. The Steering Committee is specifically responsible for approving the shortlisted bidders and the preferred bidder for a PPP project.

3.1.8. Sector Clusters

These are forums bringing together high level decision makers in government for the purposes of improving coordination. Three main clusters exist namely: Economic, Social and Governance. These shall be convened through the respective lead Ministries designated by the Office of the Prime Minister to discuss investments that require consensus among stakeholders. Clusters shall also review progress reports on investments and help to unblock implementation challenges or bottlenecks.

3.2. Ministry of Finance and Economic Planning

A high-level representative of the Ministry of Finance and Economic Planning (MINECOFIN) will chair the Public Investment Committee and the Local Government Projects Advisory Committee. Various departments in the Ministry are empowered with key roles for the implementation of the National Investment Policy:

3.2.1. National Investment Department

The National Investment Department (NID) serves as the technical secretariat for PIC. The main mandate of the office is to coordinate the implementation of the National Investment policy to fast-track the realization of the National Development Agenda. The office coordinates new investment analysis and programs/projects design approval process working with both (internal and external) different stakeholders. The office also develops a pipeline of programs/projects to be implemented in the medium term that require Domestic and External financing.

3.2.2. National Development Planning and Research Department

The National Development Planning and Research Department coordinates the preparation and implementation of the National Development Agenda for accelerated socio-economic transformation. The department will monitor and present to PIC progress report on ongoing programs/projects for the purpose of reviewing progress and help to unblock implementation challenges or bottlenecks to ensure timely, efficient and effective delivery of results

3.2.3. National Budget Department (NBD)

Key responsibilities of the National Budget Department (NBD), which are linked to the investment process, are coordinating the formulation of the annual National Budget and the Medium Term Expenditure Framework. The department also covers Budget policy formulation, which includes: forecasting, monitoring and reporting on the implementation of the National Budget.

3.2.4. Office of the Government Chief Economist

Regarding the investment process, the Chief Economist's Office has key responsibilities of mobilizing external resources to finance investments in addition to assessing and advising on the macro-economic impact of investments.

3.3. Rwanda Development Board (RDB)

RDB is in charge of attracting private investments from both domestic and foreign (FDI) sources. RDB also serves as the secretariat of the PPP Steering Committee as per Article 2 of the Prime Minister's Order determining the functioning of the Public Private Partnership (PPP) Steering Committee. In line with article 10 of law N º 14/2016 of 02/05/2016 "governing public private partnerships", RDB's role also comprises the function of a specialized advisor for the preparation and implementation of PPPs. This role includes coordinating the negotiation of strategic investments and Joint Ventures with potential investors as well as following up the actualization of investments attracted.

3.4. Ministry of Local Government

A high-level representative of the Ministry of Local Government (MINALOC) will be a member of the Local Investment Advisory Committee. With LODA being an agency of MINALOC, key administrative procedures for planning and implementation of local government programs/ projects are located within this Ministry.

3.4.1. Local Administrative Entities Development Agency

The Local Administrative Entities Development Agency (LODA) / Fiscal Decentralization will take over key responsibilities in the public investment process on local government level and will, therefore, serve as the technical secretariat for LGPAC. LODA also monitors execution of public investments undertaken through Districts. LODA further works with the National Budget Department in MINECOFIN to support Districts in preparing investment related spending plans.

3.4.2. Districts

Relating to investments, Districts are in charge of identifying suitable programs/projects according to strategic guidelines set by ministries. Identified development projects are compiled in District Development Plans (DDPs). During the planning and implementation of these projects, Districts are responsible for coordinating required activities. This includes ensuring a proper monitoring and evaluation system is in place for the execution of the programs/projects under their supervision.

3.5. Ministry of Trade and Industry

Under the directorate of Trade and Investment, the Ministry of Trade and Industry ensures the implementation of domestic trade policies and trade strategies through coordination and supervision, coordinating bilateral cooperation agreements on trade promotion and investment, advising the government on national, regional and international trade policies, strategies and regulations that ought to be implemented and their impact.

3.6. Budget Agencies

Budget Agencies are entities whose activities are financed by the State Budget. Budget Agencies (BA) are the executing institutions; their responsibility covers the proper handling of investments from identification to implementation and operation according to respective rules and regulations.

3.7. The Ministry of Public Investment and Privatization (MININVEST)[12]

- The mission of the Ministry of Public Investments and Privatization is to promote and ensure productivity of profit oriented public investments and privatization. The Ministry has the following responsibilities;
- To develop national policies, laws, strategies and programmes on profit oriented public investments and privatization;
- To identify and analyze strategic opportunities for profit-oriented public investments leading to the economic growth of the country;
- To monitor the performance of profit oriented public investments to ensure their financial and economic viability;
- To identify public investments that must be privatized and modalities of the implementation of their privatization;
- To identify and optimize the Government assets through strategic monetization;
- To monitor, coordinate and evaluate the implementation of policies, strategies and programs related to public investments and privatization

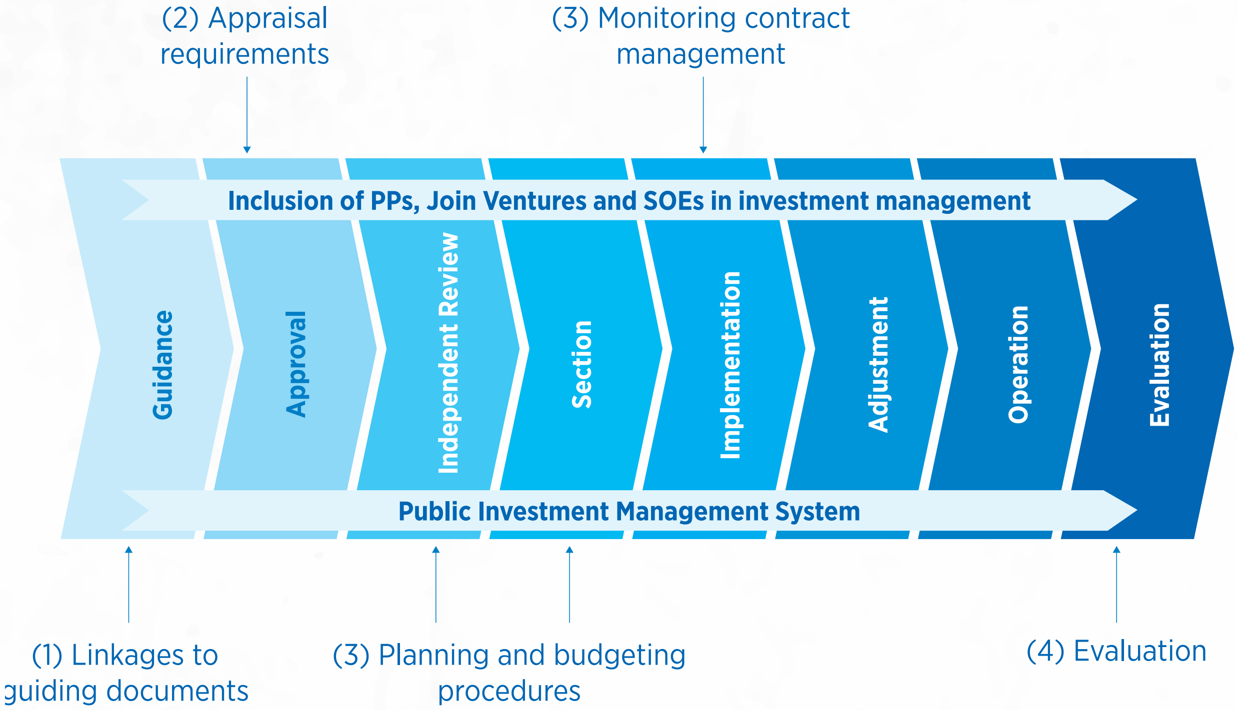
3.8. Line Ministries, Agencies

Relating to investments, Line Ministries and their agencies are in charge of identifying suitable programs/projects in line with their sector strategy and coordinating required activities during the planning and implementation of these projects. This includes ensuring a proper monitoring and evaluation system is in place for the execution of the programs/projects under their supervision. It is also envisaged that there will be sector wide programs/projects that will be prioritized by the sector steering committee.

CHAPTER 4: PROCEDURES FOR THE MANAGEMENT OF NATIONAL INVESTMENTS

The public investment process covers the program/project life cycle Procedures targeted by the policy are designed along key phases of the public investment management process, reaching from initial guidance up to evaluation feeding back into guidance for future programs/projects:

Figure 2: Key areas of the Public Investment Management Process[13]



The following steps are followed:

I. The first step in investment planning is to establish investment objectives. This involves identifying the reasons for investing, such as economic growth, income generation, job creation, capital preservation, or a combination of these objectives. Establishing clear investment objectives helps to guide the investment planning process and enable decision-makers to evaluate investment opportunities against set goals. It is important at this time to include climate change objectives as well as gender inclusive objectives as well.

II. After establishing investment objectives, the next step is to evaluate investment alternatives. This involves assessing various investment options and selecting those that align with the established objectives.

III. Once investment alternatives are identified, they must be analysed to determine their potential risks and returns. Investment analysis involves assessing financial data, market trends, and other factors that could impact the investment's performance. This analysis helps decision-makers to evaluate the potential returns of each investment alternative, identify potential risks, and determine the investment's suitability.

[13]MINECOFIN, 2017, National Investment Policy, pg 17

IV. Based on the results of the investment analysis, decision-makers can then develop an investment plan. The investment plan outlines the selected investment alternatives, investment strategies, asset allocation, risk management measures, and performance benchmarks.

V. The final step in investment planning is to monitor and review the investment performance regularly. This helps to ensure that the investments are performing as expected, and adjustments can be made to the investment plan when necessary.

4.1. Strategic Guidance for Investment Planning

The investment planning process involves the identification of investment needs and the prioritization of investment programs/projects based on their potential impact on the economy and society. This is done through a consultative process involving all relevant stakeholders. Investment planning is a layered process beginning with the national level planning

At the national level, the identification and prioritization of public investments is guided by the country's development priorities as pronounced in different national development instruments (NST1, SDGs Agenda 2030, Vision 2050, EAC Vision 2050, AU Agenda 2063, the Enhanced NDC etc) and related investment objectives.

The next level investment planning is informed by macroeconomic analysis and targets, driven by the medium term macroeconomic policy priorities e.g. Sufficiency of investment levels as percentage of GDP14 with regard to targeted growth rates, appropriateness of the cross-sectoral distribution of investment also taking into consideration employment effects, complementarity of public and private investments as well as conduciveness for domestic and foreign investment.

At sector level, decisions are guided by sectoral strategies and policies, including e.g. Trade policy, Agriculture Policy etc. This implies that investment planning at sector level is crucial and the necessary capacity to engage in the investment planning process must be developed.

Finally there is need to ensure that the country's international (regional, continental and global) commitments are duly complied with and integrated into the public investment planning. At this point, it is necessary to align the public investment planning with such instruments as the EAC Vision 2050, the AU Agenda 2063, the Paris Agreements on Climate Change etc).

4.2. Program/Projects initiation

Both public and private entities can initiate programs/projects for implementation. Private enterprises invest in the provision of private goods. However, some private investors may be interested to provide public goods. The public sector is entrusted with the provision of public goods. There are cases where these overlap.

[14] *MINECOFIN, 2017, National Investment Policy 2017, pg 17*

Government will continue to invest in the provision of basic public goods to the extent possible through its various channels. Government will also promote joint provision of certain public goods with the private sector under different arrangements preferably through PPPs.

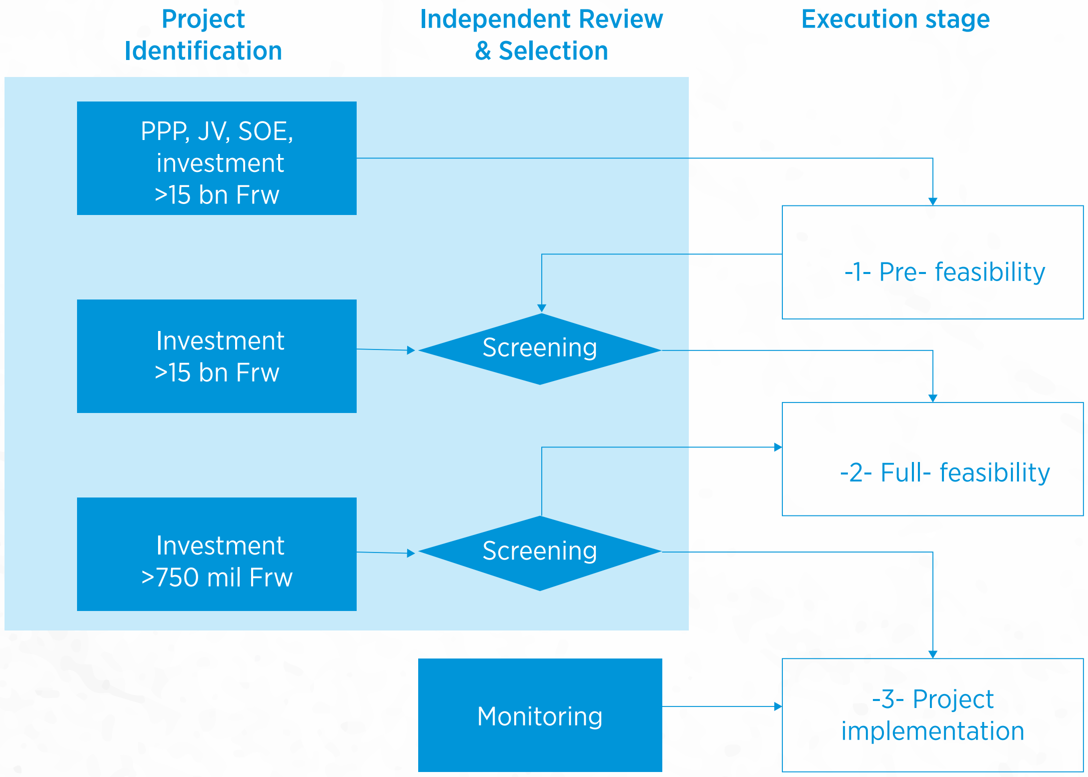
The manner in which the public and private sector entities can engage to provide certain public goods is prescribed in the PPP law and the PPP guidelines.

4.3. Investment Appraisal

One prerequisite for an efficient implementation of appropriate investments is a sound preparation process. To ensure that projects are adequately prepared to be delivered in time and on budget, specific levels of appraisal are required, before a project will be considered for implementation it will go through a thorough screening and appraisal process.

Investment appraisal is the process of evaluating investment projects to determine their feasibility and potential for success. A comprehensive framework for investment appraisal is used and includes the following steps:

Figure 3: Thresholds for appraisal requirements[15]



[15] Ibid, pg 18

All new proposals for full-feasibility or project implementation will have to be submitted with a project profile document (PPD), which includes basic project information, and an additional concept note describing the design of the requested project (full-feasibility or investment) to ensure that the project is accurately costed and can be tendered and implemented in time and in budget. Depending on the type of investment, its size and the envisaged way of implementation different levels of appraisal are necessary, see Figure 3:

- Pre-feasibility studies help to identify relevant alternatives before undergoing a full-fledged feasibility study. Pre-feasibilities assess a project's readiness, desirability, viability and most appropriate form of implementation. The intention is to identify and exclude unsuitable projects from further preparation and assessment with a reasonable input of resources. Pre-feasibility studies can be carried out internally without prior screening by an Investment Committee.
- Feasibility studies will be used to assess proposed projects in detail on a quantitative basis requiring comprehensive analysis of market conditions, technical, social, environmental, financial and economic issues depending on the nature of the project in order to determine the optimal project design and form of implementation. Requests for feasibility studies have to be submitted according the standard planning and budgeting guidelines issued by MINECOFIN to be screened by the respective Investment Committee.

The updated 2018 Project Appraisal Guidelines selection criteria including climate consideration can be accessed at MINECOFIN website. To increase the transparency of the project appraisal process, Major project appraisal documents shall be made publicly available on the MINECOFIN website.

4.4. Investment Budgeting

The investment budgeting process in Rwanda involves the allocation of resources to priority investment programs/projects identified through the investment planning and appraisal process. This is done through the annual budget process, which sets out the government's spending priorities for the year ahead. The budget is prepared in line with the Medium-Term Expenditure Framework (MTEF), which is a three-year budget planning tool that provides a framework for budget preparation and expenditure control.

The investment budgeting process for public projects in Rwanda involves several steps, including:

I. Identification of public projects which involves identifying potential public projects that align with the government's objectives and goals for instance to facilitate economic growth.

II. The costs associated with each public project are then estimated, including direct and indirect costs, such as labour, materials, equipment, and other expenses. The government may also consider financing options, such as loans, grants, equity finance or PPP to fund public projects.

III. The expected returns from each public project are then estimated, including revenue, cost savings, or other benefits such as increased economic activity, job creation, and improved living standards.

IV. Based on the estimated costs and returns, the most viable public projects are selected within the available budget. The government may prioritize investment in projects that have the highest expected returns and align with the country's development objectives.

V. After the selection of public projects, resources are allocated towards the selected projects or initiatives. The government may also consider public-private partnerships to finance and implement public projects.

VI. The public projects are monitored and evaluated regularly to ensure that they are on track and achieving their expected returns and benefits. The government may adjust its investment budgeting plan based on the results of the monitoring and evaluation process.

4.5. Monitoring and Evaluation

Public investment monitoring refers to the on-going process of tracking and evaluating the progress of public projects against their planned outcomes and objectives to ensure that they are meeting their intended goals and objectives. There should be a comprehensive framework for monitoring public investments which includes the following steps and activities:

I. Establishing monitoring systems by setting up systems to collect and analyze data on project performance, such as progress reports, financial reports, and key performance indicators.

II. Conducting regular monitoring activities by reviewing project reports and data, visiting project sites, and meeting with project stakeholders to assess progress and identify any issues or challenges that need to be addressed.

III. Identifying and addressing potential project risks and challenges to project success and taking steps to mitigate them.

IV. Adjusting project plans as needed based on the monitoring data to better align with project objectives and ensure project success.

V. Reporting on project progress and sharing reports them with project stakeholders, including government officials, donors, and the public.

This process is critical in ensuring that public projects are delivering the intended benefits and maximizing the value of public resources and also helps to identify areas for improvement, reduce the risk of project failure, and ensure that public resources are being used efficiently and effectively.

4.6. Ex-post Evaluation[16]

Evaluation is the systematic and objective assessment of an on-going or completed project with regard to its results and impacts at defined stages. Ex-post evaluations are intended to determine the extent to which the project achieved its objectives in terms of its impact on key variables. Ex-post evaluations are carried some years after project completion at a time when it is assumed that the project impacts have been felt. The purpose is to assess the impact/ outcome of the project and to determine any lessons learnt for future project design.

[16] *MINECOFIN, 2017 National Investment Policy 2017, pg 24*

Generally, the following are the steps followed when conducting the ex-post project evaluation:

The first step is to define the objectives and scope of the evaluation. This involves clarifying the purpose of the evaluation, the questions it seeks to answer and the specific aspects of the project that will be evaluated. It is also important to define the timeframe for the evaluation as this will determine which data sources are available and how much time and resources will be required for the evaluation (Bamberger, Rugh, & Mabry, 2011).

The second step is to collect data on the project's performance and outcomes. This may involve reviewing project documentation, conducting surveys or interviews with project stakeholders and analyzing project data such as budgets, timelines, and outputs. It may also involve collecting data on the project's impact such as changes in knowledge, attitudes, or behavior among project beneficiaries (Bamberger et al., 2011).

The third step is to analyze the data collected and draw conclusions about the project's performance and outcomes. This involves comparing actual project performance to the planned goals and objectives, identifying the factors that contributed to the project's success or failure, and assessing the project's overall impact and sustainability (OECD, 2010).

The fourth step is to communicate the findings of the evaluation to project stakeholders. This involves presenting the key findings and conclusions of the evaluation in a clear and accessible format, and making recommendations for future project planning and implementation (Bamberger et al., 2011).

Undertaking ex-post project evaluation in large projects requires careful planning and allocation of adequate resources (Bamberger, Rugh, & Mabry, 2011).

Here are some of the key requirements for conducting ex-post project evaluation in large projects:

Adequate resources

Large projects require significant resources for evaluation, including personnel, time, and funding. Adequate resources should be allocated to ensure that the evaluation is comprehensive and provides meaningful insights.

Clear evaluation objectives

The evaluation should have clear objectives and be designed to answer specific questions about the project's performance and outcomes. This requires careful planning and consultation with stakeholders to identify the most important evaluation questions (Bamberger et al., 2011).

Access to data

Large projects generate a significant amount of data, including project documents, financial data, and performance data. The evaluation team must have access to all relevant data sources to ensure that the evaluation is comprehensive and accurate.

Stakeholder engagement

Large projects involve multiple stakeholders, including project staff, funders, and beneficiaries. The evaluation team must engage with all relevant stakeholders throughout the evaluation process to ensure that their perspectives and feedback are taken into account (Bamberger et al., 2011).

Rigorous evaluation methods

The evaluation must use rigorous methods to analyze data and draw conclusions about the project's performance and outcomes. This may involve using statistical methods to analyze data, conducting surveys or interviews with stakeholders, and reviewing project documentation (Bamberger et al., 2011).

Evaluation expertise

Large projects may require specialized expertise to conduct the evaluation, such as expertise in specific sectors or methodologies. The evaluation team should have the necessary expertise to design and implement the evaluation effectively.

Timely reporting

The findings of the evaluation should be reported in a timely manner to ensure that they can be used to inform future project planning and implementation. This may require developing a clear reporting schedule and ensuring that all stakeholders receive timely and relevant information about the evaluation's findings.

4.7. The choice of suitable forms of investment implementation

The appropriate form of investment mode to be used for public investment will be determined by the nature of the program/project and the available funding alternatives possible. To the extent possible, private sector involvement should be encouraged. The choices range from a wholly public sector funded project to a fully private sector funded program/project. It should be noted that the form a PPP project takes depends on the sector, the risk allocation and the nature of the financial resources available to the contracting parties.

Programmatic climate investments present opportunities to deliver a transformational change in access to climate finance at the national and local levels even as an opportunity for mainstreaming climate action across sectoral priorities. There is growing commitment to align climate finance integrated programmatic response underpinned by effective engagement of public and private sector actors, drawing from in country-led coordination. It is important to consider transition from project-based support, target multi-year and outcome-based climate financing investment plans that facilitate blended finance to catalyze and unlock private investments. Such finance flows have the potential to spur transformational shift to improve predictability speed and scale in access to climate finance.

Private sector programs/projects do not require public funding. A private investor registers his/her investments with RDB and is issued an investment registration certificate. To access incentives, the investor fulfills certain requirements and the process continues from there.

The government however promotes private investments through a number of incentives as provided in the Investment Law and other related laws and regulations and policies. These policies include taxation policy, competition policy trade policy, and industrial policy among others

4.8. Public Private Partnerships(PPPs)

PPPs are a potential tool for delivering public investments. But they are complex and need to be properly structured. PPPs in Rwanda are governed by the PPP law Nº 14/2016 of 02/05/2016. In particular, the law

I. prescribes the scope of PPPs and how they can be initiated, implemented and monitored. Article 3 identifies four categories of PPP arrangements namely management contract, build-operate-own, build-operate-transfer and lease-operate-develop.

II. indicates which sectors in which PPPs can be promoted for delivering services

III. elaborates the processes from initiating a PPP proposal all the way to entering into an implementation contract between a contracting authority and a partner or a special purpose vehicle.

PPPs can be applied in different sectors and the manner in which PPP contracts are structured and managed will differ from one sector to another and from one project to another. Overall, there are certain principles that have been identified as success factors for PPPs in developing countries. Rwanda will strive to promote PPPs to the extent possible for different investment projects.

a. Implementation of PPPS and Joint Ventures

As has already been shared, PPPs can help improve project selection, by harnessing the analysis, ideas and expertise of private sector investors, whose financial returns depend on getting cost and revenue forecasts accurate. Both solicited and unsolicited sources of proposals are allowed under the PPP law. The following process[17] as described in the 2017 National Investment Policy will continue to be followed in the implementation of PPPs and Joint Ventures:

After project approval, responsibility for project implementation will pass to the sponsoring Budget Agency which may be a ministry or an agency

b. Tendering and negotiation of PPPs

According to the PPP Law, Rwanda Development Board (RDB) acts as the lead negotiator during negotiations relating to a PPP agreement. For a gateway and oversight function on central level throughout the various stages of the procurement procedures, the PPP Steering Committee is authorized to approve tender documents, selection of bidders (shortlisted bidders) and processing of procurement up to selection of the preferred bidder (refer to the Law Governing PPPs). The District, LGPAC, or LODA may request RDB to assist with the negotiation of PPPs on local level.

[17] *Ibid, pg 26*

To ensure prudent debt management, information about the details of the financial agreements are to be shared with and assessed by MINECOFIN. The affirmation is a strict precondition for signing the contract. A formal request for a change of budget has to be filed by the sponsoring Budget Agency when needed.

c. Monitoring of PPPs

For PPPs, the sponsoring Budget Agency – line ministries and districts – are responsible for monitoring service delivery against the terms set out in the concession Agreement. Generally, according to the PPP Law monthly reports will be prepared and addressed to the PPP Steering Committee.

On a quarterly basis, the Budget Agency will be required to provide information on physical progress and expenditure to MINECOFIN or LODA using standard report cards. For PPPs on district level, LODA will check and consolidate the information and send it to MINECOFIN.

According to the standard monitoring procedures, MINECOFIN screens and consolidates information on PPPs on central level and prepare a quarterly report, encompassing PPP projects on both levels. This brief is integrated into the overall project reporting to be submitted to Cabinet for information and taking of necessary decisions.

During their operational phase, PPPs are subject to a quarterly monitoring procedure by the contracting authority in order to inform MINECOFIN on compliance with contractual obligations; this includes potential generation of revenues.

At District Level, the Chief Budget Manager shall ensure that those PPP arrangements are monitored on a quarterly basis and reported to MINECOFIN (FDU) through LODA.

d. Implementation of Joint Ventures

If the feasibility study indicates that a commercial project should be carried out partnering with a private investor targeting know-how and technology transfer and if the requested budgetary means are approved, then the project is marketed and promoted by the respective Budget Agency or District.

Since a Joint Venture is commercial in nature targeting mainly private and potentially public customers, the initiation of Joint Ventures follows a path deviating from common public procurement procedures. Usually, mobilizing private and in particular foreign investment into publicly driven investments needs a procedure focused on communication and negotiation with potential partners. In pro-active (industrial) investment planning Public Private Dialogues are organized in order to obtain concrete matches of investment intentions and required public support measures.

The negotiation of Joint Ventures on Central Level is supported by RDB and MININVEST. They take over this task on Local Level, if requested by the specific District, LGPAC, MINECOFIN or LODA. Special attention is paid to the governance structures to ensure an adequate representation of the public party in the Board of Directors (or similar body).

To ensure sound financial management, JV agreements are shared with by MINECOFIN. The affirmation is a strict precondition for signing the contract. A formal request for a change of budget has to be filed by the sponsoring Budget Agency when needed.

Joint Ventures under operation (including start-up phase) form part of the government's portfolio of public shareholdings and are monitored accordingly by MININVEST in collaboration with RDB.

4.9. Portfolio Management and Monitoring Shareholdings

Tracking of private investments

Tracking private investments is a crucial part of managing investments in the country. The Government of Rwanda keeps track of investments in private sector projects, in order to estimate the total level of private investment and monitor the growth of private investments against the targets set out in the various development agendas of the country. For this revised policy, the relevant development agendas are the Vision 2050, the EAC Vision 2050, the SDGs and the different commitments on Climate Change namely the Paris Commitments and the Nationally Determined Commitments among others.

The responsibility for tracking private investments falls under the Rwanda Development Board, which shares the information with MININVEST. The tasks undertaken by RDB to track private investments are set out below.

- RDB registers and monitors all new private investments. RDB already performs this function by issuing Investment Certificates to new investors, and allocating an Aftercare Officer to provide support to each project once an Investment Certificate has been issued.
- RDB submits quarterly reports to MINECOFIN on forecast levels of private investment.
- RDB submits an annual report on the actual estimated level of private investment in the previous year, drawing on surveys of investment actually undertaken
- All projects with an investment value exceeding USD 2,000,000 are identified within the RDB quarterly report to support economic planning.

4.10. Managing key investments data

Establishing a Public Investment Management System (PIMS)

The Integrated Financial Management Information & System (IFMIS) has been expanded to also serve as Public Investment Management System (PIMS), a customized web-based database system. It has been designed to prepare a proper ground for the efficient and effective delivery of public investments. It is upgraded from time to time to keep it abreast with current developments. The PIMS contains four essential modules:

Pipeline Module

Projects approved by the investment committees, which have not obtained funding in the current fiscal year are considered for funding the following financial year. These investments are systematically recorded in the pipeline module according to their preparation status *(e.g. "ready for feasibility funding", "under appraisal", "ready for investment")*. By this means a reliable and transparent pipeline of sound project concepts evolves, including projects targeted to be carried out as PPPs, Joint Ventures or SOEs. By passing through the screening process, it will be ensured that all listed projects / investments have sound information showing: a convincing concept, their feasibility and strategic alignment, representing key sectors targeted by the government.

This pipeline is used as reliable source for a pro-active marketing of projects by either RDB or MINECOFIN or Line Ministries, when looking for investors or external funding sources.

Project Module

This module facilitates the registration, screening / selection and allocation of funds during annual budgeting as well as the monitoring and evaluation of projects. Budget Agencies use this module via a web-based interface to register and submit projects for screening /selection during the annual planning and budgeting cycle. To ensure a simple and clear identification of projects during their lifetime, all projects are given a unique code.

The data captured focuses on general project information and details on financing and outputs. To emphasize the importance of medium term expenditure projections both for investment and financing decisions, the database is structured to comprise a breakdown of cost, including maintenance and operation cost, and, if applicable, revenue estimations. To facilitate the strategic management and monitoring of the investment portfolio, this module includes all types of projects.

Investments in form of JVs and SOEs are captured up to the selection stage and the approval for implementation. From then on JVs and SOEs are managed as part of the portfolio of public shareholdings.

PPP Module

This module captures details about the implementation of Public Private Partnership (PPP) projects. The purpose is to support tracking, managing and reporting on all PPPs.

Reporting Module

This module produces management reports and executive summaries of information captured in PIMS to facilitate decision making. It is flexibly designed to create and generate analytical reports according to specific purposes.

4.11. State owned companies

State owned companies, play a vital role in advancing the developmental goals of the country by way of creating jobs and stimulating economic growth and development particularly in areas where the private sector finds too risky or unprofitable to venture. The Government involvement in business, aims to address market failure in case of the absence of private sector interest. The overall aim of the State involvement shall be to create an environment that attracts and gives confidence to the private sector to invest (catalytic investments). Upon the market's readiness to invest, the State shall consider privatizing the entity by selling off its shares.

The state may also consider exiting as a means to increase efficiency of the SOEs and reduction of the financial and administrative burden of managing the SOE on the public sector.

The State shall also establish State owned companies to provide essential/basic services in order to ensure that they are accessible to all Citizens. The ownership of such companies shall be maintained until the Government is confident that its exit shall not compromise the population's access to such services.

The Cabinet shall approve the establishment of a State-owned company and the decision to restructure (Merger/ Amalgamation, absorption/acquisition, demerger) and dissolve a State-owned company.

4.12. State Owned Enterprises and other shareholdings

A state-owned enterprise is a company in which the State is the sole shareholder. Where the Government of Rwanda has a controlling stake (a shareholder) or minority stake (50% shares and below), it shall collaborate with other shareholders to ensure good corporate governance and performance. The shareholders' agreement and other incorporation documents shall ensure that shareholders are treated fairly, their rights are protected and provide regulations for the company's operations as provided by the law.

Indirect shares of the Government are owned by State-owned company; Public institution or Decentralized entities. Owners of indirect shares of Government shall ensure that owned shares are performing, reported and achieve the investment objectives. A legal instrument determines prerequisite on establishment of state-owned companies and rules of their management.

The Government through the Ministry of Public investment shall ensure that profit oriented State owned companies have full operational autonomy to implement strategies to achieve set business objectives aligned with sectorial policies and Government development programs under the supervision of the Board of Directors. The Government expects all State-Owned Companies to be results oriented, transparent, accountable and operate sustainable businesses.

4.13. Capitalization of State-Owned Companies

State owned companies shall be capitalized by the State and is subject of Public Investment Committee approval as provided by the law. Any equity financing provided through the state budget shall be subject to a minimum expected rate-of-return as agreed by the Ministry in charge of public investments. However, State owned companies may use other financing windows for capitalization such as the capital market, development banks, commercial banks or other money lenders approved by the National Bank of Rwanda.

The Government shall provide a guarantee to State Owned Companies when the required loan is huge and meant to finance a developmental project recommended by the Government to advance social or Public/strategic interests. Borrowing by State owned companies is subject to the authorization by the Ministry in charge of finance.

State Owned Companies shall be entitled to receive Government subsidies when tasked by the Government to undertake projects meant to advance social or Public/strategic interests at the price which is less than the market price. All subsidies to State Owned Companies shall be discussed during the budget consultations and an estimate of the amount committed for subsidies shall be included in the State Annual Budget.

A State-owned company's dividends shall be distributed to the shareholders upon the authorization of the Board of Directors and the approval of shareholders during the Annual General Meeting. A dividend shall be paid to shareholders' subject to the satisfaction of the solvency test.

The decision to capitalize or cash the declared portion of the Government dividend shall be decided upon by the Ministry in charge of public investments

4.14. Offshore Investments

State Owned Companies shall undertake overseas investments in bid to develop domestic activities and maximizing shareholders return. A special resolution of shareholders shall be required for offshore investments and the Ministry in charge of Public Investments shall brief the Cabinet about such investments.

The Board of Directors and the head of the State owned company shall ensure that such investments do not divert the company from its core business, put its assets at a risk or expose the Government as the shareholder to reputational risks.

SOEs should be subjected to explicit review of all budgetary financing, current or capital. A national oversight committee in charge of SOEs may be established to monitor the performance of SOEs and make recommendations on how to improve SOE performance. The committee may report to Cabinet on a regular basis to allow for timely interventions.

4.15. Establishment of a State-owned enterprise (profit oriented)

The Line Ministry shall initiate a business concept with the required capital intended to address a specific need in the sector. Based on the business concept, the Ministry in charge of public investments shall develop the feasibility study and/ or a business plan to assess the viability of business concept.

The Ministry in charge of Public Investment shall submit the feasibility study and/ or the business proposal to the Public Investments committee.

Following the approval by PIC, the Ministry in charge of public investments shall submit a Cabinet paper on the establishment of a State-owned company for Cabinet consideration and approval.

The establishment of a State-owned company shall be done concurrently with the appointment of the board of directors as well as the head of the company.

Following the Cabinet approval, the Ministry in charge of public investments shall ensure that the required capital, is budgeted for and form part of the development budget approved by the Parliament.

The Ministry in charge of public investments shall ensure that all newly established State-owned companies are registered at the office of the registrar general.

The registration certificate shall indicate the Government of Rwanda as the shareholder.

Ministry in charge of public investments shall coordinate the entire registration process.

4.16. Establishment of a Subsidiary Company of a State-owned enterprise

The decision to establish a subsidiary company or change the structure of the existing State-owned company to become a holding company, shall require the Cabinet approval. In this regard, the decision shall be initiated by the Board of directors of the state-owned enterprise and follow procedures similar to those of establishing a new State-owned company stated herein.

However, the decision to create a subsidiary company of an existing holding company shall consider following:

- The Board of Directors shall develop and share a concept note on the proposed structure to the ministry in charge of public investments for consideration. The concept note shall clarify the rationale for establishing a subsidiary company including the problem it intends to solve, indicate other available options including advantages and disadvantages of each option.
- The Board shall provide sufficient evidence to confirm that a subsidiary company will not negatively impact the financial performance nor increase the fiscal risk for the Government,
- Subsidiary can handle its operational issues, limit problems for the holding company like potential losses, or lawsuits, will enhance the corporate efficiency and customer service.

The proposal shall be submitted to the Ministry in charge of public investments for comments and consideration.

The Ministry in charge of public investments shall prepare a Cabinet paper for Cabinet consideration and approval.

CHAPTER 5: POLICY IMPLEMENTATION, MONITORING AND EVALUATION FRAMEWORK

Please refer to the annex for detailed implementation (operationalization) framework

5.1. Policy Review

This policy is not static. It can be reviewed from time to time to reflect changing realities. The operationalization of the policy is expected to cause the attainment of the following outcomes (i) GDP growth rate to at least up to 12% by 2035, 10% by 2050 and (ii) Increased private sector investments as a proportion of total investments undertaken.

5.2. Policy Implementation Matrix

The matrix that follows presents a detailed policy operationalization plan involving numerous stakeholders. The purpose of including these stakeholders is to ensure that all sectors of the economy are represented. Additionally, this will enhance accountability during the implementation of the policy actions.

ANNEX 1: POLICY IMPLEMENTATION PLAN

Objective	Activity	Responsibility	Timeline
Awareness about the revised National Investment Policy raised	Produce distributable version of the revised National Investment Policy and disseminate to stakeholders	MINECOFIN	2023
PPP Guidelines updated in relation to risk allocation and guidelines require additions in relation to climate risk allocation	Update the PPP Guidelines	RDB	2023
Guidelines for Appraisal selection criteria including climate consideration	Updating Guidelines for Appraisal selection criteria including climate consideration	MINECOFIN MoE, FONERWA, GMO, CSOs, MIGEPROF	2023
EIA Guidelines updated to clearly indicate how climate issues should be addressed	Update EIA Guidelines	MINECOFIN MoE	2023
Capacity building on appraisal documents	Training on the updated Guidelines for Appraisal selection criteria including climate consideration	MINECOFIN,	2023-2024
Publish project costs and multiyear projections in the budget annexes, or as a standalone budget document, by adapting the data that is submitted and stored in the IFMIS and district MIS.	Design of formats for cost estimates and validation	MINECOFIN	2024
Publish a comprehensive list of PPP projects and projects implemented by Public Corporations as part of its budget documentation.	Design of formats and validation	MINECOFIN MININVEST RDB	2024
Develop methodologies for routine-, and major maintenance, inclusive of indicative cost calculation principals.	Develop methodologies for routine-, and major maintenance	Line Ministries	2024
Automate and publish a pipeline of appraised major projects in order to compare projects within and across sectors, in a transparent and competitive manner and publish detailed selection criteria.	Development of project module and design of document	MINECOFIN	2024

ANNEX 1: POLICY IMPLEMENTATION PLAN

Compile revised monitoring templates to contain all relevant detail for project monitoring	Working sessions	MINECOFIN	2023
Climate Change			
Objectives	**Activities**	**Responsibilities**	**Timeline**
Include climate impact assessment as a mandatory disclosure item in central and local government project appraisal information systems	Training on good practices for project appraisal	MINECOFIN, MINALOC MINENV	2024
Establish standard shadow prices for GHGs in economic analysis of project proposals.	Training on methodology for climate-sensitive project appraisal	MINECOFIN, MINALOC MININVT	2023
Explore options for tagging and incorporating elements of green budgeting. This should build on the PBB streamlining reforms and the recent work undertaken by the EC, OECD, and IMF.	Chart of Accounts design options from other countries	MINECOFIN MoE	2023
Methodology for ex-post reviews in relation to climate mitigation and adaptation to be constructed.	Compile templates	MINECOFIN MoE	2024

The policy actions indicated in this implementation plan include the recommendations of the PIMA and the C-PIMA as well as other recommended actions by different stakeholders.

ANNEX 1: POLICY IMPLEMENTATION PLAN

1. Ministry of Finance and Economic Planning (MINECOFIN)

Role	Practical steps (what and how)	Accountability mechanism	Collaborating Sister Agency
Ensure alignment of the revised investment policy with national development plans and budget priorities	Provide guidance and support to other government agencies regarding their investment programs and initiatives	Publish a consolidated report on major projects in the pipeline by sector. This can help stakeholders to understand the prioritization of projects within each sector and provide input on their importance.	MDAs

2. Rwanda Development Board (RDB)

Role	Practical steps (what and how)	Accountability mechanism	Collaborating Sister Agency
Support the integration of the revised investment policy into investment registration, promotion and facilitation	• Integrate the investment policy requirements (Climate sensitivity) in the feasibility studies and business plans during investment registration (Government of Rwanda, 2018). • This will enable investors to proactively address potential environmental concerns and contribute to sustainable development (World Bank, 2017).	• Establish a clear framework for the implementation of the policy, including a detailed work plan and timeline (will require development of an elaborate implantation strategy) (Government of Rwanda, 2018; World Bank, 2017). • Regular reporting to relevant stakeholders on the progress made towards achieving the set objectives and targets of the policy (Government of Rwanda, 2018). • Regular internal audits to ensure that the implementation process adheres to established procedures and policies (World Bank, 2017).	MDAs

3. Ministry of Trade and Industry (MINICOM)

Role	Practical steps (what and how)	Accountability mechanism	Collaborating Sister Agency
Integrate the investment policy recommended actions into trade and other commercial activities	• Regularly convene inter-agency meetings to align objectives, share progress updates, and address issues that may arise (Investment Policy Guidelines, 2021). • Participate in cross-functional cluster working groups and committees to coordinate the implementation of the revised investment policy Investment Policy Guidelines, 2021).	Establish performance metrics to monitor progress towards the achievement of the objectives of the revised investment policy (MINECOFIN. 2021 & Sullivan and Sheffrin, 2003).	RDB, MINAGR, MoE, RURA MIGEPROF, MINEDUC and PSF

ANNEX 1: POLICY IMPLEMENTATION PLAN

4. Ministry of Public Investment and Privatization (MININVEST)

Role	Practical steps (what and how)	Accountability mechanism	Collaborating Sister Agency
Develop national policies, laws, strategies and programmes on profit oriented public investments and privatization.	• Carry out gap analysis of existing profit oriented public investments legal and regulatory framework; • SOEs performance assessment; • Put in place measures to rectify the identified gaps including policies and laws where necessary.	• Set key performance indicators, targets and the implementation timeframe; • Monitoring regularly the performance progress, compliance issues of policies, laws and regulations and report quarterly and annually to relevant stakeholders	• SOEs • Boards of directors • Relevant line Ministries •
Identify and optimize the Government assets through strategic monetization;	• Carry an inventory of Government assets; • Identify assets that have the potential to generate revenue • Liaise with RDB to attract potential investors	Providing annual report on the performance of Government assets identified	• RDB • MINECOFIN • MINICOM • Other relevant line ministries and stakeholders
Identify and analyze strategic opportunities for profit-oriented public investments leading to the economic growth of the country;	• Research market gaps to inform new investment opportunities • Carry out a feasibility study of potential investment opportunities • Create an investment vehicle • Mobilize the needed investment capital • Establish the governance framework.	Annual assessment on number of identified investment opportunities that have been exploited	• RDB • MINECOFIN • Relevant line ministries

ANNEX 1: POLICY IMPLEMENTATION PLAN

5. Ministry of Infrastructure (MININFRA)

Role	Practical steps (what and how)	Accountability mechanism	Collaborating Sister Agency
Facilitate the implementation of Public-Private Partnerships in infrastructure development	• Facilitate the establishment of public-private partnerships for infrastructure development through the issuance of guidelines and regulations. • Promote private sector investment in infrastructure through the provision of incentives such as tax breaks and streamlined regulatory processes (Kofi, O. et al., 2021).	Provide opportunities for private sector feedback and engagement in infrastructure development processes.	MINAFFE, MINICOM, MINECOFIN, RTDA, RURA, and RDB

6. Ministry of Environment (MoE)

Role	Practical steps (what and how)	Accountability mechanism	Collaborating Sister Agency
Ensure the integration of environment and climate change considerations in public sector investment and development	Develop and enforce environmental impact assessment (EIA) regulations for private sector investments and development projects to ensure that environmental and climate change considerations are integrated into decision-making processes (Karekezi et al., 2019 and (Ministry of Environment, 2021).	Establish a monitoring and evaluation system to track the implementation and impact of environmental regulations, green growth initiatives, and other programs designed to support private sector investment in environmental sustainability (Karekezi et al., 2020).	REMA, FONERWA RDB, MINICOM, RURA and NIRDA

ANNEX 1: POLICY IMPLEMENTATION PLAN

Facilitate the development of green growth and climate-resilient economic opportunities	Collaborate with relevant stakeholders to identify and promote green growth and climate-resilient economic opportunities in key sectors, such as renewable energy, agriculture, and tourism.	Conduct regular audits and assessments of private sector investments and development Programs/projects to ensure compliance with environmental regulations and to identify opportunities for improvement (Government of Rwanda, 2021, p. 25 Kumar, 2021).	RDB, MINAGRI, MININFRA, RHA, NIRDA, RURA, REG, REMA, RSB, and NAEB

7. Ministry of Gender and Family Promotion

Role	Practical steps (what and how)	Accountability mechanism	Collaborating Sister Agency
Ensure the integration of gender and social considerations in private sector investment and development	Analyze investment proposals to ensure that they are inclusive of gender and social considerations.	Conduct regular audits and evaluations of the implementation of gender and social inclusion policies in private sector investment.	GMO, NWC and NYC

8. Ministry of Agriculture and Animal Resources (MINAGRI)

Role	Practical steps (what and how)	Accountability mechanism	Collaborating Sister Agency
Facilitate the development of agriculture and agribusiness opportunities identified in the revised investment policy	• Develop and disseminate information about agriculture and agribusiness opportunities to potential investors and stakeholders (MINAGRI, 2021). • Identify opportunities for PPP project and conduct relevant studies to generate a pipeline of apprised projects (MINAGRI, 2021).	Establish a monitoring and evaluation framework that tracks progress towards achieving the objectives outlined in the revised investment policy, and report on this progress regularly World Bank Group. (2015).	RDB, NAEB, RAB, MINICOM, MOE, MINEDUC and MINALOC

	• Collaborate with relevant stakeholders, including other ministries, private sector actors, and development partners, to facilitate the development of agriculture and agribusiness opportunities. • Coordinate Investment Plans to boost climate-smart agriculture, both in the form of investment opportunities and program design and implementation.	Conduct stakeholder consultations and engagements to ensure that the views and concerns of all relevant stakeholders are considered in policy development and implementation (UN Women, 2020).	RDB, NAEB, RAB, MINICOM, MOE, MINEDUC and MINALOC

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