

Independent UNIDO Country Evaluation
RWANDA



UNIDO EVALUATION GROUP

Independent Country Evaluation

RWANDA



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Abbreviations and acronyms

BTC	Belgian Development Agency
CAP	Consolidated Annual Plan
CCA	Common Country Assessment
CLE	Country-Led Evaluation
COD	Common Operational Document
CODECOMA	Coopérative de Développement Communautaire en Matières Agricoles
COOJAD	Youth Cooperative Bank for Self-Employment and Development
CP	“Country Programme” or “Cleaner Production” (on context)
DAC	Development Assistance Committee (OECD)
DaO	UN’s “Delivering as One” initiative
DFID	Department for International Development (UK)
EAC	East Africa Community
EDPRS	Economic Development and Poverty Reduction Strategy
EE	Entrepreneurship Education
EEC	Entrepreneurship Education Curriculum
EFW	Expanded Delivering as One Funding Window for the Achievement of MDGs
EIU	Economist Intelligence Unit
EPs	Enquiry Points (re WTO, TBT)
ESTs	Engineering Systems Technologies
FAO	Food and Agriculture Organization
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
GEF	Global Environment Facility
GF	Global Forum
GIZ	German Gesellschaft für Internationale Zusammenarbeit
GoR	Government of Rwanda
HACCP	Hazard Analysis and Critical Control Points (re food safety)
HACT	Harmonized Approach to Cash Transfers (UN organizations)
HIV	Human Immunodeficiency Virus
HQ	Headquarters
HUO	Head of UNIDO Operations
ICT	Information and Communication Technology
IFAD	International Fund for Agricultural Development
IGE	Inspectorate General of Education
IMCE	Integrated Management of Critical Ecosystems
IMF	International Monetary Fund

IO/ISTU	Industrial Observatory/Industrial Studies Technical Unit
IP	Integrated Programme
ISO	International Standards Organization
IT	Information Technology
KIST	Kigali Institute of Science and Technology
LDC	Least Developed Country
LLDC	Land-Locked Least Developed Country
LLINs	Long Lasting Insecticide-Treated Nets
MBIC	Masaka Business Incubation Centre
MDGs	Millennium Development Goals
MIG	Multi-Sector Investment Group
MINAGRI	Ministry of Agriculture
MINEDUC	Ministry of Education
MINICOM	Ministry of Industry and Commerce
MININFRA	Ministry of Infrastructure
MoTI	Ministry of Trade and Investment
MOU	Memorandum of Understanding
MPTF	Multi-Partner Trust Fund (UNDP)
MSEs	Micro and Small Enterprises
MSMEs	Micro, Small and Medium Enterprises
MTR	Mid-Term Review
MW	Megawatts
NCDC	National Curriculum Development Centre, Rwanda
NEPAD	New Partnership for Africa's Development
NGO	Non-Governmental Organization
NIP	National Implementation Plan (re. Stockholm Convention)
NORAD	Norwegian Agency for Development
NRA	Non-Resident Agency
ODA	Official Development Assistance
OECD	Organization for Economic Co-operation and Development
OMT	Operations Management Team
PD	Project Document
POPs	Persistent Organic Pollutants
PPOC	Programme Planning and Oversight Committee
PROPSEEDS	Promotion of Opportunities for Private Sector Enterprise Expansion, Development and Shared Growth
PSD	Private Sector Development
PSF	Private Sector Federation
PTC/BRP	Programme Development and Technical Cooperation Division / Bureau for Regional Programmes

RBS	Rwanda Bureau of Standards
RC	Resident Coordinator
RCO	Resident Coordinator's Office (UN)
RDB	Rwanda Development Board
RECP	Resource Efficient and Cleaner Production
RED	Rural Energy Development
REMA	Rwanda Environment Management Authority
RNEC	Rwanda National Examinations Council
RO	Regional Office
RRECPC	Rwanda Resource Efficient and Cleaner Production Centre
RWF	Rwandan Francs
SHP	Small Hydro Power
SPS	Sanitary and Phyto-Sanitary
SSC	South-South Cooperation
TBT	Technical Barriers to Trade
TCB	Trade Capacity-Building
TCPR	Triennial Comprehensive Policy Review (UN)
TF	Trust Fund
ToR	Terms of Reference
ToT	Training of Trainers
TVET	Technical and Vocational Education and Training
UN	United Nations
UN-HABITAT	UN Human Settlements Programme
UNCDF	United Nations Capital Development Fund
UNCT	UN Country Team
UNCTAD	United Nations Conference on Trade and Development
UNDAF	UN Development Assistance Framework
UNDAP	UN Development Assistance Plan
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNRC	United Nations Resident Coordinator
UR	UNIDO Representative
US\$	United States dollars
WFP	World Food Programme
WHO	World Health Organization
WTO	World Trade Organization

Glossary of evaluation-related terms

Term	Definition
Conclusions	Conclusions point out the factors of success and failure of the evaluated intervention, with special attention paid to the intended and unintended results and impacts, and more generally to any other strength or weakness. A conclusion draws on data collection and analyses undertaken, through a transparent chain of arguments.
Effectiveness	The extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance.
Efficiency	A measure of how economically resources/inputs (funds, expertise, time, etc.) are converted to results.
Impacts	Positive and negative, primary and secondary long-term effects produced by a development intervention, directly or indirectly, intended or unintended.
Indicator	Quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievement, to reflect the changes connected to an intervention, or to help assess the performance of a development actor.
Institutional development impact	The extent to which an intervention improves or weakens the ability of a country or region to make more efficient, equitable, and sustainable use of its human, financial, and natural resources, for example through: (a) better definition, stability, transparency, enforceability and predictability of institutional arrangements and/or (b) better alignment of the mission and capacity of an organization with its mandate, which derives from these institutional arrangements. Such impacts can include intended and unintended effects of an action.
Lessons learned	Generalizations based on evaluation experiences with projects, programs, or policies that abstract from the specific circumstances to broader situations. Frequently, lessons highlight strengths or weaknesses in preparation, design, and implementation that affect performance, outcome, and impact.
Logframe	Management tool used to improve the design of interventions, most often at the project level. It involves identifying strategic elements (inputs, outputs, outcomes, impact) and their causal relationships, indicators, and the assumptions or risks that may influence success and failure. It thus facilitates planning, execution and evaluation of a development intervention. Related term: results based management.

Term	Definition
Outcome	The likely or achieved short-term and medium-term effects of an intervention's outputs. Related terms: result, outputs, impacts, effect.
Outputs	The products, capital goods and services which result from a development intervention; may also include changes resulting from the intervention which are relevant to the achievement of outcomes.
Recommendations	Proposals aimed at enhancing the effectiveness, quality, or efficiency of a development intervention; at redesigning the objectives; and/or at the reallocation of resources. Recommendations should be linked to conclusions.
Relevance	<p>The extent to which the objectives of a development intervention are consistent with beneficiaries' requirements, country needs, global priorities and partners' and donors' policies.</p> <p>Note: Retrospectively, the question of relevance often becomes a question as to whether the objectives of an intervention or its design are still appropriate given changed circumstances.</p>
Results	The output, outcome or impact (intended or unintended, positive and/or negative) of a development intervention. Related terms: outcome, effect, impacts.
Sustainability	The continuation of benefits from a development intervention after major development assistance has been completed. The probability of continued long term benefits. The resilience to risk of the net benefit flows over time.

Executive summary

Introduction

This independent country evaluation report covers UNIDO's presence in Rwanda from year 2004 up to end of May 2011. For the most part, the report assesses UNIDO's current Country Programme (CP) over 2008-2012 and its contribution to Delivering as One UN (DaO) in Rwanda. In the context of preparations for launching the next UNDAF, due in 2013, the evaluation was conducted with a forward-looking approach seeking to identify best practices and lessons to enhance the relevance, efficiency, effectiveness, impact and sustainability of future UNIDO interventions in Rwanda.

The evaluation was carried out over May to December 2011 and in accordance with the terms of reference provided in Annex 1. The evaluation team comprised of Mr. Simon Taylor, international micro-hydro power consultant; Ms. Alison King, international consultant; Mr. John Bosco Ruzibuka, national evaluation consultant; and Mr. Massoud Hedeshi, UNIDO Evaluation Officer and team leader for the exercise. A two-week mission to Rwanda took place in May-June 2011.

Country context

Rwanda is classified as a 'Land-Locked Least Developed Country' (LLDC) with a per capita GDP of around \$541 (2009) and a total estimated population of 10.3 million (2010). [Rwanda's Human Development Index](#) ranks it 152 out of a total of 169 countries (2010). The country has one of the highest population densities on the African continent. Around 90% of the population is dependent on biomass for energy and only 6% have access to electricity (2010). Rwanda has a clearly defined set of national development goals and targets. Under the Vision 2020's umbrella, the Government's medium-term plan is stated in the country's [Economic Development and Poverty Reduction Strategy](#) (EDPRS) 2008-2012 with a strong emphasis on private sector development, agribusiness; energy and other infrastructure; science and technology; as well as the environment. Despite strong performance in economic growth, the country's share of manufacturing remains unchanged at around 14% of GDP. Moreover, Rwanda is one of the most aid dependent countries globally while foreign direct investment (FDI) remains far smaller than official development assistance (ODA). According to the OECD, aid toward productive sectors amounted to only 15% of total development aid for Rwanda. The corresponding figure for the UN allocations is less than 11%.

UNIDO's portfolio in Rwanda

UNIDO's portfolio, over the period reviewed, covered projects worth around \$5.5 million in total. In the area of poverty reduction, UNIDO's CP included capacity building support for the Ministry of Industry and Commerce (MINICOM), conducting studies on Rwanda's manufacturing sector and competitiveness, and establishing an Industrial Observatory.

Private sector development (PSD) initiatives constituted the largest number of individual projects within the Country Programme with a focus on advisory services for selected agro-industries and associations as the first building blocks for industrial growth. Support was also provided to the Ministry of Education in introducing a national curriculum for entrepreneurship education for secondary schools. UNIDO PSD services also included the establishment of a national Resource Efficient and Cleaner Production Centre; the production of environmentally friendly dyes, and manufacture of briquettes from recycled waste. Support was also given to rural enterprises in honey, cheese and fruit processing, and to training potential entrepreneurs in leather processing.

UNIDO's regional Trade Capacity Building (TCB) Programme provided support for key national institutions such as the Rwanda Bureau of Standards (RBS) to establish a business and consumer-friendly framework, and to help enhance quality, standards and productivity, particularly in the food sector. The sector is also supported by a meat processing project that supports the Kigali Institute of Science and Technology (KIST).

A number of the above-mentioned projects are clearly also linked to the environment portfolio due to their close association with resource efficiency, cleaner production, and standards and quality in industrial production. This cross-linkage between environment and livelihoods is also evident in UNIDO's nationally-funded rural energy projects that have set up four small hydropower (SHP) schemes in various locations, each providing 100-200 KW of electricity, and managed to varying extents by local communities and authorities working together. UNIDO's environment portfolio also includes support to the Rwanda Environment Management Authority (REMA) to develop a National Implementation Plan (NIP) for the Stockholm Convention on Persistent Organic Pollutants (POPs).

Assessment of technical cooperation activities

Relevance and ownership

UNIDO's Country Programme in Rwanda entails a strategic mix of policy and demonstration projects that reflect local priorities. UNIDO's support to the MINICOM has been in line with Rwanda's manufacturing growth needs. However, the small size of this input and lack of funds raise several questions especially from UNIDO's main counterpart that would prefer to see almost all of UNIDO's resources concentrated in this area alone.

UNIDO's cleaner production and waste management initiatives coupled with the POPs project and support to RBS through the regional trade capacity-building programme are relevant to both industrial and environmental needs and priorities in the country. Also relevant to Rwanda's PSD needs is the entrepreneurship curriculum project. In addition, support to leather artisans and small enterprises particularly in the food sector, TCB, cleaner production, and rural energy, are all relevant to national PSD goals.

UNIDO's SHP projects raised around 73% of their funding directly from the Government, providing solid evidence of relevance and national ownership. It should be noted that the evaluation team did not come across any other UN projects funded directly by Rwanda.

Another area where UNIDO's programme has been of relevance to Rwanda's development priorities is health, particularly of the preventive and environmental categories. This unexpected finding emerged in relation to the regional trade capacity-building, POPs, meat processing, and rural energy projects.

Approaching the issue of relevance from the point of view of beneficiaries and counterparts, including the villagers and local administrators who benefit from hydropower as well as the companies, associations and government departments that have received advisory services of various kinds, the mission found positive feedback.

Efficiency of implementation

Although the DaO mechanism has provided additional resources for all participating UN agencies in Rwanda, the efficiency of UNIDO's CP implementation has been affected negatively by overreliance on the One UN fund

resources that have fallen short of targets, and disbursements that have suffered from unpredictability and lack of transparency.

On the other hand, the evaluation team found a high level of efficiency 'imposed' on UNIDO projects funded by the One Fund. Often, the government stepped in to cover essential costs originally planned to be covered by UNIDO. As an example, UNIDO's Entrepreneurship Education project budget had to be downsized from \$1.5 million to less than \$0.3 million. The shortfall was covered by national resources, while the Government also decided to go for full implementation with an expanded scope throughout the country.

The SHP project has shown good efficiency in use of resources at a cost of \$1,979 per kilowatt, which is very cost-effective, and overall the delivery of project outputs was good.

The evaluation mission found a good level of coordination and cross-project support among national consultants working in various UNIDO projects in Rwanda. At the same time, it was evident that immediate staffing shortages detracted somewhat from potential substantive synergies and technical collaboration across projects.

Effectiveness

The effectiveness of UNIDO's country programme has been challenged and especially by funding issues:

Poverty reduction

Within the poverty reduction portfolio, UNIDO's capacity-building support for the Ministry of Industry and Commerce has achieved or made some progress towards four out of five outputs, producing a detailed report on [Rwanda's manufacturing sector](#) (August 2008), followed by the establishment of an 'Industrial Observatory', as well as inputs into the Ministry's industrial policy formulation, which was completed and approved by April 2011. The project unit is embedded within the Ministry structure, but evidence of strong capacity development (Output 2) is rather low, and the project unit and the Observatory itself remain to be handed over and become an integral part of the Ministry's Planning Unit.

UNIDO's capacity-building support to the Ministry of Education to develop and introduce a nationwide entrepreneurship education programme in Lower Secondary schools...' was extended to include Upper Secondary Schools at the same time as a significant shortfall in project funding caused a need for

substantial additional financial inputs by the Government. At the time of the evaluation mission, all modules developed for the lower and upper secondary schools were in use. Assessment of the project's outcome (to develop and introduce a nationwide entrepreneurship education programme in Lower Secondary schools that would stimulate an enterprising attitude among students as well as help them to gain knowledge, skills and capabilities to underpin their future careers, especially if they choose to be self-employed) was too early.

In the case of the Leather Artisans project, insufficient funding has required modifications to the project scope, and planned outputs under the management, hides and skins and tannery components have not been produced. However, using leather from the tannery in Butare as raw material, the leather centre is operational and direct beneficiaries are accessing and appreciating its services. However, it was too early in the project cycle to assess outcomes in terms of improved productivity and access to markets.

The Promotion of opportunities for private sector enterprise expansion, development and shared-growth (PROPSEEDS) project was initially formulated within the framework of joint UNIDO/UNDP technical cooperation programmes on PSD. The Multi-Sector Investment Group's (MIG) honey-processing unit and the Les Caves de l'Abondance unit for cheese processing have improved the quality of their products (certified by the RBS), increased productivity and enhanced access to markets and increased staffing. However, neither productivity nor product diversity has increased for the targeted dried fruit companies, and RBS' certification has not been awarded.

The Inventory of Natural Dyes project comprises UNIDO's contribution to facilitate access to dyes, training, and product certification. In 2010, an assessment concluded that a switch to natural dyes was not economically viable, and suggested purchasing quality synthetic dyes. Due to the late allocation of additional Rwanda One UN funds, nine outputs were postponed to 2011. Activities undertaken up to the date of the evaluation mission were not yet contributing to planned increases in earnings.

UNIDO's Waste Management project focuses on building decentralized institutional capacities for waste management in Rwanda. The evaluators observed very positive attitudes towards improving waste management. Waste collection for recycling at COPED (a local company) is demonstrating confidence and individual initiative. Equipment procured and installed by UNIDO is operational and producing briquettes for storage pending final decisions on quality and price diversification aspects as well as further actions to obtain national certification.

Energy & environment

The GEF-funded POPs project has largely delivered its intended result, namely the NIP for the Stockholm Convention. The project's capacity building efforts enabled reporting on and planning for the implementation of the Stockholm Convention. Currently, a number of NIP implementation initiatives are underway, partly funded by GEF, but without UNIDO's involvement. UNIDO's future involvement in the implementation of the NIP for the Stockholm Convention is, however, desired by the Government.

The Cleaner Production project was launched in 2008 with the aim of establishing a national cleaner production centre. Lack of funding has besieged the project throughout, and delays have meant that the project had few assessable 'results' other than the fact that the Centre has been launched and is strategically located within the premises of Rwanda's Private Sector Federation.

UNIDO's Rural Energy (SHP) projects have shown good performance, though some engineering issues remain, affecting the productive use potential of the SHP sites. Regardless, UNIDO has demonstrated a participatory and affordable approach to SHP development, to meet energy needs in rural areas, using an innovative South-South sub-contractor approach in close collaboration with the lead agency, the Ministry of Infrastructure (MININFRA). The projects have offered a test-bed for community and private sector mechanisms for ownership, operation, maintenance and management. At the same time, implementation was occasionally hampered by the absence of a full time national project coordinator, and the projects did not deliver on a number of local capacity building targets, which were too ambitious given the 'remote' implementation mode and the level of resources.

Trade capacity building

This \$1.5 million, Norwegian-funded, regional Trade Capacity Building project provided simultaneous support for compliance with WTO food safety rules. With Burundi and Rwanda joining the East African Community in 2006-7, a comprehensive rescheduling of project priorities took place early on in 2010. The project has been particularly effective in enhancing food safety awareness. Trade and standards 'Enquiry and Notification Points' required by the WTO rules have been set up in three Ministries (Health, Trade, and Agriculture) as well as in the RBS. The national microbiology testing laboratory at RBS has been upgraded.

Sustainability

A high level of national commitment, leadership and ownership was evident for example in the leather and meat processing as well as the entrepreneurship development projects.

In relation to SHP, technical and managerial shortcomings raise sustainability concerns. On the one hand, the evaluation found a very high level of local community ownership in most of the four SHP sites. On the other hand, questions remain regarding responsibilities for upgrading substandard transmission lines, routine replacements of generation and distribution equipment and spare parts, and in relation to the level of tariffs to be charged, as the current levels are judged to be inadequate for proper maintenance.

In the case of the POPs project, the evaluation team found positive sustainability signals especially as implementation of the NIP has gone ahead with support from other UN agencies and funding from GEF.

Impact

The POPs project had an interesting environmental effect in that its Steering Committee initiated the banning of plastic bags from the country. Also, the SHP project had a catalytic role resulting in a wide range of similar projects – around 26 – being launched across the country, with various donor partners. In locations where the four UNIDO SHP projects have been implemented, villagers' lives have been transformed in the general sense that the communities have been energised with more people moving into the villages and setting up businesses and homes that benefit from electric power round the clock. As one elderly local woman mentioned to the evaluation team: ***“where there is light, there is life!”***

Management

The UNIDO Desk in Rwanda

The 'UNIDO Desk' in Rwanda was established in 2005 and is one of 18 UNIDO Desks. Formal representation of UNIDO in Rwanda, however, is the remit of the UNIDO Regional Office (RO) based in Addis Ababa, Ethiopia. UNDP handles financial, procurement and other logistics operations for UNIDO at country level, though the UNIDO Regional Office also provides similar administrative support, as well as backstopping for some projects.

The 'Head of UNIDO Operations' (HUO) is responsible for day to day operations, and works in tandem with 7 project and office staff, including four national consultants who act as de facto UNIDO programme officers. The HUO was recently assigned the task of representing all non-resident UN agencies in the UNDAF (UNDAP) planning process.

UNIDO's visibility could be described as high. In terms of efficiency, it is clear that UNIDO has had to do more with less. UNIDO's network of high quality national consultants has enabled cross-sectoral coordination and project backstopping support.

However, potential for greater synergies and coordination was identified for example at the level of advisory support given to companies by UNIDO consultants. It was found that projects providing enterprise development services in areas such as cleaner production, management, marketing, and food safety did not always target the same companies or work to reinforce various inputs and activities across the projects.

Crosscutting issues

Gender

The evaluation mission found limited evidence of a focus on gender issues within UNIDO's country programme. While a project such as the natural dyes project worked specifically with women's cooperatives in Kigali, there is little to show that a gender analysis was included in the formulation of UNIDO's CP. Furthermore, a gender imbalance was evident among local professional staff.

South-South cooperation

Rwanda has a proactive approach to fostering South-South cooperation and trade. The most obvious example of a UNIDO project with a strong South-South dimension is the SHP project, which uses Sri Lankan expertise and Chinese equipment. In addition, the government (MININFRA) recruited the services of a Chinese company to help oversee the quality of Sri Lankan inputs.

Within the context of the entrepreneurship education project, a South-South dimension was brought in through a Ugandan Expert recruited by UNIDO to assist with the design of the curriculum based on Uganda's experience with similar UNIDO support.

UNIDO's portfolio in Rwanda has a substantial and relatively successful South-South component that was designed without the involvement of any of UNIDO's South-South Centres, and thus represents an example of a more mainstreamed approach that can be used throughout its various technical branches.

UNDAF & Delivering as One

Initially, the current UNDAF's priorities were solely concentrated on social aspects. Later, the UNDAF Result 5 "social protection" was replaced by "sustainable growth and social protection" upon the requests of the Government and UNIDO. UNIDO contributes to four UNDAF Results: governance (Result 1), education (Result 3), environment (Result 4), and the aforementioned Result 5.

UNIDO's initial budget proposals under the UNDAF amounted to around \$15 m. Of this, UNIDO was allocated \$3.2 million, though by May 2011 this was reduced to \$2 million in actual transfers from the One Fund¹ to UNIDO.

The One UN funds are transferred to agencies in two tranches every year, with receipt of the second tranche (25% of the total allocation) being directly dependent on the delivery of the first (75% of the allocation). However, first tranche transfers since year 2008 have been received in the second or third quarter of each year, placing severe bottlenecks in project implementation and causing further delays and deductions.

According to evidence available, UNIDO's experience with the One Fund has included a large amount of time spent on annual planning; insufficient information about available resources; disbursements in two tranches and major delays in receipt of funds; no option for carrying over unspent funds with unrealistic delivery targets;; and transparency issues related to final decisions on One Fund allocations.

On balance, however, the benefits of DaO has outweigh its costs for UNIDO, and provided an opportunity for greater coherence within the UN and for alignment with national priorities, which in the longer run, would favour the role of specialised agencies such as UNIDO.

¹ The One Fund is the UN's in-country funding mechanism established for the implementation of the UNDAF with details outlined in the UN's Common Operation Document (COD).

Recommendations

Poverty reduction

- Given the primacy of industrial policy to both UNIDO and Rwanda, it is strongly recommended that UNIDO should raise additional funds for cooperation with MINICOM.
- In addition, UNIDO should encourage a more proactive involvement of MINICOM in preparations for the next UNDAF (UNDAP) in order to promote industrial development issues.
- In order to enhance the efficiency, effectiveness and impact of its PSD interventions in Rwanda, UNIDO should devise a more integrated approach across these various initiatives, making use of its high calibre of national expertise and providing its range of advisory services to cater for the relevant needs of targeted companies across various projects, thus pooling project resources and UNIDO's expertise in a more systemic manner.
- For the next UNDAF, UNIDO should concentrate on institutional capacity building with a scaled-up approach to enterprise upgrading, helping local business associations and the Government to augment business development services in the country with a focus on agribusiness, as this sector has significant potential for further growth, particularly under the umbrella of implementing Rwanda's industrial policy.

Energy and environment

- UNIDO should conduct further consultations with REMA and approach GEF for further funding for the implementation of the Stockholm Convention NIP, as part of the next UNDAF.
- SHP lessons in Rwanda should be fully drawn on by UNIDO to inform hydro activities in other countries.
- When a renewable energy intervention costs over US\$1 million, as in this case, UNIDO should contract a national project co-ordinator.
- SHP programmes should also include a national team of an engineer, an economist and a community development expert based with the counterpart (i.e. MININFRA).
- In SHP programme implementation, UNIDO should pay careful attention to the design and supply of key components such as intakes, control systems, distribution lines and transformers. Spending a small amount in the overall budget on improvements in design could make a significant

difference in project reliability, particularly in terms of productive uses (e.g. carpentry, welding and food processing) that typically require strong and steady supplies of electric power.

- UNIDO should design future SHP programmes with a less wide ranging set of objectives. Clear objectives especially on the operation & maintenance and ownership models need to be prioritised above others.
- Enough resource must be budgeted, ideally by the local authorities, to allow the purchase of a new generator for each site (and as a minimum at the Nyamyotsi site because it has been running longer), in order to have as a back-up spare for quick replacement if this long-lead item fails².
- Ownership structures, acceptable for all main stakeholders, including beneficiaries should be developed for the SHP sites.
- The tariffs at the four sites need to be reviewed in light of the low level of operator salaries given the amount of work they do and the need for replacement of spares and repairs.

Trade capacity building

- UNIDO should continue to build on TCB achievements and ensure that RBS' food safety compliance and internal audit capacities are developed to the point of full accreditation.

Gender

- UNIDO should aim to increase its recruitment of Rwanda female professionals in its projects, and to introduce gender analyses in the next CP.

Management and DaO

- UNIDO must build on the 2010 Donor Division of Labour in Rwanda, and to consolidate its role as the UN focal point for 'energy' and the donor focal point for 'Manufacturing services and off-farm industry', and in preparations for the next UNDAF.
- In the context of the next UNDAF cycle preparations, and in its relatively new support role to NRAs in UNCT forums, UNIDO (PTC/BRP) should temporarily increase the capacity of the UNIDO Desk in Rwanda.
- In view of UNIDO's fundraising challenges in Rwanda, UNIDO should request for a UNCT review of the current modalities and efforts for raising and distributing Rwanda One UN funds.

² The generator is prioritised above turbine as wear and tear on the latter can be resolved with its parts' replacement, whereas it is usually not a economic or long-term solution to rewind a generator as opposed to a straight replacement (at often justifiable and low cost relative to the whole electro-mechanical plant).

- The HURO in Kigali and the UNIDO Africa Programme focal point for Rwanda in Vienna should play an elevated role in substantive programme coordination at the field and HQ levels, in order to enhance synergies across UNIDO's projects in the country.

South-South Cooperation

- Senior UNIDO management should ensure that UNIDO project managers are familiarised with UNIDO's SSC successes in Rwanda, especially as these success stories were independent from the SSC 'Centre' model operated in India and China, and may provide a more mainstreamed and accessible model of SSC for all UNIDO project managers.

Lessons learned

Energy and environment

As the case of the SHP (Nyamyotsi 1) project demonstrates, it is feasible for UNIDO to help LDCs introduce a low-cost, locally owned and managed rural energy model with a 'learning by doing' approach in remote areas.

South-South Cooperation (SSC)

In order to avoid technical (engineering) shortcomings such as those experienced in the SHP project, SSC initiatives should not necessarily opt for the 'least-cost option', particularly in the choice of technology.

The SSC successes in Rwanda point to an alternative and viable model for designing and implementing SSC projects within UNIDO's mainstream project formulation frameworks, and different from the model promoted by the UNIDO SSC Centres in India and China.

Delivering as One

In the context of a highly relevant yet significantly underfunded Country Programme, UNIDO's experience with DaO in Rwanda demonstrates a clear need for UNIDO to establish a larger pool of programmable funds in order to be able to implement its CPs more efficiently and effectively.

Resource mobilisation

UNIDO's experience in Rwanda demonstrates that regardless of a country's GDP it is possible to raise substantial national funding for UN projects for as long as the Government is convinced of the importance and relevance of the planned project and UNIDO's value added. This was evident in the SHP (direct Government funding through UNIDO), Entrepreneurship Curriculum (parallel Government funding), and Meat Processing (parallel funding) projects.

1.

Introduction and background

This independent evaluation report is a result of an evaluation of UNIDO's presence in Rwanda since the end of the first UNIDO Integrated Programme (IP) in the country in year 2004 to the present (2011). In the main, the exercise relates to UNIDO's current Country Programme (CP) dated 2008-2012. Following its preparation, the final adoption of UNIDO's \$14.9 million CP entitled "*Capacity building for industrial recovery, competitiveness and market access*" was affected by Rwanda's decision in 2006/7 to become a pilot country for the UN's [Delivering as One](#) (DaO) initiative. In the end the CP was adopted as a 'working document'.³

The DaO initiative was based on four principles (see below) that included a single 'budget' and 'programme' for the UN system. As such, UNIDO's 'country programme' in Rwanda for the period since year 2008 is better represented by the details outlined in the [One UN Programme Rwanda Common Operational Document \(COP\) 2008 – 2012](#) while the concept is outlined in the [Rwanda One UN Concept Paper](#), and the overall UN programme is outlined in the [2008-12 UN Development Assistance Framework \(UNDAF\) for Rwanda](#).

In addition to the CP, the evaluation covers a number of stand-alone projects related to environment and energy, the implementation of which was started in the year 2003. The rural energy component of UNIDO's interventions in Rwanda falls under this category. Due to its significance to both Rwanda and UNIDO, it was decided that the assessment of the small hydropower (or SHP) project would be further expanded to a standalone project evaluation, and its findings are incorporated in this Country Evaluation.

The total financial *delivery* of UNIDO in Rwanda for the period since year 2004 amounts to around \$5.3 million, making UNIDO's programme relatively small, particularly in the current Rwandan context of around \$1 billion in foreign aid for the country annually. Of the total for the UNIDO programme over the period 2004-2011, \$1.9 million (35%) has been mobilised through the One UN funds in Rwanda, \$1.3 million (25%) from the Rwandan Government (for SHP), \$1 million (19%) from UNIDO's core resources, and the remainder (21%) from external donors and global funds.

³ See PAC decision of 14 August 2007.

Table 1: Total Country Programme allotments and financial delivery rate by source of funding (as of end May 2011)

Funding source	Amount	Share of total CP funding (%)	Financial Delivery rate
Government of Rwanda	\$1,298,010	24%	95%
Danida	\$219,431	4%	77%
TCB TF (Norway)	\$376,000	7%	80%
GEF	\$371,000	7%	99%
One UN Fund	\$1,999,707	37%	89%
Other (UNDP)	\$148,162	3%	100%
UNIDO	\$993,873	18%	98%
Grand Total	\$5,406,183	100%	91%

The evaluation team was composed of Mr. Simon Taylor, international micro-hydro power consultant; Ms. Alison King, international evaluation consultant; Mr. John Bosco Ruzibuka, national evaluation consultant; and Mr. Massoud Hedeshi, UNIDO Evaluation Officer and team leader for the exercise. The members of the evaluation team had not been involved in the design or implementation of the CP or any of its projects. The field mission in Rwanda took place over the period 21 May to 3 June 2011.

1.1. Evaluation purpose and scope

1.1.1. Purpose

This country evaluation was undertaken at a time when the current UNIDO CP and the UNDAF were close to completion, and preparations were underway for launching the next UNDAF due to be launched in 2013. The evaluation thus had a forward-looking approach and sought to identify best practices and lessons to enhance the relevance, efficiency, effectiveness, impact and sustainability of future UNIDO interventions in Rwanda.

The evaluation was meant to constitute a key input for the design of a possible next UNIDO Rwanda country programme.

Furthermore, the evaluation served as an input to the following thematic evaluations:

- Field office performance
- UNIDO's contribution to the 'One UN'
- UNIDO's contribution to the MDGs

1.1.2. Scope and focus of the evaluation

The evaluation focused on the following aspects:

- The relevance and alignment of interventions to national needs and priorities as outlined in the Economic Development and Poverty Reduction Strategy (EDPRS), Vision 2020 and other national strategies, and to international development goals (MDGs, Paris Declaration etc.) as well as the UNDAF and UNIDO planning frameworks.
- The relation between the UNDAF, UNIDO's CP for Rwanda as well as the Delivering as One modality.
- The efficiency of management and coordination processes including the performance of the UNIDO field office.
- Achievements in relation to cross-cutting issues:
 - Integration and delivering as One UNIDO (coordination, cooperation, funds mobilization, exploitation of synergies)
 - Contribution to gender equality
 - Contribution to the achievement of the MDGs
 - Contribution to environmental sustainability
 - Fostering of South-South cooperation
 - UNIDO's strategic positioning in the country

The evaluation did not cover all the projects that were implemented during the period, but only projects of a certain scale and those that were considered particularly interesting or strategically important in relation to the purpose of the evaluation.

1.2. Methodology

The evaluation was conducted in compliance with UNIDO's Evaluation Policy and its Technical Cooperation Guidelines as an independent evaluation focussing on the design, relevance, efficiency, effectiveness, impact and sustainability of the technical assistance of UNIDO. Data collection methods ranged from desk reviews (country reports, project and programme documents, progress reports, mission reports, Agresso search, evaluation reports, etc) to individual interviews, group discussions, project visits, town hall meetings, surveys and observation.

Individual projects were reviewed and categorized according to size, theme and strategic importance and assessed in greater or lesser depth. Moreover, findings of relevant past project evaluations – such as a thematic TCB evaluation - were fed into this country evaluation.

Attention was paid to ensuring an unbiased and objective approach and to the validation of data through triangulation of sources, methods, data, and theories.

While maintaining independence, the evaluation was based on a participatory approach, which sought the views and assessments of all stakeholders. These included government counterparts, local community leaders, beneficiaries (e.g. villagers, SMEs, schools etc.), private sector representatives, other UN organizations, multilateral organizations, bilateral donors and beneficiaries. The field mission was followed by phone and personal interviews with project staff and counterparts in Vienna and Rwanda.

Three separate presentations were made in Rwanda for the purpose of consultations on the evaluation mission's preliminary findings to a) representatives of the counterpart ministry, b) the UN Resident Coordinator and c) the UNIDO field staff and consultants on 3 June 2011. Similarly, a presentation was given to staff at UNIDO headquarters in Vienna on 6 June 2011.

1.3. Limitations

The evaluation mission experienced a challenge due to the fact that an unexpectedly large number of UNIDO missions arrived in Kigali at the same time as the evaluation mission. No fewer than four⁴ of the projects under review had their project managers and international consultants visiting Kigali concurrently together with UNIDO's Regional Representative based in Ethiopia, thus constraining the evaluation mission's chances of meetings with some of the counterparts in both the UN and the government.

In some cases, joint meetings had to be held with the counterparts, and in others, national counterparts simply didn't have the time to hold meetings. Similarly, the Field Office's logistical and management support was constrained as project staff were occupied with their HQ-based supervisors visiting and attending events that clashed with the evaluation schedule. In order to compensate for this shortcoming, telephone interviews were conducted in a number of cases after the evaluation field mission was completed.

⁴ Hydropower, Industrial Policy, Leather, and PROPSEEDs

On the other hand, these same missions and their planned events provided opportunities in terms of access to key actors and stakeholders in the field and firsthand witnessing of various handover and inauguration ceremonies, their media coverage and regional training workshops for some projects. The latter were useful in assessing the visibility of UNIDO and relations among UN agencies and the Government in the context of the One UN pilot in the country.

A limitation to the scope of the evaluation was imposed by a lack of resources for the 'Global Forum' part of the assessment, coupled with the fact that the Evaluation Team Leader had in year 2008 been involved in the only UNIDO Global Forum event in Rwanda over the period covered by this report.

In addition, and for reasons that will be discussed further below, a number of UNIDO's projects were in mid-implementation. This reduces the scope for evaluating results and impact. Following the field mission, follow-up telephone interviews, in-country surveys and HQ-based meetings were conducted in order to further consolidate the findings and report preparation process.

1.4. Country context

Rwanda is classified as a 'Land-Locked Least Developed Country' (LLDC) with a per capita GDP of around \$541⁵ in year 2009 and a total estimated population of 10.3 million in 2010. [Rwanda's Human Development Index](#)⁶ ranks 152 out of a total of 169 countries with comparable data (2010), placing the country among the poorest in the world.

With a total land mass of 26,338 square kilometres, the country has one of the highest population densities on the continent with 395 inhabitants per km² leading to severe pressure on land and chronic food and nutrition deficiencies.

Having suffered from a period of social and political breakdown leading to the genocide of an estimated total of one million people⁷ in 1994, Rwanda has made strong strides since, more than tripling its GDP over the period 2000-2009.

Despite the food, fuel and financial crises that affected many parts of the world starting in 2008, the Rwandan economy has shown some degree of resilience in recent years. According to latest IMF estimates, GDP grew by 11.5% in 2008,

⁵ IMF Rwanda Country Report No. 11/154 - www.imf.org/external/pubs/ft/scr/2011/cr11244.pdf.

See also National Institute of Statistics of Rwanda; <http://statistics.gov.rw/> at market exchange rates.

⁶ <http://hdrstats.undp.org/en/countries/profiles/RWA.html> (April 2011)

⁷ Genocide survivor's census 2007 <http://statistics.gov.rw/images/PDF/recencement%20FARG.pdf>

and was expected to expand by 7% in 2011, according to a February 2nd statement by the Finance Minister, John Rwangombwa.

Rwanda's Vision 2020 seeks to fundamentally transform the country into a middle-income country by the year 2020. In order to achieve this ambitious goal, the country will have to maintain or increase recent rates of growth. As the figures in Table 2 below indicate, Rwanda is largely on target on key indicators such as population and economic growth rates.

Table 2: Selected indicators for Rwanda

Peoples' Republic of Rwanda: Selected Indicators over the decade 2000-2009			
Indicator	Unit	2000	2009 (or latest)
Population	Millions	7.96	10.3
Population growth	% Annual	6.7	2.8
Life expectancy	Years	43	50
Mortality rate (under fives)	per 1,000	180	111
Education - adult literacy rate	% of adults	65	70
Poverty (population below poverty line)	% of total	60	57
GDP growth	Annual %	8.1	5.3
GDP per capita	US\$	170	541
Agriculture, value added	% of GDP	37	39
Industry, value added	% of GDP	14	13
Services value added	% of GDP	49	48
Exports of goods and services	% of GDP	9	9
Imports of goods and services	% of GDP	26	27
Merchandise trade	% of GDP	15	28
FDI, net inflows	US\$ millions	8	119
ODA & Aid	US\$ millions	321	931
ODA & Aid per capita	US\$	\$40.3	\$92.2
Electricity Generation capacity	MW (available)	25*	69
Electricity use	% of total energy use	0-1*	3
Hydropower capacity	MW (available)	0-1*	20
Hydropower (share of total)	%	2	35

Sources: EIU, World Bank, OECD, IMF and UNDP

* Estimate based on the WB's 2004 figure of 41 MW for electricity generation capacity.

1.5. National development priorities and trends

Rwanda has a clearly defined set of national development goals and targets together with a specific monitoring framework that is reported on fairly regularly with the latest progress report having been published by the IMF (2011 Country Report covering the three-year period 2008-2010).

The overall framework for the national vision is given in [Rwanda's Vision 2020](#)⁸ document that is based on the following pillars and targets:

- Reconstruction of the nation and its social capital anchored on good governance, underpinned by a capable state;
- Transformation of agriculture into a productive, high value, market oriented sector, with forward linkages to other sectors;
- Development of an efficient private sector spearheaded by competitiveness and entrepreneurship;
- Comprehensive human resources development, encompassing education, health, and ICT skills, aimed at public sector, private sector and civil society, to be integrated with demographic, health and gender issues;
- Infrastructural development, entailing improved transport links, energy and water supplies and ICT networks; and
- Promotion of regional economic integration and cooperation.

Particular attention is paid to the labour market, as 67% of the Rwandan population is aged less than 25 years. The population is projected to reach 13 million by 2020, of which 7 million people will be earning a living on off-farm activities. Therefore, it will be necessary to create 1.4 million jobs outside the agriculture sector.

Under the above umbrella, the Government's medium-term plan is stated in the country's [Economic Development and Poverty Reduction Strategy](#)⁹ (EDPRS), 2008-2012. The remainder of this section will review national priorities against areas of relevance to UNIDO's mandate, namely, energy, environmental sustainability, regional trade enhancement and integration, and private sector development.

1.5.1. Private sector-led development

According to the EDPRS, the emergence of a viable private sector that can function as the principle growth engine of the economy is a priority for Rwanda's development. The Government of Rwanda is committed to a comprehensive

⁸ http://www.minecofin.gov.rw/webfm_send/1700.

⁹ <http://siteresources.worldbank.org/INTRWANDA/Resources/EDPRS-English.pdf>

privatisation policy to help reduce costs and prices and widen consumer choice, and to limit the role of the state to that of a catalyst; ensuring that infrastructure, human resources and legal frameworks are geared towards stimulating economic activity and private investment.

Not only is such a development described as conducive for economic growth, but it is also seen as important to the emergence of a vibrant middle class of entrepreneurs and sustaining good governance efforts. Although foreign direct investment is encouraged, a local-based business class is viewed as a crucial component of development. The 'non-monetized and informal share of the economy is almost 66%'¹⁰ and the Informal Sector 'employs the majority of the labour force'¹¹ in the country, according to the EDPRS.

Against such priorities, Rwanda was declared by the World Bank¹² as the world's top reformer of business regulation in the *Doing Business 2010*, becoming the first sub-Saharan country to hold this position. The country has made the big strides in becoming business friendly by introducing reforms in seven out of the 10 categories.¹³

The World Economic Forum's 2011 *Global Competitiveness Report* ranked Rwanda as the 6th most competitive market in sub-Saharan Africa, and among the world's best on indicators such as female participation in the labour force, staff training, and legal rights. Increases in investment in recent years have been driven by a rapid increase in public construction expenditure, with private expenditure on machinery still suffering low growth.

Empowering and investing in youth and women is an integral part of EDPRS priorities. Steps have been taken to promote savings and credit facilities among the youth and women through cooperatives and other initiatives, and the Government places a heavy emphasis on entrepreneurship training with several initiatives targeting women and youth¹⁴. In addition, hundreds of retrenched civil servants have received entrepreneurship training or have been given access to education finance facilities for training.

¹⁰ EDPRS, p.74.

¹¹ Ibid, p.86.

¹² See: <http://www.doingbusiness.org/reforms/top-reformers-2010>

¹³ Rwanda made it easier to start a business, register property, protect investors, trade across borders, and access credit. This resulted in it moving up from 141 to the 67th position out of 183 countries on the Doing Business rankings. In the more recent *Doing Business* report 2011, Rwanda's position has further improved to 50th and again up to the 45th position in the 2012 report. See page 5 of "Doing Business 2012, Economy Profile of Rwanda":

<http://www.doingbusiness.org/~media/fpdkm/doing%20business/documents/profiles/country/RWA.pdf>

¹⁴ Ibid, p. 96. In 2008, for example, 300 youth and 900 women were trained in entrepreneurship, exceeding planned targets for the year

A number of key challenges have been identified for private sector development (PSD) in Rwanda. A 2007 World Bank survey found that 75% of businesses polled owned a generator, and that 45% of their total power comes from generators.

Rwanda faces the highest costs for exporting containers in the EAC region. The cost of transporting a container from Mombasa to Kigali amounts to 53% of its value. On top of these challenges, Rwanda firms face the highest electricity costs in the region at 24US cents/KWh, compared to 11US cents/KWh in Kenya. A new tariff study is expected to propose new tariffs for different customer types.

1.5.2. Agribusiness

The agriculture sector showed impressive growth in 2008 at a rate of 15%. Food production increased by over 16% while export crops rose by about 20% in the same year with similar trends in 2009, enhancing food security and buffering the country against the global food crisis in the same period.

Rwanda has identified a set of strategic exports including tea, coffee, horticulture, hides & skins, and minerals in addition to tourism. Total exports in 2008 reached \$262 million, representing a near 50% increase compared to 2007. Further success in export growth hinges on greater value addition and product diversification.

Food exports, in particular, are contingent upon meeting required standards in quality control of processed food products and packaging, according to the IMF. “The Rwanda Bureau of Standards is working together with the Ministry of Agriculture (MINAGRI) to develop a one-stop-shop for export standards, including Sanitary and Phytosanitary testing, certificates of origin and other support. Further work is needed to provide potential exporters with clearer information on the standards that they need to meet coupled with direct support for meeting those standards.”¹⁵

In addition, and following a detailed analysis designed to identify alternate industries for growth and diversified exports, the RDB identified three manufacturing clusters of silk textiles, fruits and vegetable processing and dairy as priority sectors to be further developed. This will require the development of an action plan for industrial growth in selected sectors as well as expansion of the trade compliance infrastructure. Nevertheless, agri-business remains heavily under-invested, as the total amount of loans distributed to the sector represented

¹⁵ Ibid, p. 32.

just 1% of all loans granted by banks even though agriculture comprises around 33% of the GDP¹⁶.

1.5.3. Energy

Inadequate and expensive electricity supply constitutes one of the biggest constraints to Rwanda's development. Biomass is the source of energy for around 85% of the population, which leads to massive deforestation and soil destruction. Imported petroleum products consume more than 40% of foreign exchange. Fuel wood resources are already in short supply with the country facing a biomass deficit of over 4 million cubic metres per year.

Electrification is at a low rate of 6% of the population and with the capital Kigali consuming 60% of supplies, rural areas only have a 2-4% electrification rate. The demand in 2011 was 76 megawatts (MW) while Rwanda's generation capacity was 72 MW, leaving a gap that was met through electricity imports.

Rwanda therefore needs to increase energy production and diversify its sources. To achieve this, the country has considerable hydroelectric potential, in addition to large deposits of renewable methane gas in Lake Kivu, estimated at 60 billion cubic metres, which is shared equally with the Democratic Republic of Congo. In rural areas direct solar energy or photovoltaic energy can be used, whilst up to one third of 155 million tons of peat deposit is currently exploitable. Rwanda projects that by 2020, over 1,000 MW of additional electricity will be generated with at least 35 % of the population connected to electricity (up from 2% in 2000), and the consumption of wood will decrease from the current 94% to 50% of national energy consumption.

The EDPRS includes specific targets for electricity access and security of power supply. The targets for 2012 are to increase the number of connected households from 70,000 (around 4% of households) to 200,000 (10%). For enterprises, the aim is to raise supplies from 45 MW to 50 MW. The Government is increasing the national power generation capacity through a) construction of national Hydropower plants, namely Rukarara and Nyabarongo (total 37 MW); b) the signing of agreements with an independent power producer for 100 MW from methane gas; and c) ongoing negotiations for another 100 MW of methane gas to power.

Furthermore, Rwanda is diversifying the range of energy sources through initiatives such as supporting households to substitute wood/coal with biogas or

¹⁶ Ibid, p. 210

improved stoves. Petroleum storage facilities are being rehabilitated and new ones constructed. Moreover, geothermal sources are being assessed, and solar energy is being tested and rolled out in hundreds of public institutions and services such as schools and health centres.

It is likely that Rwanda is appropriate for hydro power development as a hilly country with average rainfall of 1,200 mm and higher on the central to western sides. In rural areas, the government has increasingly relied on micro hydropower to expand electricity services to remote areas. Around 21 micro-hydro projects are currently under construction or completed and will deliver power to rural communities. Nevertheless, 40% of the Rwandan population live more than five kilometres from the national grid, and the great majority of the population still have no access to any electricity.

1.5.4. Information technology and education

The government aims to expand higher education and vocational training significantly. Moreover, the secondary level school curriculum 'will be revised to include new subjects, such as entrepreneurial skill development, which should enhance the employability of pupils once they have left school'¹⁷.

In the information technology (IT) sector, around 90% of the urban population enjoys access to mobile phone networks, and the number of users exceeds 1.3 million or 13% of the population. Kigali has the necessary fibre optic infrastructure for wireless broadband services. The first and only mobile phone assembly in Rwanda became operational in June 2008 (plant capacity is 20,000 units per month); locally assembled phones with a local language interface (Kinyarwanda) are now on the market.

In order to promote a 'one laptop per child' programme, the Government ordered 100,000 laptops to be distributed in 2009. The New Partnership for Africa's Development's (NEPAD's) e-school program, a pilot rural school program, was launched in Rwanda in 2006. All higher education institutions have been connected to the internet.

1.5.5. Environment

Rwanda's environmental challenges emanate from a mixture of population density, rural poverty, inadequate power generation, over-dependence on diesel fuel and generators, and overreliance on bio-fuels resulting in deforestation and

¹⁷ EDPRS, p.55.

soil erosion that in turn also pose chronic health risks associated with indoor fumes from kerosene and coal. In addition, inefficient industrial waste management practices threaten the water basin particularly around Kigali's low-lying industrial park, the effluents from which are said to seep all the way into Lake Victoria.

The EDPRS' aims include the mapping of five critically degraded ecosystems that are to be assessed and rehabilitated by 2012 as part of the Integrated Management of Critical Ecosystems (IMCE) project. Rehabilitated ecosystems will contribute to an increase in hydro-electric power generation as in the case of the Ntaruka station which is presently operating below capacity due to a drastic decline in water levels within the Rugezi wetland.

The EDPRS also includes plans to increase the proportion of protected areas for biodiversity preservation from 8% to 10% in 2012. Forest and agro-forest coverage is scheduled to increase from 20% to 23% of total surface land area, and annual wood consumption is due to be reduced by 30% from the 2002 figure.

1.6. Development cooperation

With a total GDP of around \$5 billion and a total annual ODA/Aid budget of close to \$1 billion a year, it is apparent that Rwanda is one of the most aid dependent countries. At the same time, FDI remains far smaller than ODA despite a more than 15-fold increase in its volume over the previous decade to reach \$119 million in year 2009. What is more, Rwanda's aid dependence has intensified over time, with aid levels rising by a factor of around 300% over the past decade, constituting over 50% of its budget financing for the period¹⁸.

According to the IMF, Foreign aid currently accounts for 12% of GDP¹⁹. Moreover, aid accounts for around 50% of the government's budget (see Graph 1 below).

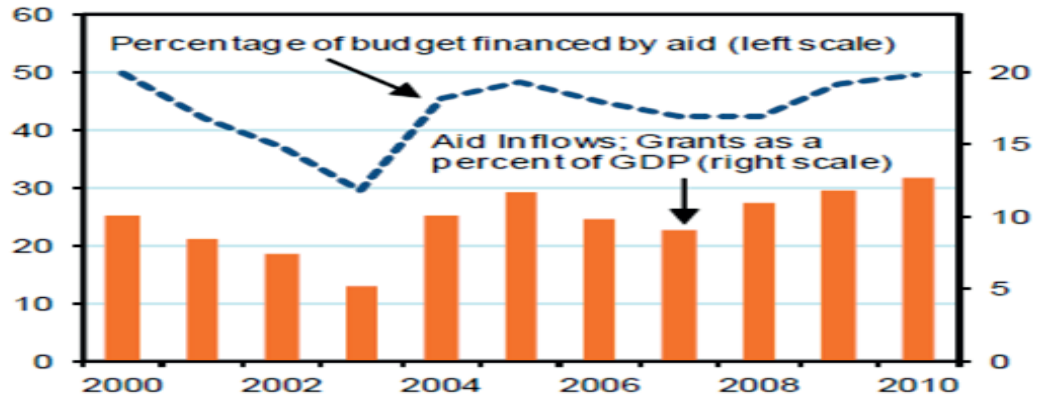
Rwanda's relatively high aid dependence compromises the longer-term sustainability of all aid-funded projects in the country, though it should also be added that the Government has been making strong strides in increasing tax revenues and securing strong economic growth as well as productivity gains over the past decade, and, in the process, earning the IMF's praise²⁰. Moreover, Rwanda's ODA mix is rather diversified with an even spread across bilateral and multilateral donors and global funds.

¹⁸ <http://www.africaneconomicoutlook.org/en/countries/east-africa/rwanda/>.

¹⁹ See for example <http://www.imf.org/external/pubs/ft/sctr/2011/cr1119.pdf>, p 39.

²⁰ Ibid, pp 71 & 73.

Graph 1: Aid-financed budget
(Percentage)



Source: IMF Country Report No. 11/19, January 2011, p. 8.

According to the OECD figures - see Table 3 below - social sectors receive about 50% of the bilateral ODA (more than 25% goes to education), while economic infrastructure & services, together with production, accounted for only 20%.

Currently, at a total of around \$50 million a year, the UN's share of ODA for Rwanda amounts to about 5% of the total for the country.

Table 3: Selected development cooperation data

Rwanda			
Receipts	2007	2008	2009
Net ODA (USD million)	722	933	934
Bilateral share (gross ODA)	52%	48%	56%
Net ODA / GNI	21.3%	21.1%	18.7%
Net Private flows (USD million)	6	10	81
For reference	2007	2008	2009
Population (million)	9.5	9.7	10.0
GNI per capita (Atlas USD)	330	410	460

Top Ten Donors of gross ODA (2008-09 average) (USD m)	
1 United States	132
2 IDA	127
3 EU Institutions	105
4 United Kingdom	95
5 Global Fund	81
6 Belgium	74
7 AfDF	67
8 Netherlands	46
9 Germany	34
10 Spain	25

Bilateral ODA by Sector (2008-09)

Sources: OECD, World Bank.

The trend in levels of foreign aid has been positive, with a near 100% increase in volume from year 2005 (around \$500 million) to 2010 (close to \$1 billion) composed of a fairly even mix of bilateral, multilateral and global funds together with a strong emphasis on regional and South-South cooperation and trade. Rwanda has a well focussed national aid policy, and is among the best performers globally in terms of national leadership and alignment of aid with national goals, and in promoting 'direct budget support' and roll out of Sector Wide programmes.

1.7. The Rwanda UNDAF 2008-2012

The United Nations Development Assistance Framework (UNDAF) is the common strategic framework of the United Nations system at country level.

The 2008-2012 UNDAF is organized around the following five outcomes:

- 1 Good governance enhanced and sustained
- 2 The mortality due to child and maternal morbidity, the incidence and impact of HIV and AIDS and other major epidemics are reduced, and the growth of the population is slowed down;
- 3 All children in Rwanda acquire a quality basic education and skills for a knowledge-based economy
- 4 Management of the environment, natural resources and land is improved in a sustainable way
- 5 Rwandan Population benefits from economic growth and is less vulnerable to social and economic shocks

The total estimated budget originally foreseen for the UNDAF (page 23) amounted to around \$360 million for the 5-year period, or about \$70 million a year. In the COD, the UN's total foreseen budget was raised to \$488 million (page 10) for the period, close to \$100 million a year.

Real expenditures of the UN system in recent years, however, have been closer to around \$50 million, equivalent to about 5% of Rwanda's actual aid resources. Taking into account that humanitarian activities of agencies such as WFP account for around 50% of the UNDAF's estimated budget, development related activities of the UN would account for about 2.5% of aid in Rwanda. In monetary terms, UNIDO's planned share of the UNDAF amounted to \$15 million for the period.

A DaO initiative, linking up to the UNDAF was launched in 2007. A description of the [Delivering as One UN in Rwanda](#)²¹ together with an assessment of UNIDO's contribution is given in the 'Delivering as One' chapter below.

1.8. UNIDO in Rwanda

UNIDO's field presence in Rwanda is covered by a Head of UNIDO Operations (HUO) operating from a 'UNIDO Desk' within the UNDP compound in Kigali. UNIDO's Representative (UR) for Rwanda is based at the UNIDO Regional Office in Addis Ababa, covering 5 countries in the sub-region.

The Rwanda Integrated Programme (IP) 1998-2003

The first UNIDO attempt at implementing a consolidated programme in Rwanda was initiated in 1998 with the UNIDO Integrated Programme for Rwanda and a planned budget of around \$7 million, and actual funds mobilisation/delivery of around \$2.7 million. The IP concentrated on private sector promotion at three levels of interventions:

- Component I: Recovery of manufacturing capacity through enterprise rehabilitation and restructuring (IP pages 34-37);
- Component II: Capacity-building to promote micro- and small-scale enterprises with particular emphasis on women entrepreneurs (IP pages 49-56);
- Component III: Capacity-building for industrial policy formulation and Implementation of a National Industrial Policy including its monitoring and auditing (pp 66-68).

Subsequently, an energy component was included in the IP, the activities of which were largely completed by year 2004, but formal closure of the IP only took place in 2010²².

Rwanda Country Programme 2008-12

UNIDO's second country level programme - a Country Programme entitled 'Capacity-building for industrial recovery, competitiveness and market access' - was approved in 2007 as a 'working document' but not adopted formally. Instead, UNIDO's more recent role is defined in the UNDAF and within the UN's Delivering as One framework.

²¹ <http://www.undg.org/index.cfm?P=177>.

²² PAC minutes of 7 May 2010.

UNIDO's current project portfolio in Rwanda

UNIDO's Country Programme (2008-2012) in Rwanda can be categorised along a set of national priorities identified above, namely good governance, energy, environment, private sector development, trade promotion, and poverty reduction. UNIDO's three main thematic priorities, namely 'poverty reduction through productive activities', 'environment and energy' and 'trade capacity-building' are also similarly aligned with Rwanda's priorities, and for the purposes of this evaluation report, UNIDO's country portfolio will be categorised and assessed in line with these priorities²³.

However, it should be noted that a business-friendly and pro-poor industrial policy capacity-building support, is neither exclusively PSD-related nor poverty-related, and also includes strong environmental components while maintaining a focus on trade issues, locally, regionally and globally. The same can be said of several other cross-cutting initiatives such as rural energy, cleaner production and entrepreneurial education, to name a few. What follows is therefore an 'integrated' approach that cuts across various themes and standard categories as the need arises.

Poverty reduction through productive activities

In the area of poverty reduction, UNIDO's CP includes capacity-building support to the Ministry of Industry and Commerce (MINICOM). The project was designed to conduct a number of studies on Rwanda's manufacturing sector and competitiveness and to establish an Industrial Observatory.

Private sector development initiatives of UNIDO constitute the largest number of individual projects within the Country Programme with a strategic focus on advisory services for selected agro-industries and associations as the first building blocks for industrial growth. For example, UNIDO's intervention in meat processing aimed to establish a pilot meat processing and training facility in Kigali targeting students, meat handlers and local businesses.

One of the projects addresses Rwanda's PSD and human resource development needs through capacity-building support to the Ministry of Education to introduce a national curriculum for entrepreneurship education for secondary schools throughout the country. This was originally designed as a pilot project, but was

²³ UNIDO's interventions related to 'industrial governance' (which is a natural subset of 'good governance') are grouped together under UNIDO's 'poverty reduction' theme. This also reflects changes made in the Rwanda UNDAF's COD, where the 'Industrial Policy' project of UNIDO was moved from the 'governance' theme group to the 'economic growth' one.

revised and upgraded to a national rollout of the curriculum despite lower than expected UNIDO funds for piloting²⁴.

UNIDO CP also targets PSD services such as the establishment of a national Resource Efficient and Cleaner Production Centre, initiated by the Rwanda Environment Management authority (REMA) and housed in the Private Sector Federation (PSF) of Rwanda. The project concentrates on a range of related surveys and awareness raising initiatives in waste and effluent management, recycling, standards, environmental entrepreneurship, and sustainable consumption and production. These services target private sector entities, cooperatives, local authorities as well as research and academic institutions.

Closely linked to this project are two additional ones dealing with income and employment generation through the production of environmentally friendly dyes and briquettes from recycled waste. The first of these, launched in 2010, provides support to women's cooperatives in collaboration with UNWOMEN and other agencies through the Resource Efficient and Cleaner Production Centre (RECPC). Kigali, specifically related to 'Agaseke' basket weaving for domestic and external markets.

Working through the IBANGA Cooperative Union and its member cooperatives, a project aims to create formal employment and economic security for 2,000 poor and unskilled women. The project was to produce an inventory of natural dyes in the country and assess their economic viability, establish a dyeing mill, and provide training and facilitate product certification.

Another project focuses on building decentralized institutional capacities for waste management in Rwanda with a commercial approach. The project launched in 2008 aimed to survey urban waste streams, develop a strategy for various types of solid waste, raise awareness, enhance waste management systems, and pilot test a commercially viable waste recycling enterprise, producing eco-briquettes from saw dust, maize and rice husks in collaboration with the country's largest waste management company, COPED S.A.R.L.

Two other projects assessed by this evaluation can also be categorised under PSD but with a poverty reduction emphasis, and concentrating on micro and small agro-industries. These include support to rural enterprises in honey, cheese and fruit processing (PROPSEEDS), and training potential entrepreneurs in leather products in partnership with the Government and other partners.

²⁴ To explain further: The lack of funds for piloting and a relatively long lead time needed for it resulted in a Government decision to forego the pilot stage, and to go for full implementation with use of Government funds and technical support from UNIDO.

Trade capacity-building

UNIDO's regional Trade Capacity-Building Programme provides capacity-building for key national institutions such as the RBS to establish a business and consumer-friendly framework, and to help enhance quality, standards and productivity. The approach of the project has been multifaceted, focussing on regional compliance requirements for exports on the one hand and domestic consumer protection on the other with WTO and regional requirements on Sanitary and Phyto-Sanitary measures (SPS) and Technical Barriers to Trade (TBT) as central drivers for interventions. This includes enhancing the RBS' internal audit capacities needed for guiding national enterprises to satisfy WTO SPS requirements, and obtain ISO 22000 certification and pilot testing and training for 5 food-related enterprises; enhancing the RBS' chemical and microbiological testing laboratories, and providing the requisite training; and establishing on-line services (SPS Enquiry and Notification Points) for private sector clients in need of information on import and export requirements to and from Rwanda. In December 2009, the project also implemented a national food safety awareness campaign through an inter-ministerial mechanism led by the Health Ministry with support from WHO, the World Bank and UNICEF. The campaign targeted schools, food-related businesses and the general public.

Energy and environment

A number of the above-mentioned projects are clearly also linked to the environment portfolio due to their close association with efficiency, cleaner production, standards and quality in industrial production. This cross-linkage between the environment and livelihoods is also evident in UNIDO's rural energy projects that have set up four SHP schemes in various locations each providing 100-200 KW of electricity, managed to varying extents by local communities and authorities working together. These predominantly nationally-funded UNIDO projects aimed at providing off-grid SHP services to remote villages for productive use and with a distinct 'learning by doing', South-South approach using Chinese equipment and Sri Lankan expertise. The potential impact and significance of this group of projects led to the preparation of a separate project evaluation report, which fed into this country report.

UNIDO's environment portfolio in Rwanda also includes an earlier project initiated in 2002 following Rwanda's accession to the Stockholm Convention in June that year. It was designed to support the preparation of a National Implementation Plan (NIP) related to Persistent Organic Pollutants (POPs), as required by the Convention. The project was fully launched in 2004 after the Convention came into force with the aim of enhancing the local knowledge base on POPs, leading to the National Implementation Plan (NIP), and establishment of a mechanism for

its oversight and implementation through the Ministry of Land, Human Resettlement and Environmental Protection.

Likewise, a number of projects were designed to boost industrial and environmental governance in the country, laying the groundwork for learning and disseminating best practices; reducing national industrial waste and the flow of harmful pollutants into Kigali's underground water resources; and establishing, harmonising and/or mainstreaming local and regional regulations for sustainable industrial practices and trade.

The Country Programme in Rwanda is presented in Table 4 below along UNIDO's main thematic priorities, namely, poverty reduction through productive activities; energy & environment; and trade capacity-building.

Table 4: UNIDO's main project portfolio in Rwanda (as of 30 May 2011)

Theme (T) and corresponding UNDAF Result	Project title	Project codes (& allotment)	From: To	Allotment (US\$)	Total Exp in US\$	
					(=disbursements, prior yr expenditures, unliquidated obligations)	Funds available (in US\$)
Energy and Environment (UNDAF result 4)	Rural energy development: mini hydro demonstration projects - learning by doing promoting affordable approach to rural energy	SF/RWA/06/001 (\$1,298,010)				
		XP/RWA/06/003 (\$80,650)	4/2006:	1,819,244	1,828,557	-9,313
		YA/RWA/06/002 (\$52,915)	12/2010			
		XP/RWA/05/002 (\$246,969)				
	Enabling activities to facilitate early action on the implementation of the Stockholm convention on persistent organic pollutants (POPS) in Rwanda	YA/RWA/05/001 (\$55,303) FB/RWA/08/E01 (\$85,397)				
		GF/RWA/03/005	2/2003: 12/2009	371,000	365,888	5,112
	Waste management for income generation - One UN programme for Rwanda	FB/RWA/08/C01, FB/RWA/08/J01	7/2008: 6/2009	251,168	202,791	48,377
	Cleaner production processes	FB/RWA/08/D01	7/2008: 6/2009	426,553	335,667	90,886

Theme (T) and corresponding UNDAF Result	Project title	Project codes (& allotment)	From: To	Allotment (US\$)	Total Exp in US\$ (=disbursements, prior yr expenditures, unliquidated obligations)	Funds available (in US\$)
Trade capacity-building (UNDAF Result 5)	Trade capacity-building in agro-industry products for the establishment and proof of compliance with international market requirements (regional)	TE/RAF/06/014 & TE/RAF/06/A14 (estimated share for costs in Rwanda)	2006-2011	376,000	299,508	76,492
Poverty Reduction through Productive Activities (UNDAF results 1, 3 & 5)	Food processing for small producers and MSMES	FB/RWA/08/F01	7/2008: 12/2011	332,937	339,548	-6,611
	Technical assistance programs for mainly artisans in leather products development	FB/RWA/08/G01 (\$319,174) US/RWA/08/003 (\$200,000)	7/2008: 6/2011	519,174	435,690	83,484
	Promotion of opportunities for private sector enterprise expansion, development and shared-growth (PROPSEEDS)	DP/RWA/06/008: (\$148,162; UNDP) XP/RWA/06/005 (\$150,036) YA/RWA/06/004 (\$15,768) YA/RWA/07/005 (\$15,708) XP/RWA/09/001 (\$86,705)	1/2006: 12/2008	416,379	336,161	80,218
	Technical assistance for MINEDUC to design and implement entrepreneurship education curriculum in lower secondary schools	FB/RWA/08/B01, FB/RWA/08/H01	7/2008: 12/2011	329,548	300,881	28,667

Theme (T) and corresponding UNDAF Result	Project title	Project codes (& allotment)	From: To	Allotment (US\$)	Total Exp in US\$ (=disbursements, prior yr expenditures, unliquidated obligations)	Funds available (in US\$)
	One UN programme for Rwanda – Capacity- building for MINICOM and key stakeholders on industrial policy implementation	FB/RWA/08/A01 (\$254,930) XP/RWA/06/007 (\$91,994) US/RWA/08/002 (\$19,431)	7/2008: 12/2011	366,355	343,858	22,497
	Support to the manufacturing sector study	XP/RWA/06/007 YA/RWA/07/007	9/2006: 1/2009	153,927	153,927	0
	IP formulation	XP/RWA/07/002, YA/RWA/07/006	9/2006: 12/2007	43,898	30,071	13,827
Management	One UN Programme For Rwanda - central monitoring and coordination	FB/RWA/08/001 (note: this project was cancelled)	1/2008: 4/2011	0	0	0
TOTAL (US\$)				\$5,406,183	\$4,972,547	\$433,636

2.

Assessment of TC activities

2.1. Relevance and ownership

The foregoing description of Rwanda's socio-economic development priorities and UNIDO's Country Programme clearly show a high degree of correlation and synergy between the two. Rwanda's Vision 2020 and the EDPRS together identify good governance; agricultural transformation; private sector and human resource development; energy and other infrastructure; science, technology and innovation; environmental sustainability; and regional economic integration as top national priorities. Similarly, UNIDO's overall programme in Rwanda, as described above concentrates on the same areas.

UNIDO's Country Programme in Rwanda can be viewed as a strategic mix of policy and demonstration projects that match local priorities. This includes an emphasis on industrial governance for pro-poor economic growth led by the private sector combined with initiatives to enhance regional and national standards and export compliance infrastructure and regulations as well public awareness in food safety issues at the same time as providing demonstration support to selected agro-industrial enterprises and addressing key environmental and energy issues.

This alignment was confirmed by the feedback obtained from national counterparts, local communities, associations and enterprises during the evaluation mission, and a high degree of national ownership of various UNIDO-supported programmes was evident. In particular, UNIDO's SHP projects raised around 73% of their funding directly from the Government, providing solid evidence of relevance and national ownership. It is important to add that the evaluation team did not come across any other UN projects funded directly by Rwanda. Indeed, ownership was evident not just among central and local authorities, but also local communities and enterprises met with during the evaluation.

In terms of 'governance' UNIDO's support to the MINICOM has been relevant to Rwanda's manufacturing growth, trade competitiveness, regional integration and private sector development needs. National ownership was evident in the Ministry's expressed desire to move the Observatory from the Project Unit in the

Ministry to its Planning Department in the coming period. However, the small size of this intervention and lack of funds raise several questions especially from UNIDO's main counterparts who would prefer to see almost all of UNIDO's resources concentrated in this area.

Likewise, UNIDO's cleaner production and waste management initiatives coupled with the POPs project and support to RBS through the regional trade capacity-building programme are relevant to both industrial and environmental priorities in the country, laying the groundwork for learning and disseminating best practices; reducing national industrial waste and the flow of harmful pollutants into Kigali's underground water resources; and establishing, harmonising and/or mainstreaming local and regional regulations for sustainable industrial practices and trade.

Also relevant to Rwanda's governance priorities is UNIDO's capacity-building support to the Ministry of Education in developing the national curriculum for entrepreneurship education for secondary schools. While this initiative is most relevant to the private sector development needs of Rwanda, it also provides an important capacity-building support to the National Curriculum Development Centre in developing, disseminating and monitoring a new field of study into the secondary education system. However, it should be pointed out that the lack of funds led to a much higher degree of 'learning by doing' rather than a standard piloting approach before full rollout of the new 'entrepreneurship' subject in the national schools. On the other hand, this project (along with the hydropower project) benefitted from an outstanding level of national ownership and was predominantly funded by the government.

Another area where UNIDO's programme has been of relevance to Rwanda's development priorities is in relation to health, particularly of the preventive and environmental types. This unexpected finding emerged in relation to the regional trade capacity-building project, POPs, and rural energy. The first of these has resulted in a national "food safety week" being held in December of every year and funded by the Government and coordinated by the Health Ministry, after its first pilot testing under UNIDO's project in 2009. Moreover, the project has resulted in new food safety legislation being drafted and approved by the Cabinet, and currently awaiting parliamentary approval.

The POPs project was aimed at reducing the environmental and health risks associated with contamination by organic pollutants, most of which are imported. The project established an inter-ministerial mechanism for mitigating the effects of a strong drive to increase agricultural production, growing economic openness, production and trade.

Approaching the issue of relevance from the point of view of beneficiaries and counterparts, the evaluation team found a high degree of relevance across the board in most projects. Town hall meetings with local villagers and interviews local officials indicated that UNIDO's SHP projects have had health impacts by providing basic power for:

- a) Local health services to store medicines and conduct examinations and tests;
- b) Lighting during childbirth; and
- c) Reducing health risks associated both with indoor use of oil lamps and coal, as well as food contamination by tiny animals that are difficult to detect without lighting.

From the villagers and local administrators who now benefit from hydropower to the companies, associations and government departments that have received advisory services of various kinds, the mission found positive feedback on the relevance of UNIDO's interventions, including in relation to the content, appropriateness, quality and delivery of these.

Within the Country Programme, the greatest number of UNIDO's projects would be aligned with the 'private sector development' category of national priorities, including both the above mentioned programmes on industrial policy and entrepreneurship education. In addition to these, support to leather artisans, small enterprises particularly in the food sector, the RBS, cleaner production, and rural energy, are all relevant to and support national PSD goals.

For the same reasons, it is clear that UNIDO's Country Programme has also been relevant to other national priorities mentioned above such as human resource development (e.g. education curriculum, artisans training); energy (SHP for rural energy) and trade infrastructure (trade compliance and metrology); science, technology and innovation (rural energy, entrepreneurship curriculum, food safety technologies in Kigali Institute of Science and Technology); environmental sustainability (POPs, hydropower, waste management, cleaner production); and regional economic integration (WTO rules and EAC compliance infrastructure through the TCB project).

The UNIDO CP's close alignment with Rwanda's national development goals comes as no surprise given the overarching needs of the country, which as a land-locked LDC, are largely related to wealth generation for poverty reduction and the attainment of a middle income country status by year 2020, including through manufacturing and enterprise development. Unfortunately, the donors'

recognition of Rwanda's economic development needs is not reflected in the allocation of their resources toward productive sectors, which, according to the OECD, receive only around 15% of total development aid for Rwanda²⁵. The corresponding figure for the allocation of UN's resources toward productive sectors under the current UNDAF is less than 11%.

On a per capita basis, Rwanda's aid dependence at around \$100 per head of population per year is even more severe, placing it within the top 10 aid recipients in the world.²⁶ In this context, UNIDO's unique concentration on the productive sectors essential for Rwanda's own resource generation and sustainable development renders UNIDO highly relevant among various agencies.

2.2. Efficiency of implementation

Although the DaO mechanism has provided additional resources for all participating UN agencies in Rwanda, the efficiency of UNIDO's CP implementation has been affected negatively by funding issues such as lower than expected transparency and predictability as well as significant delays in One UN fund disbursements.

Consequently, project scopes and work plans have had to be revised repeatedly. The evaluation team found that at least in three cases, UNIDO's national consultants have worked for some months without contracts or pay - and repeatedly so. Similarly, lack of funds for equipment and other key inputs have caused delays. Several projects operate in an ad hoc manner, focusing on a single year framework as future One UN funding remains unpredictable.

On the other hand, it should also be mentioned that the evaluation team found a high level of efficiency 'imposed' on UNIDO projects. Lower than expected funds and unpredictability in terms of disbursement schedules have caused many projects to be efficient, flexible and innovative.

In a number of cases, the government stepped in to cover essential costs originally budgeted for. As an example, UNIDO's Entrepreneurship Education project budget had to be downsized from \$1.5 million to less than \$0.2 million, which was done by foregoing the pilot stage altogether and drastically reducing in-service teacher training. Using its own budgetary resources, the Government decided to go for full implementation throughout the country. On top of this, the scope of activities was actually extended to cover upper secondary schools

²⁵ <http://www.oecd.org/dataoecd/63/19/1878421.gif>.

²⁶ As a comparator, with a population of 83 million Ethiopia receives \$3.8 billion in aid compared to Rwanda's \$1 billion and a population of 10 million. Per head of population, therefore, Rwanda receives more than twice as much aid as Ethiopia.

ahead of schedule, raising complaints due to the fact that the primary level of the curriculum had not been taught to children doing the upper secondary level course. Similarly, resource constraints have led to a shortage of trained teachers for the rollout, though 50 trainers have been trained by the project. Moreover, teaching materials for teachers and students were not fully available throughout the country. Consequently, some schools resorted to procuring their own books from neighbouring countries before receiving those produced by the National Curriculum Development Centre (NCDC).

Of the projects funded by UNIDO and/or the Government, the **SHP project** has shown good efficiency in use of resources. Overall the delivery of project outputs in relation to the inputs committed within the SHP Programme was good and the evaluation shows commitment by UNIDO to deliver financial and personnel inputs in a timely manner, given the complexities of introducing new technologies and concepts in remote rural areas with the project manager based in Vienna. It has been suggested from both government and contractor sides that to have had an experienced SHP project coordinator based in Kigali and to have back-up support from Vienna would have been better. The Belgian and German bi-lateral SHP programmes are operated like this with project officers based within the Ministry of Infrastructure (MININFRA) itself.

Considering the sub-contacts of US\$1,070,000 and additional local office costs of US\$117,000, totalling US\$1,187,000 for 600 kW of SHP equipment, this gives a cost of US\$1,979 per kilowatt which is very cost-effective by international standards. This compares favourably to installed cost per kW quoted for smaller systems of 20-50 kW and usually 100 – 200 kW systems are at least US\$2,500 / kW. Including all mobilization and overhead costs, international contracts (on the policy side), capacity-building, travel, UNIDO missions, study tours and trainings held the total cost was US\$1.707 million. The installed cost remains reasonable at US\$2,845/ kW. Therefore on this first measure of demonstrating affordability the projects have succeeded in using the financial inputs efficiently. In addition, UNIDO has increased capacity within the SHP sector in the country and regionally, particularly through the operators' and other technical trainings, using an innovative South-South sub-contractor approach that forged strong links with the beneficiary communities and the lead agency, MININFRA.

Sub-contractor model a victim of its own success

A key element of the technical delivery of the SHP projects has been the use of a Sri Lankan consultant which proved cost-effective. Although the sub-contractor approach was proposed by UNIDO, MININFRA bought into this and took the lead. In the early stages, the projects were implemented relatively quickly, with

regular progress reports made available. However, implementation rates began to slip in time as new sites were rolled out sequentially:

- Nyamyotsi 1: Jan 2006 – Aug 2006 (implemented in 8 months).
- Mutobu: Jun 2006 –Sept 2007 (15 months).
- Agatobwe: July 2006 – Nov 2007 (16 months).
- Nyamyotsi 2: Jan 2008 – Jun 2009 (17 months – although affected by late access road building).

A normal period for construction of a 100 – 200 kW scheme would be six months, allowing that the turbine, generator and pipe orders and delivery have been arranged prior and this was achieved in the first project but subsequent projects took longer and there was a protracted period before MININFRA felt they could be handed over.

The explanation for this was that the sub-contractor became a preferred bidder for a larger MININFRA-led SHP programme (8 sites with contract value of US\$15 million) and this severely affected its ability to concentrate efforts on the UNIDO projects. There were other aggravating reasons for delays such as poor quality PVC pipes, inflexible contract arrangements for the Sri Lankan company and problems on imports of equipment from China and Sri Lanka. There are indications that the sub-contractor took on too much work and should have taken a more business-like and realistic approach.

The evaluation mission found some degree of coordination and cross-project support among national consultants working in various projects in collaboration with the concerned project managers in UNIDO HQ. The consultants would back up each others' projects when needed, and/or would continue working despite delays in contract renewals and payments, often for months on end. Likewise, they would attend UN Theme Group meetings and represent UNIDO on such forums, acting as de facto UNIDO Field Office staff. As mentioned earlier, one consultant, working under the regional trade capacity-building project acted as the HUO despite having a full time job as a national project coordinator.

At the same time, however, it was evident that immediate staffing shortages detracted from potential synergies and collaboration across projects in a more systemic manner. For example, the rosters of companies receiving various types of advisory support from UNIDO consultants were not shared among the consultants and across projects. This reflected a missed opportunity that could have been grasped by making the full range of UNIDO project staff's expertise – e.g. in cleaner production, resource efficiency, quality compliance, food safety, waste management and business management skills – available to the full range

of companies UNIDO cooperates with. This could be a no-cost efficiency measure that could boost the impact of the CP.

From a resource use point of view, therefore, efficiency levels are high in projects, but could be higher at the programme levels.

2.3. Effectiveness

As with other criteria discussed above, the effectiveness of UNIDO's country programme has been negatively affected by inadequate funding.

2.3.1. Poverty reduction through productive activities

In terms of industrial governance, UNIDO's capacity-building support for the Ministry of Industry and Commerce began with a detailed report on [Rwanda's manufacturing sector](#) (August 2008), followed by the establishment of an 'Industrial Observatory' in the same Ministry, as well as inputs into the Ministry's industrial policy formulation, which was completed and approved by April 2011. The latter process was led by the Ministry with support from the Overseas Development Institute, and was not included in the UNIDO project's original plans due to low level of resources.

The project does not have an approved project document in a standard format, and is largely centred on the annual funding allocation from the One Fund. A draft project document was produced in 2008 with 5 separate outputs and 4 outcomes and a budget of around \$570,000, designed to act as a guide but was not formally adopted. Actual funds raised since 2008 have amounted to less than 50% of the planned budget. The project has, however, benefited greatly from the expertise and commitment of a national consultant who has stayed with UNIDO despite some periods of de facto 'unemployment' lasting several months at a time.

Table 5: Support to MINICOM – Outputs and findings

Outputs	Findings
1. Industrial Observatory/Industrial Studies Technical Unit (IO/ISTU) on MINICOM premises set-up and prepared for operations.	Achieved. The Industrial Observatory is a small yet functional unit within MINICOM. The Observatory also has a website that is a good source of information on various studies produced under this project.
2. Basic capacities created of IO/ISTU staff on industrial diagnosis and sectoral trade competitiveness assessment.	In progress. Some training carried out, but the Ministry is in need of further support to ensure adequate capacity for sustaining such assessments.

3. Rwanda Industrial Competitiveness Report 2009 prepared and released.	Achieved Rwanda Manufacturing Sector Study, August 2008 , and Rwanda's Industrial Capacity and Performance 2009 report.
4. One or two value chain/sectoral studies prepared and released.	In progress. A number of industrial surveys/studies are planned for 2011/12 with UNIDO technical support concentrating in the main on agro-industries (e.g. sugar, dairy, textiles etc).
5. Suitable best practice internationally of industrial governance principles and approaches gradually applied in Rwanda.	Pending.

The outcomes of the project are stated in the draft project document as:

1. Participating public and private institutions will have been strengthened in their capacity to conduct industrial diagnosis and trade competitiveness assessments.
2. The industrial sector will improve its performance as a result of improved information flows and advice provided by the IO/ISTU.
3. Policy-makers will similarly benefit from more timely, comprehensive and accurate information and analysis on which to base industry-related decisions, strategies and policies.
4. The population will benefit in the longer term from the eventual change in the structure of industry, resulting in a changed pattern of work and improved living standards.

There are no benchmarks or indicators in the document for evaluating the Outcomes. However, of the stated Outcomes, strengthened capacity to conduct industrial diagnosis and trade competitiveness assessments remains to be achieved, though the Industrial Observatory has laid the groundwork for this. As regards Outcome 2, performance of the industrial sector does not appear to have been improved, and the attribution to the project of any such improved performance would in any case be difficult to demonstrate. Outcome 3 has been achieved to some extent with the aforementioned reports prepared and published through project support. MINICOM, in particular, reported better access to industrial information, though challenges remain in this regard. Outcome 4 is by nature a long-term result that cannot be assessed at this stage. However, there were some changes evident in patterns of industrial management, as for example with plans to relocate Kigali's industrial park to a site outside of the city in order to halt contamination of the city's water resources and Lake Victoria by industrial waste, particularly during the rainy season.

The needed future direction of the project is relatively clear, particularly from the Ministry's perspective, including the integration of the Observatory in the Planning

Unit of the Ministry, and in establishing an implementation as well as monitoring and evaluation mechanisms for the newly adopted national industrial policy. In addition, the project has continued to support specific sectoral initiatives within MINICOM, including inputs into a national industrial survey funded by the EU.

UNIDO's capacity-building support to the Ministry of Education, has a set of 6 Outputs and one Outcome, described as 'to develop and introduce a nationwide entrepreneurship education programme in *tronc commun* (Lower Secondary) schools that would stimulate an enterprising attitude among students as well as help them to gain knowledge, skills and capabilities to underpin their future careers, especially if they choose to be self-employed.'

Assessment of the project's outcome is clearly too early to perform as none of the lower secondary school students have yet graduated. However, the evaluation team came across one case during a visit to a school, in which the new course had stimulated 'an enterprising attitude among students' who had formed an entrepreneurs' club headed by a girl student. The approach of the club was quite encouraging in that the students engaged in a simple form of fruit trade and then used their small profits to pay for environmental clean-up initiatives within the school's vicinity, thus combining entrepreneurship with what can be described as corporate social responsibility.

From the observed situation at the time of the evaluation, the four modules developed for the lower secondary schools, and the three modules for the upper secondary schools are all in use at the schools level. Information from the schools visited/contacted revealed that the distribution of the entrepreneurship curriculum/program reached all the schools, but the student's books and teachers manuals are yet to be available to some schools and especially the private and faith based organization schools have not yet received the materials. In fact, the distribution process seems to have given more priority to public schools.

The National Curriculum Development Centre (NCDC) has contributed significantly to the in-country costs for the project including seminars, meetings, curriculum design workshops, manual design workshops, printing of the materials and books, and distribution of the curriculum and teachers manuals to the schools.

Table 6: Support to Ministry of Education - Outputs and findings

Outputs	Findings
1. Entrepreneurship Education Curriculum (EEC) developed and approved	Achieved beyond original targets, though largely through the use of the NCDC's own funds. A team of 2 curriculum developers at the NCDC were identified and assigned to elaborate the EEC. The syllabus for lower secondary schools (in four modules; Commerce, Accountancy, Taxes and charges in Rwanda, Project planning and management) were completed, approved and distributed to schools by NCDC. Moreover, the teachers' guides/instruction manuals with activities and answers for the lower secondary schools were completed and distributed to schools by NCDC. Related text books/learners reading notes with activities and assessment tools were approved and distributed to schools. Additionally and over and above original plans, a syllabus for upper secondary schools in EE was also completed, approved, and distributed to schools by the NCDC. Six upper secondary schools teachers guide (3) and students books (3) were due to be printed by end of June 2011, and sent out for use in schools.(NCDC meet cost of printing).
2. Fifty qualified and unqualified teachers trained in teaching entrepreneurship education and 5 training of trainers (ToT) trained.	Achieved partially. The training of trainers manuals completed and used. Training of teachers and administrators to teach and manage EE in schools completed; 25 in April 2009, and 25 in February 2011.. Training of five ToT staff for the EEC completed and are in place, selected among the teachers trained previously. Use of the ToT staff to train of more teachers from different schools from the five provinces planned by NCDC for July and December. This is expected to be regularised during long vacations.
3. EEC introduced in 25 selected tronc commun schools over a three years period.	Achieved beyond original targets. EEC launched in all lower public and private secondary schools in Rwanda in 2009. EEC launched national wide in upper sec. schools in the country in 2010. All students completing senior three in November 2011 will sit for national exam in EE for the first time. All students completing senior six in 2012 will sit for national exam in EE. EEC is compulsory for all secondary school students in Rwanda.
4. Progress of EEC monitored.	Achieved, though not in accordance with original plans. The Inspectorate General of Education is currently using a monitoring system in place. A specific monitoring tool for the EEC was planned to be developed by IGE with technical support from UNIDO during 2011.
5. Revision and approval of the EEC.	In progress. Revision of the lower sec. schools syllabus is planned after receiving feedback from the teachers teaching the EEC from a sample survey. Revision of lower sec schools syllabus, teachers manuals, and students books planned to be be conducted by NCDC EEC curriculum developers during 2011.
6. National wide EEC introduced.	Achieved in 2009 for lower sec. schools and 2010 for upper sec. schools well ahead of original schedule and original scope.

The IGE and the Rwanda National Examinations Council (RNEC) costs related to monitoring implementation and assessment tools development were also met from the government budget. These two institutions integrated the EEC activities

right away in their own regular expenditures. However, these NCDC-led modifications to original plans were not reflected in any project documentation.

In the case of the Leather Artisans project, insufficient funding has required modifications to the project scope. A project document for the scaled-down activities was not prepared. Activity-based work plans have therefore provided the basis for implementation from 2008-2010 under the umbrella of UNDAF result 5, Outcome 4: *“Productivity improved and access to markets enhanced for small producers and micro, small and medium enterprises (MSMEs).”* Taking the latter as the project outcome for our purposes, there is partial progress as the Outputs below attests, though there is little measureable progress in ‘access to markets’ for the trainees, the first batch of whom were awarded their certificates at the time of the evaluation mission. Change in beneficiaries’ situation will depend on the availability of continued and additional services provided through the centre and elsewhere; it will also depend on availability of quality raw materials and market for leather products.

Table 7: Status of outputs of the Leather Artisans project

Outputs	Status
First business plan for leather centre developed	Achieved
Four trainers trained, two of which employed at MBIC	Achieved
MBIC leather centre equipped	Achieved
Around twenty artisans introduced to basic leather processing	Achieved
Support provided to upgrading and functioning of RDB Masaka leather goods training centre and promotion of locally produced leather products	Pending
Assistance provided to developing and providing prototype designs for leather products	Pending
Training sessions conducted	Ongoing

As a result of funding problems, expected outputs under the management, hides and skins and tannery components have not been delivered. Moreover, operations under FB/RWA/08/G01 were initially expected to be completed by December 2008; and US/RWA/08/003 by June 2009. However, delays have been encountered, mainly due to internal restructuring of the local authorities and the RDB’s decision to build new structures for the leather products training centre instead of rehabilitating an existing building. The expected end date of the current phase has therefore been postponed to December 2011 when formal hand-over to RDB is expected.

Using leather from the tannery in Butare as raw material, which is acknowledged to be of sufficient quality, the leather centre is operational and direct beneficiaries are accessing and appreciating its services. However, although the potential is there, it is too early in the project cycle to observe significant change in terms of the planned outcome (“improved productivity and access to markets”) for

selected leather artisans who are expected to return to the centre for further (basic and advanced) training. An indicator of attitudinal change, however, is the desire voiced by the class to organize the group into a legal entity.

Change will depend upon ongoing/planned activities of the RDB and UNIDO to upgrade the centre and consolidate results, such as recruiting new and retaining current trainers, admitting and accompanying a steady train of carefully selected trainees, providing business development services, translating training manuals, creating prototype designs, facilitating wholesale purchase of inputs, establishing production outlets, making available the state of the art machines and equipment for production purposes, and motivating investors. To this intent, UNIDO plans to facilitate the revision of the original business plan as part of its exit strategy for the current phase.

The PROPSEEDS project was initially formulated within the framework of joint UNIDO/UNDP technical cooperation programmes on private sector development as provided for in the Cooperation Agreement between UNIDO and UNDP. The Ministry of Industry and Commerce (MINICOM), UNDP and UNIDO signed the project document in September 2006, according to which its duration was two years (phase I) covering five districts in the Southern and Western provinces and consisting of three components. Project implementation was focussed on:

- identifying promising MSEs that could serve as demonstration units, i.e. CODECOMA (cooperative; fruit drying demonstration unit), the Multi-Sector Investment Group (MIG) (cooperative; honey processing demonstration unit), and Les Caves de l'Abondance (family business; demonstration unit for cheese making) (2007/2008);
- upgrading technologies, including purchasing suitable equipment, installing them at the restructured premises and testing (2007/2008);
- improving staff and supplier technical skills, including training in processing/maintenance, quality control and hygiene practices (2008/2009);
- facilitating participation in two trade fairs in Kigali (2009); and
- disseminating information on experience gained to prospective SMEs (2009).

PROPSEEDS activities ended in November/December 2009. Since, further support for MIG has been included in the Norwegian Agency for Development (NORAD)-funded regional UNIDO trade capacity-building project whose aim is to facilitate ISO 20000 accreditation to enhance customer confidence especially on foreign markets.

Thanks to PROPSEEDs, the MIG honey-processing unit and the Les Caves de l'Abondance unit for cheese processing have improved the quality of their products (certified by the RBS), increased productivity and enhanced access to markets, in particular around the capital city Kigali, but also neighboring markets (contribution to UNDAF Outcome 4). Moreover, both units are employing more staff than at the outset on a permanent basis.

Having said this, there is potential - both in terms of available raw materials and production capacity - for increasing honey sales and diversifying the range of honey and bee products. To this intent, further support for MIG has been included in the NORAD-funded regional UNIDO trade capacity-building project whose aim is to facilitate ISO 20000 certification of established companies for export purposes. As for the domestic honey market, opinions on the potential for honey sales outside Kigali in other commercial centres diverge, but would be worth exploring. Potential is also there for increasing cheese production and sales and diversifying dairy products at Les Caves de l'Abondance. However, this would require a further upgrading of the currently comparatively basic, but easily replicable, equipment.

On the other hand, while at the time of the evaluation mission the equipment at the CODECOMA fruit drying unit was in place and functioning well, it had stayed for a year without production, adversely affecting the business, due to poor management of the cooperative and internal disagreements. Thus, neither productivity nor product diversity has increased, and the dried fruits have not been certified by the RBS. A new management team has been put in place by the cooperative.

The Inventory of Natural Dyes project comprises UNIDO's contribution to providing access to dyes, training and facilitate product certification as part of a One UN programme entitled "Enhancing the Socio-Economic Development of Women through Strengthening Agaseke Cooperatives in Kigali City", which started in 2010.

In 2010, UNIDO undertook the first step by commissioning a study to identify dye plants and assess the potential for natural dye production and the use of natural dyes in the colours of baskets and other handcrafts. A national consultant produced the study "Inventory of Natural Dyes in Rwanda". It demonstrated that the initial idea to switch to natural dyes was economically unfeasible, and suggested purchasing quality synthetic dyes. This recommendation was followed, and dyes were ordered for testing.

Following the late allocation of additional Rwanda One UN funds, nine other outputs have been postponed to 2011.

Despite the fact that financial inputs from the Rwanda One UN Fund were partly received late in 2010, UNIDO was reportedly one of the first UN agencies to deliver, i.e. the survey of natural dyes with the help of external expertise, which project partners consider “crucial”. Activities undertaken at the time of the evaluation mission had not yet contributed to increased earnings by Agaseke women entrepreneurs in support of UNDAF Results area 5A. Planned beneficiaries were not yet accessing UNIDO’s services. It remains to be seen whether the project will contribute to intensified and diversified production for increased income generation and food security, with focus on innovations and greater value addition (UNDAF Outcome 5A.1).

UNIDO’s Waste Management project (FB/RWA/08/C01) focuses on building decentralized institutional capacities for waste management in Rwanda, thus contributing to economic growth through income generation, environmental conservation and pollution reduction. The project could also be included under the environment portfolio below, but is also equally relevant to the poverty reduction theme due to its income-generating nature.

There is no UNIDO project document for FB/RWA/08/C01, which entirely depends upon the availability of Rwanda One UN funds for implementation. However, the COD describes the UN’s intended outcome in this area as ‘Technical and operational capacity of districts for the management of wastes and contaminants developed’.

Table 8: Milestones of the Waste Management project

2008	Receipt of first and only financial allocation from Rwanda One UN Fund in July. Survey on waste streams conducted in Kigali City and in Southern Province.
2009	UNIDO/Ministry of Infrastructure Environmentally Sound Waste Management and Cleaner Production Workshop in Kigali (March 2009). Capacity-building on cleaner production for 40 local experts.
2010	Eco-Briquettes Products Plant established in collaboration with COPED SARL, a Rwandan company working in waste management in Kigali (www.copedgroup.com) Quality analysis of different kinds of briquettes undertaken in collaboration with Tumba College Technology.
2011	Final Test results analysis on briquettes products are available (data collected from 4 institutions recommended by department in charge of biomass in Ministry in charge of energy). Company is producing the briquettes for selling in bakery, schools and 3 green shops in city were identified by the company. From mid-September 2011, COPED Briquettes products are due to be marketed officially.

There are no outcome-level indicators to measure success. The evaluators observed interest and very positive attitudes towards improving waste management, partly thanks to UNIDO interventions. In particular, the waste collection for recycling at COPED is demonstrating confidence and individual initiative. German equipment procured and installed by UNIDO is operational and producing briquettes for storage pending final decisions on aspects such as quality and price diversification as well as further actions to create institutional (schools, hospitals, industries, prisons) demand and achieve national certification. Furthermore, COPED has established contact with a research institute in Kenya to produce domestic stoves capable of efficiently burning a smaller size of its eco-briquettes. Reportedly, thanks to FB/RWA/08/C01, at least twelve jobs had been created in collection, drying of raw material, briquettes production, off-loading, storage and loading of finished products.

However, the level of effectiveness of the demonstration project will depend on local up-scaling and dissemination, assuming the quality, pricing and marketing of the eco-briquettes will prove to be effective.

2.3.2. Energy and environment

The GEF-funded POPs project has largely delivered on its intended results with a delay of around one year, which, nevertheless, is slightly above the international average in terms of meeting Stockholm Convention NIP submission deadlines²⁷. The project document does not specify any 'Outputs', but describes 'Objective, Outcome and Activities', as shown Table 9 below.

The project's capacity-building efforts were focussed on, and largely succeeded in reporting on and planning for the implementation of the Stockholm Convention. Training was conducted in the form of national workshops over 2005-6 with international advisory support leading to the completion of the NIP under the Rwanda Environment Management Authority's (REMA's) leadership.

Project completion has been followed by a number of NIP implementation initiatives, partly funded by GEF, but without UNIDO's involvement, which, according to REMA, should have continued due to the agency's comparative technical advantage.

²⁷ <http://chm.pops.int/Implementation/NIPs/NIPSubmissions/tabid/253/Default.aspx>.

Table 9: Status of planned results of the POPs project

Planned results	Status
Overall objective: Strengthen national capacity and capability to prepare a National Implementation Plan for the management of POPs	National capacities enhanced and NIP being implemented under REMA management
Outcome: A National Implementation Plan (NIP) for the implementation of actions to meet the obligations of Rwanda under the Stockholm Convention	Completed, endorsed and submitted in May 2007, one year later than originally scheduled
Activities: Coordinating mechanism & Process Organisation Preliminary POPs Inventories and Assessments of National Infrastructure and Capacity Priority Setting and Determination of Objectives Formulation of National Implementation Plan including specific Action Plans on POPs Endorsement of the NIP by Stakeholders	Implemented

The Cleaner Production project was launched in 2008 with the aim of establishing a national cleaner production centre in line with UNIDO's established expertise in the area. However, lack of funding had besieged the project throughout, and delays have meant that the project currently has few standard 'results' to assess other than the fact that the Centre had been launched and had engaged in several relevant initiatives. The following table gives a brief account of major milestones.

Table 10: Milestones of the Cleaner Production project

Milestones	Description of activities
October – December 2008	
Establishment of Cleaner Production centre in Rwanda	Resources Efficient and Cleaner Production Centre established as UNIDO-MINICOM joint programme, staffed and equipped.
2009	
Implementing Resource Efficient and Cleaner Production into Rwandan Industries	<p>CP Awareness raised in different institutions in Kigali city and Southern province; and at National level.</p> <p>Assessment conducted in UTEXRWA industry-textile industry.</p> <p>Capacity-building on RECP done.</p> <p>Training of KHI students, Kigali City Council staff, and ADMA International Ltd. staff conducted by Rwanda Resource Efficient and Cleaner Production Centre (RRECPC) National Experts on implementation of cleaner production approach for cost saving of resources into industries and other businesses institutions.</p> <p>Capacity-building training on cleaner production programme for local experts in Rwanda.</p> <p>Capacity-building on Building standards and Health during the Conference on Environmental Health Training & Practices for Sustainable Development;</p> <p>Cleaner Production strategies presented during the Workshop on the First National Stakeholders meeting on Environment Entrepreneurship & Sustainable Development at the National University of Rwanda (NUR).</p>
2010	
Results and benefits to the stakeholders of RRECPC demonstrations documented	<p>Information disseminated among the stakeholders, website for RRECPC created.</p> <p>Brochures concerning the benefits of the centre are available and distributed among the stakeholders.</p>
Increase the number and enhance capacity for RRECPC staff & national experts that will implement the activities programme (promoting gender equal participation in the processes).	<p>National expert were increased from one to two persons in office of centre (one female).</p> <p>New project has been initiated such as Agaseke project.</p> <p>One International expert in cleaner production issue hired for short term to make in-depth assessment in Rubirizi Dairy.</p>

Deliver trainings and improvement of RECP service delivery capacity	18 persons trained on eco-efficient production technologies (3 persons from Urwibutso enterprise, 3 persons from Plastic Industry-COPED, 8 persons in Rubirizi Dairy, BRALIRWA, and SULFO.
Conduct in-plant assessments in industries	Rubirizi Dairy, BRALIRWA and SULFO industries assessed.
Develop, trial and promote resources (methods, cases, etc.) for strengthening technology management capacity for development, transfer, adaptation and replication of ESTs	Impregnated mosquito nets – the best way to stop mosquitoes biting: UNIDO initiated the manufacture of long lasting insecticide treated nets (LLINs) at UTEXRWA, a Rwandan textile company (using process surface treatment of polyester net fibres technology from Bayer). This method has the advantage that it is easier to modify existing manufacturing plants and to include the coating technique at the textile production stage, rather than to master batch level.
2011	
Strengthen Rwanda Resource Efficient and Cleaner Production Centre (RRECPC) to coordinate and operationalize Resources Efficiency and Cleaner Production (RECP) programme in all industrial sectors for development and Environmental management.	<p>Rwanda Resource Efficient and Cleaner Production Centre Legal entity has been introduced.</p> <p>Awareness raised in 13 industries.</p> <p>Industries trained on RECP and assessed for gathering quantitative and qualitative information about main challenges for resources (energy, water, material chemical and waste) efficiency and generating RECP opportunities.</p> <p>Equipped the centre with field equipment for water analysis.</p> <p>RRECPC is focal point for PSF in Lake Victoria environmental Management Project.</p> <p>RRECPC is also focal point for UNIDO in waste management.</p>

Effectiveness findings related to the Rural Energy (SHP) programme are outlined in Table 11 (next page) assessing 8 outputs subdivided into the initiative's main sub-projects. The overall performance against these eight planned objectives has been reasonably good. A more detailed report on UNIDO's SHP projects in Rwanda is available on the UNIDO website.

Table 11: Findings against planned objectives of the Rural Energy project

Objectives	Findings
PROJECTS - RWA 05-001 & 002: “Demonstration projects and capacity-building promoting participative and affordable Approach to Rural Energy”	
Outcome 1: To demonstrate a participative and affordable approach to Rural Energy Development (RED), through constructing mini hydro sites in the locations where feasibility studies have been prepared.	A participatory and affordable approach to RED was demonstrated but a case should be made or raising tariffs to between US\$20 - US\$40 per annum from US\$14 - US\$30 (i.e. 50% more) for project financial sustainability.
Outcome 2: Use the projects for on-job training & awareness building.	A good level of awareness has been generated and operator trainings have been a notable success but more local employment could have been created at the time of implementation with capacity built to offer to other SHP projects.
Outcome 3: Formulate Rwandan rural energy strategy, institutional frame & financial mechanisms.	UNIDO’s projects are important in the formulation of a Rwandan Energy Strategy and with 33 SHP projects (capacity of over 21 MW) at various stages of development 5 years after Nyamyotsi 1; credit should be given for UNIDO’s early intervention.
Output 1: Undertake feasibility studies of 10 sites - socio-economic and technical studies, demand supply analysis, design, construction and commissioning plans.	Not formally done within the UNIDO project but MININFRA was able to prepare a further eight (8) projects, which the Sri Lankan sub-contractor was chosen to prepare the necessary studies, analysis and plans.
Output 2: Enhance the efforts of re-integrating displaced people in an environmentally sustainable and economically viable manner.	Indications are that one SHP site will receive support for a rural re-settlement programme, an important strand in Rwandan national policy.
Output 3: Devise and test financial mechanisms, ownership, operational arrangements, management and maintenance of the energy service: whether community based or private sector owned.	A clearer objective should have been made for the operation, maintenance and management of the energy services as both community-led then private sector owned models have been tried, leaving some confusion and even resentment at the community level.

Objectives	Findings
PROJECTS (No's: RWA 06-001 & 002): "Rural Energy Development: Mini Hydro Demonstration Projects – Learning b Doing Promoting Affordable Approach to Rural Energy"	
Outcome: Increase the capacity of the energy sector to provide access to modern energy for rural and peri-urban areas.	The 3-pillared approach designed to allow capacity of the energy sector to provide access to electrification for rural areas has only been demonstrated in Rwanda but is yet to move to "scaling-up" and is long way from "business-as-usual" as seen in Nepal, Sri Lanka and China.
Outputs: Remove barriers: lack of technical capacity; insufficient awareness and information on viable solutions; lack of promotional policies and financial incentives.	It is difficult to quantify whether the projects have removed barriers to RED in Rwanda but it is found that a critical mass on technical capacity and awareness to encourage conducive policies and financial mechanisms has yet to be reached.

The assessment of effectiveness against the higher level, qualitative outputs and objectives shows that UNIDO demonstrated a participatory and affordable approach to SHP development that catered for modern energy needs in rural areas of Rwanda.

Undoubtedly, awareness building on SHP has resulted for the government and direct beneficiaries alike because of using a 'learning by doing' approach and through conducting various seminars and trainings. Looking back over the 5 or 6 years of implementation, because of the low level of SHP at the outset, the implementation of the four projects helped MININFRA reflect on how SHP could be a major contributor to the country's energy strategy.

The projects have offered a test-bed for community-based as well as private sector mechanisms for ownership, operation, maintenance and management regimes. However, with the original aim to see the communities in charge through the Consumer Society model, as the programme has evolved and other donors have come in and the private sector approach is now being favoured. This may not end up being the best operations and management solution for the four projects and issues of ownership and management are not resolved.

The projects went some way in contributing to removing the three barriers to renewable energy development, but with less impressive results; on the lack of technical capacity, only the operators at the four sites and participants of trainings saw benefits, and the plan for an institution such as KIST to be equipped for building human capacity in SHP into the future was not implemented (see point 1. below); on the lack of institutional and financing resources, there is no improvement seen, particularly on regular financing for SHP, although it is noted that UNIDO did work hard on a proposal for financing a much larger renewable

energy project but which never materialised; on lack of data on hydro resources, UNIDO did not complete this target although it was picked up by MININFRA through the Belgian Development Agency (BTC) mapping project.

Capacity-building efforts missed targets

UNIDO's objective in the first project ("*Demonstration projects and capacity-building promoting participative and affordable Approach to Rural Energy*") was to "transfer knowledge to private sector institutes in order to enable future assembling and manufacturing of needed equipment, which will be done through south-south exchange and networking". Subsequently, under the "*Rural Energy Development: Mini Hydro Demonstration projects – Learning by Doing Promoting Affordable Approach to Rural Energy*" project it was aimed to "strengthen awareness among national stakeholders implicated in rural development issues on their role and responsibilities towards facilitating technical and financial inputs in order to promote the involvement of energy service enterprises (developers from private sector and communities) and partnerships in rural energy development".

There were no distinct activities for these two aims, unless they are by-products of the training workshops already presented, in which case capacity-building outputs have been missed. In 2009 there was the first discussion about a hydrological and technological training centre to serve the sub-regional hydropower training needs, and that the Kigali Institute for Science and Technology (KIST) seemed to be the most appropriate host, yet ultimately nothing resulted. This may have been because the idea of using accrued interest on the project funds from the Government (US\$117,000) did not materialise and this would have been a requirement to see the centre realised at a proper scale.

There was also a plan to "digitally represent natural mini-hydro resources, thereby enabling optimal design through exact location of potential sites, minimum environmental damage and reduction of cost". However in the end UNIDO did not deliver this because the mapping exercise was envisaged on many layers and therefore too complex and the Belgian Technical Co-operation picked up a simpler mapping technique that ultimately produced a good output.

2.3.3. Trade capacity-building

The Trade Capacity-Building project was originally designed and launched in 2007 as a \$1.5 million, Norwegian-funded regional project concentrated on simultaneous capacity-building support for WTO TBT and SPS trade (food safety) compliance across the region in a harmonised fashion. However, two more countries – Burundi and Rwanda - joined the East African Community in 2006-7.

Consequently, and as a result of local exigencies and uneven developments (in terms of diverse national capacities and institutional and regulatory realities) a comprehensive rescheduling of project priorities took place early on in 2010, resulting in a new work plan and set of targets designed through regional workshops.

Since 2010, therefore, the project had been more efficiently implemented in Rwanda with the aid of a capable national consultant and a newly recruited international chief technical advisor who serves the region, including Rwanda. The portion of the budget allocated to Rwanda is estimated at around \$300,000.

The status of results for the revised sets of outputs related to Rwanda are summarised Table 12 (next page). The omitted outputs were regional in nature and outside the scope of this evaluation. The project has been particularly effective in enhancing food safety awareness among officials, private and private sector food handlers and the public at large.

At the outcome level, the project aimed to ‘In each country, the national capacity in SPS related issues at general, regulatory, institutional and enterprise levels, established/upgraded’. There are no specific indicators given in the project document for the outcome level, however, findings on the status of outputs 2.2-2.5 listed above provide a generally positive indication that some progress had been made toward enhancing national capacities at various levels in Rwanda.

Table 12: Status of results of revised outputs of the Trade Capacity-Building project

Intervention logic	Objectively verifiable indicators	Status/progress
<p>Output 1.2: Regional Awareness is raised on food safety/ standards/quality issues for local consumer safety and compliance with international market requirements</p>	<p>Food safety week established in each country.</p>	<p>Food safety week was organized end of 2009. The campaign attracted a number of other agencies in co-funding orientation involved in different aspects of food safety and hygiene.</p> <p>The Ministry of Health has adopted the project's food safety awareness campaign as an annual exercise in order to build on the momentum of public awareness.</p>
<p>Output 2.2: TBT and SPS Enquiry and Notification Points are provided with technical and IT support to improve service delivery to Private sector</p>	<p>Number of WTO TBT/SPS Enquiry Points (EPs) operating more efficiently.</p> <p>Number of notifications.</p>	<p>Ministry of Agriculture has 2 EPs on plant and animal health; Ministry of Health has one EP on food safety; Rwanda Bureau of Standards has one EP on TBT and Ministry of Trade has Notification Authority.</p> <p>There have been 18 cases of enquiries received so far after creation of EPs (14 enquiries on TBT and 4 enquiries on food safety and Plant health). 4 notifications on roses, groundnuts, eggplant and coffee have sent to Rwanda.</p> <p>Current enquiries include India and Canada market requirements for chillies, eggplant, sweet and green bananas, dried mushrooms and cassava flour.</p>

Intervention logic	Objectively verifiable indicators	Status/progress
<p>Output 2.3: Selected national Chemical testing lab is upgraded based on needs identified and assisted to accreditation in selected scopes.</p> <p>Output 2.4: Selected national Microbiology lab is upgraded based on needs identified and assisted to accreditation in selected scopes.</p>	<p>Number of test results issued increased over baseline, time required to issue certificates reduced.</p>	<p>General training on ISO 17025 standards for all national stakeholders.</p> <p>Internal auditors trained but on level 1 out of 3 levels.</p> <p>Method validation and uncertainty measurement training accomplished on theoretical basis.</p> <p>Equipment purchased and installed.</p> <p>Carried out pre-assessment of laboratory management system.</p> <p>New testing capacity includes detection of Aflatoxins and pesticide residues in agricultural products.</p> <p>The number of samples analyzed par month rose from 44 in 2009 to 88 in 2010.</p>
<p>Output 2.5: Upgrading of enterprises for selected products by applying food safety management systems</p>	<p>At least 5 ISO 22000/HACCP certified companies or upgraded in terms of food quality in each country.</p>	<p>In progress. Five out of ten companies selected signed MoU with UNIDO and government as a requirement and commitment before proceeding with certification support.</p> <p>After signing the MoU, companies went on with implementing the system. The project has carried out a mock audit with in phase of desk audit. This way to make sure that documentation is completed. Most of the five companies audited are now implementing non-compliance.</p> <p>After concluding this audit, there will be an audit on implementation before inviting a certification company.</p>

2.4. Sustainability

Sustainability is a complex concept dependent on a host of factors including strong national ownership and leadership, long-term resource availability, economic viability, and institutional, technical and human capacities. Sustainability considerations also assume both a desirability of continued effort and success of initiatives. However, given the fact that a number of UNIDO projects were in mid-implementation stages at the time of the evaluation mission, the findings of this evaluation can only be treated as preliminary at this stage.

Nevertheless, a high level of national commitment and ownership of aid funded programmes was quite evident during the evaluation mission. Just as the clarity of the country's existing national development plans indicate, the Rwandan Government has a strict hands-on approach to development targets with incentives for public sector performance. Moreover, in year 2008, the Government established a central project implementation and coordination mechanism – [the Rwanda Development Board](#)²⁸ - to oversee and coordinate all national projects related to PSD, including donor-funded ones.²⁹

A strategy of the Government in the above context of insufficient national resources and high donor interest has been to play a strong coordination role and to reduce transaction costs, such as in the decision to become a pilot country for the One UN initiative. Furthermore, and as demonstrated above in the cases of the SHP and leather artisans projects, Rwanda proactively brings different donors, approaches and technologies into the mix, thus diversifying aid sources and strengthening the potential for transfer of know-how and sustainability, while reducing the risk of over-dependence on any one category of donors.

The Government's strategy of multi-sourcing and strong coordination has been somewhat effective in enhancing sustainability. This approach is evident in the case of the leather artisans' project where the Government has brought artisanal and entrepreneurial inputs from various donors and agencies such as China, Germany and UNIDO together in the [Masaka Business Incubation Centre](#) (MBIC) under the management of the RDB. This can be described as a 'donor clustering' of sorts, bringing donor inputs and skills together in an incubation centre. UNIDO experts provide leather artisanal training, while the Chinese partners manage bamboo processing inputs, and the GIZ supports business management and entrepreneurship training within the same facility, while IFAD supports fruit

²⁸ Based on a Singaporean model.

²⁹ Given the relatively new situation, this may have important – but as yet unclear – implications for the operations of all aid agencies in the country over the coming period.

processing training. Further UNIDO support has been requested in the areas of cheese and fruit processing.

The Centre was formally inaugurated during the evaluation mission, and the first batch of leather artisan trainees received their certificates. While it was clearly too early to make an assessment of the UNIDO project's sustainability, the overall framework described above provides a positive outlook, as the Government can pick and choose partners willing to continue support to the Centre's various training facilities.

In the case of the meat processing project, the project manager has managed to safeguard the project's sustainability through identifying and concentrating capacity-building support on the Kigali Institute of Science and Technology (KIST). KIST has attracted further financial support from the Government for the new unit, which has some potential commercial viability due to the meat processing demonstration services it is capable of providing for the private sector.

The level of Rwanda's national ownership and leadership in development cooperation is therefore a positive indicator of sustainability. Where the Government has also made a strong input, financial and in kind, such as in the case of the SHP projects, this is doubly effective. However, technical shortcomings in this set of projects coupled with continuing uncertainties regarding management arrangements raise sustainability concerns. On the one hand, the evaluation found a very high level of local community ownership over most of these four SHP sites, despite their technical and management issues. However, the government's mixed signals on the level and type of partnership expected with the private sector over the managements of these sites had some local residents concerned over future pricing, especially as Rwanda has unusually high tariffs on electricity supplies through the national grid, as compared to the region.

Questions remain regarding responsibilities for upgrading transmission lines, routine replacements of generation and distribution equipment and spare parts, and on the level of tariffs, as the current levels are judged to be inadequate for proper maintenance.

A sign of both the vulnerability of these sites and the level of local commitment to their maintenance was evident in a local disaster that took place around 3 weeks prior to the evaluation mission. A landslide in the Nyamyotsi I project site - the first demonstration site completed in 2008 - had caused the death of two households, and damaged the transmission lines. Within a matter of days, the local community had raised the necessary funds and pulled together to fix the

lines by themselves, which were up and running during the evaluation mission. Nevertheless, the technical issues related to both the generation and distribution systems persist, and their vulnerability to natural disasters reinforce such sustainability shortcomings. The above mentioned example is clear proof that local communities are in a strong position to take on greater responsibilities with a strong sense of ownership, and this in itself bodes well for the sustainability of UNIDO's renewable rural energy projects. Another positive sustainability sign is the sheer proliferation of SHP projects and interested donors and NGOs throughout the country, reinforcing our earlier finding regarding the Government's strategic approach to multi-sourcing inputs and technologies. While this in itself does not necessarily indicate sustainability, it does point to a greater likelihood of reaching a 'critical mass' for sustainability.

In the case of the POPs project, the evaluation team found positive sustainability signals especially as implementation of the NIP has gone ahead without UNIDO's participation, which was 'regretted' by REMA leadership due to UNIDO's highly valued expertise in the area. Nevertheless, REMA is going ahead with support from other UN agencies and funding from GEF.

For the majority of UNIDO's other projects, implementation was at a far too early stage to assess longer-term sustainability. However, the high relevance of these initiatives should ensure good prospects in the Rwandan context that is both dynamic and strategically oriented toward industrial development.

2.5. Impact

Given the fact that UNIDO country programme is in mid-implementation, there was little to report on impact. However, the projects that were launched earlier, namely the POPs project and SHP do show some impact in terms of their catalytic effects on similar and follow-up activities and developments throughout the country.

The POPs project has had an interesting impact on the environment in that the Steering Committee established for it initiated a move that led to the banning of plastic bags from the country, which has undoubtedly helped in maintaining Rwanda's environmental health and unusually 'clean look'.

The SHP project has had a catalytic role in a context of high relevance and alignment with national needs, resulting in a wide range of SHP projects – around 26 – being implemented or planned across the country. The project has attracted other donors such as Belgian Development Agency and GIZ in the same area, and has also helped mobilise and diversify financial resources for the sector,

including through the private sector. This is likely to have a positive effect on poverty reduction in the same manner that villages benefiting from UNIDO's SHP projects show signs of economic growth.

The availability of electric power has also impacted the UN's area-based development initiatives. A new joint UN programme had been developed for Mutobu due to the electrification there. Other agencies such as DFID have also expressed an interest to extend further (grid connection access) assistance on the back of the UNIDO work.

In the locations where the four UNIDO SHP projects have been implemented, villagers' lives have been transformed in the general sense that the communities have been energised with more people moving into the villages and setting up businesses that benefit from electric power, and can run at night too. New two-storey buildings have sprung up along the market road. The impact is very general and yet highly visible: communities no longer 'go to sleep' at dusk. As one elderly woman mentioned to the evaluation team: "*where there is light, there is life*".

3.

Management

3.1. CP formulation and implementation issues

The process for preparing UNIDO's Country Programme was launched in 2006 in tandem with UNDAF preparations, and continued through to 2007 with a well drafted document that was unfortunately not updated to reflect subsequent changes, as described below. Close to a year into the preparatory phase of the UNDAF in 2006, Rwanda announced its decision to join the Delivering as One UN initiative, and was selected as a pilot country in January 2007. This affected UNIDO's and other agencies' plans, particularly in terms of donors that could be approached in Rwanda for resource mobilisation purposes.

This issue is related to the Code of Conduct of the Common Operational Document (COD) for the implementation of the UNDAF (p 68), which states: *"In signing the Common Operational Document, all UNCT members have agreed not to fund-raise for their agency in-country, except for the activities linked to humanitarian emergencies. Rather, any in-country fund-raising efforts should be directed to mobilization of resources for the One Programme as a whole."*

Initially, the situation showed much promise with a great deal of optimism for all parties involved in drafting the UNDAF. The fundraising target for the One Fund was set at \$150 million for all agencies. Of this, \$15 million was UNIDO's planned budget, nearly all of which was expected through the One Fund. However, the budget for the One Programme of the UN in Rwanda was designed only as a general guide with no particular fundraising strategy or commitments to specific agencies. Moreover, One Fund resources were pooled together without earmarking, thus reducing the incentive for individual agency fundraising.

Most importantly, the DaO rules did not allow UNIDO or any other development agency to approach donor missions in Kigali to raise funds locally, as this had to be done through – or with the express approval of - the UN Resident Coordinator (RC). The scope of UNIDO interventions was therefore affected and modified in time.

Actual One Fund amounts *mobilised* for the UN system in Rwanda since 2008 have reached close to \$55 million³⁰ or less than 40% of the target, with UNIDO's allocation being close to \$3 million (or 20% of its planned budget). Around \$2 million had been transferred to UNIDO at the time of the evaluation mission.

This raises a question on the reasons for UNIDO receiving only 20% of planned budget (\$15 m.) when the One Fund resources raised had reached 40% of planned targets. Other things being equal, available funds for UNIDO's programme could have been twice as high as actual allocations made to UNIDO.

In the end, a highly flexible approach was adopted as a number of projects were added to or removed from the original CP, with some of the One Fund approved projects having no standard UNIDO project documents. The great majority of the UNIDO projects relying on the One Fund had to be drastically reduced in scope due to low, delayed and unpredictable funding. However, the flexibility (or requirements) associated with the One Fund in terms of joint programming has also resulted in smaller joint programmes being developed through the Theme Group mechanism.

Added to the above mentioned challenges was the fact that the first HUU in Kigali was promoted and left the country for an international assignment early on in 2010, and was not replaced until November 2010. To some extent, this left the regular oversight of UNIDO's DaO funding commitments and emerging needs in a vacuum, though one of the national consultants was requested to fulfil the role temporarily.

Evaluation of the UNIDO Country Programme is therefore complicated by a drastic shortage of funds coupled with regular delays in the release of One Fund resources affecting several projects. This has been exacerbated by the fact that the CP document was not redrafted. However, the overall framework of UNIDO's portfolio has remained the same, and UNIDO's interventions have remained largely in line with originally identified needs and priorities.

3.2. The UNIDO Desk in Rwanda and other UNIDO staff

The UNIDO Desk in Rwanda, established in 2005 and located in the UNDP compound in Kigali is one of 18 UNIDO Desks globally. These were established, *inter alia*, as part of a two-year cooperation agreement signed in 2004 between

³⁰ This translated approximately into less than \$12 million a year for the whole UN system over the 5-year UNDAF period, which in turn represents less than 1.7% of total aid resources in Rwanda, taking \$700 million as an average annual level of total aid for Rwanda over the period.

UNIDO and UNDP. The Agreement, which was an extension of an earlier one signed in 1998, aims to combine the strengths of both organisations through cooperation in a number of areas, focusing on private sector development (PSD), joint programming, and promoting the UNIDO Desk model of field representation. In effect, the UNIDO Desk allows for greater engagement at the country level - in line with the principles of the Paris Declaration - with use of national staff, and serves to improve UNIDO's country presence.

UNDP handles financial, procurement and other logistics operations for UNIDO at country level. The UNIDO Desk does not have its own staff to cover issues such as financial and human resources management, procurement, IT etc. UNIDO does not participate in meetings of the Operations Management Team (OMT) but relies on UNDP.

Formal representation of UNIDO in Rwanda, however, is the remit of the UNIDO Regional Office (RO) based in Addis Ababa, Ethiopia, (one of 10 ROs globally, 3 of which are in Africa, namely Nigeria, Ethiopia & South Africa), while the UNIDO HUU in Kigali is responsible for day to day operations.

The first UNIDO HUU in Rwanda was recruited in 2005, and subsequently promoted to the post of UNIDO Representative in Dar es Salaam early in 2010. UNIDO initiated the process for a replacement in December 2009, but did not manage to recruit a new HUU before November 2010.

Between February 2010 and November the same year, therefore, the HUU post was vacant. Through an ad hoc arrangement, one of the national project coordinators working on the regional TCB project also acted as the HUU for the period. Similarly, other national project coordinators were engaged in supporting programmes and operations, attending UN Theme Group meetings, engaging in planning and budgeting forums, and raising funds for programmes through the One Fund mechanism.

As of November 2010, a new HUU has taken over in Kigali, having come from the Ministry of Finance and Economy. The UNIDO HUU works in tandem with 7 project and office staff, including four national consultants working as national project coordinators of various UNIDO projects³¹. The Desk Office continues to enjoy solid support from its network of national consultants who act as de facto UNIDO programme officers, working closely with the HUU in all matters, including One Fund and UN Theme Group issues.

³¹ These projects include: Cleaner Production (and Waste Management); Trade Capacity Building; Industrial Policy; and Food Processing for MSMEs.

UNIDO staff have been heavily and positively engaged in the DaO mechanism and with the UNCT. The HUC was recently assigned the task of representing all non-resident UN agencies in local forums such as the recently launched UNDAF (UNDAP) planning process.

UNIDO's visibility could be described as high, despite the paucity of funds and small size of the office. One could go as far as stating that UNIDO has helped improve the image of the UN at the local level — through some outstanding contributions such as the SHP project, and through positively valued expertise in industrial and PSD matters, as well as industrial research.

UNIDO's network of high quality national consultants has paid dividends in terms of cross-sectoral coordination and backstopping support including for UNIDO projects that have not recruited local project coordinators (e.g. SHP or PROPSEEDS). However, the evaluation team found that this was more the case in terms of administrative issues, planning and DaO matters rather than programme implementation and/or content. Put differently, there was room for greater synergies and coordination for example at the level of advisory support given to companies by UNIDO consultants on matters such as cleaner production, management and product quality. This could for example be achieved through regular programme meetings convened by the HUC to discuss implementation matters.

On the other hand, and due to staffing shortages mentioned above, it was found that the UNIDO Desk in Kigali does not have an RBM-based work plan. Furthermore, a gender imbalance was evident among the professional staff/consultants that did not include any females other than in the Natural Dyes project.

Nevertheless, the mission found near-unanimous praise for UNIDO consultants and staff across the range of UN, government and civil society partners met with.

The UNIDO Regional Office

The UNIDO Regional Office in Addis Ababa oversees the operations of UNIDO in four countries including Rwanda. The main responsibilities over activities in Rwanda include the following: a) the Regional Representative was formally appointed as the leader of the Country Programme; b) preparation of approved contracts; c) operation of the Imprest Account; and d) dialogue with the Government, UN agencies, and donors.

The mission found that the Regional Office faces the same resource constraints as the UNIDO Desk (or even more serious) to carry out the expected tasks in Rwanda.

First, the emergence of One UN Joint Programmes that are part of the One UN process have affected the role of the Regional Office, particularly in the commitment necessary and transaction costs associated with the intricate One UN coordination mechanisms in place.

The provision of technical support to projects and the dialogue with government, UN agencies, and donors in Rwanda require a substantial amount of time and resources that have not been available at the UNIDO Regional Office, especially considering that they have responsibilities over other countries that also demand time, efforts, and resources for travel.

Dialogue with the Government in Rwanda requires not only time, but also adequate information about different developments in the country that can be difficult to access for those based outside the country. While the HUU performs this task regularly, in periods of no HUU being in place – as in year 2010 – the lack of information can be a major challenge.

The participation in the One UN process demands a substantial effort, as it involves very frequent coordination meetings of UNDAF Task Forces and the preparation and monitoring of the UNDAF, among other tasks.

The participation of the Regional Office in contracting and processing of payments represents an improvement when compared to carrying out those tasks at Headquarters.

4.

Cross-cutting issues

4.1. Gender

The evaluation mission found limited evidence of a focus on gender within UNIDO's country programme. While a project such as the natural dyes project worked specifically with women's cooperatives in Kigali, there is little to show that a gender analysis was included in the formulation of UNIDO's CP. Likewise, UNIDO's own staff recruitment does not show gender sensitivity. On the other hand, there was good evidence of gender balance in terms of project beneficiaries in for example the SHP project that enjoys firm support from local women in terms of lighting in the home and for productive uses such as tailoring. Also, the entrepreneurship education curriculum (EEC) that is now taught in all secondary schools gives equal opportunity to both female and male students to benefit.

4.2. South-South cooperation

Rwanda has a proactive approach to South-South cooperation and trade, both in terms of its growing share of trade with emerging economies as well as within the region. In addition, the presence of Chinese private sector and development cooperation support is evident. The most obvious example of a UNIDO project with a South-South dimension is the SHP project that uses Sri Lankan expertise with Chinese equipment. In addition, the government (MININFRA) recruited the services of a Chinese company to help oversee the quality of Sri Lankan inputs.

Within the context of the EEC project, a South-South dimension was brought in as well through a Ugandan Expert recruited by UNIDO to assist with the design of the curriculum based on Uganda's experience with similar UNIDO support. Furthermore, the Cleaner Production and TCB projects have also used regional experts (Ugandan and Kenyan, respectively) to conduct business diagnostics, mock audits and training.

Given the success of the SHP project and the fact that Rwanda is predominantly a South-oriented country in terms of its trade, the situation points to a potential for

South-South approaches. This, however, would require a separate study on its own merits.

4.3. Contribution to MDGs

UNIDO's mandate relates to MDGs 1 (poverty reduction), 3 (gender equality), 7 (environmental sustainability) and 8 (global partnership).

As described above, UNIDO's projects in Rwanda largely fall in categories aligned with MDGs 1 and 7. Initiatives related to MDG 1 include support to MSMEs in a number of projects targeting agro-industries. MDG 7 is supported by the POPs, cleaner production, waster management as well as renewable energy projects.

In addition, the entrepreneurship curriculum project relates to MDG 2 (universal education), though the project is more related to the quality of education rather than access. The gender aspects of UNIDO's presence in Rwanda are discussed elsewhere.

Furthermore, the rural energy project, through its energy provision for local health services, is also related to MDGs 5 and 6 (child and maternal health). The same project, through its South-South Cooperation character, supports MDG 8.

Measurement of the actual impact of UN programmes on national efforts to achieve the MDGs is a complex task. Given the relatively small size of UNIDO's projects, any clear demonstration of such a link would be even more difficult.

5.

UNIDO's contribution to the 'One UN' mechanism in Rwanda

5.1. The role of UNIDO in the design of the One Programme

The design of the One Programme began in a participative manner with an UNDAF prioritization retreat in December 2006 with the participation of Government representatives, development partners and the UNCT, including the Head of UNIDO Office and UNIDO's counterparts. Initially, governance, health, social protection, education and the environment were confirmed as UNDAF priorities covering 80 per cent of the UN's work in the country. Later, however, the UNDAF priority "social protection" was replaced by "sustainable growth and social protection" to accommodate views following additional discussions between participating organizations and with the GoR, including with the UNIDO Director-General in February 2007.

One UN Programmes are subject to independent reviews. However, the only review conducted was an internal *UNDP MTR Stocktaking Report*.³² Subsequently, UNDAF results matrices were revised at the outcome and output levels, resulting in a shift of UNIDO's Output 1.6 (institutional capacities to improve business environment strengthened) to UNDAF Results area 5 (see Section 1.7 above for UNDAF Results).

In planning for the next UNDAF cycle commencing in 2013, United Nations staff met for a two-day UNDAF Rollout and Induction Workshop in May 2011, coinciding with this evaluation mission. UNIDO was prominently represented by its UR and the HUO, who has a newly assigned task of representing the views of Non-Resident Agencies (NRAs) in the UNDAF preparation process.³³ This can be traced back to the recognition and appreciation of the Organization's relevant and growingly positive role in preparation for the next cycle. However, further strategic positioning and preparations will be necessary for UNIDO to perform this added

³² Dated 4 November 2010.

³³ Meanwhile, a recommendation has been made to strengthen NRA membership by also including the NRAs Coordination Officer in the RCO.

task effectively and efficiently. Various roles in respect to UNIDO's DaO participation are briefly described in Table 13, below.

Table 13: DaO roles of various UNIDO units

Unit	Location	Roles
Regional Office	Addis Ababa	UNIDO Representative in Ethiopia and Regional Representative for Burundi, Rwanda, Uganda. Supervises UNIDO Desk in Kigali. Supports and promotes UNIDO's work in the country by way of building and maintaining high-level relationships with the UNRC, UNCT colleagues and the GoR. Visits Rwanda three to four times a year.
Africa Programme	Vienna	Rwanda Area Manager responsible for 19 countries, and Africa DaO focal point. Are kept in the picture for all desk affairs and provide support services to the UNIDO Desk on request. Part of high-level delegation to Rwanda at outset of DaO in 2007.
Cleaner and Sustainable Production Unit	Vienna, Addis Ababa	Technical experts responsible for designing and managing projects under the Rwanda One Programme along with other similar projects throughout the globe; allotment holders. Periodic missions to Rwanda to monitor on-going projects, implement activities, promote ideas and develop new projects/new phases. Mobilization of global financial resources. Coordination with sister UN agencies at HQ-level.
Agri-Business Development Unit		
Rural Entrepreneurship Development and Human Security Unit		
UNIDO Desk	Kigali	Established in October 2005. Current HUU recruited end 2010 in charge of UNIDO's project portfolio, including providing advice on industrial development issues, as part of One UN, supervised by the UR and with support from colleagues outside the country. Represents UNIDO in Private Sector Working Group, UNCT, and PPOC and, to the extent available, UNDAF Theme Groups. Four National Experts recruited for the first time in 2008 to implement UNIDO projects, including coordination with other UN agencies, annual planning, mobilizing Rwanda One UN funds, day-to-day contacts with project partners, on-site monitoring and reporting. Represent UNIDO in Theme Groups. One temporary Administrative Assistant and one driver. All staff apart from HUU recruited through project budgets.
DaO/CCA/UNDAF Support Project	Vienna	Facilitates HQ-level monitoring and coordination of UNIDO's participation in DaO Rwanda and elsewhere, and provides support services to the UNIDO Desk, e.g. as regards financial reporting. A monitoring mission was undertaken to Rwanda in July 2009.

5.2. Alignment of UNIDO projects with the One Programme and UNIDO's competencies

All projects envisaged in the UNIDO Country Programme since year 2008 are included as activities in the UNDAF and reflect UNIDO's core competencies and comparative advantages. UNIDO planned to contribute to producing outputs and achieving outcomes under 4 to 5 UNDAF Results areas, i.e. governance (UNDAF Result 1³⁴), education (UNDAF Result 3), environment (UNDAF Result 4) and sustainable growth & social protection (UNDAF Result 5). A number of UNIDO's previously ongoing or planned projects were later added to the COD, including the TCB and SHP ones. The Agaseke Cooperatives project was added to the COD in 2011.

5.3. UNIDO participation in the One Budgetary Framework and One UN Fund

While the Budgetary Framework is the total estimated amount of resources required to implement the UNDAF, the One UN Fund was established to fill the unfunded portion of the UNDAF while providing a monetary incentive for participating organizations to collaborate.³⁵

The following table from the COD shows the projected resources required (2008-2012) subject to availability of funds. According to the Table, the estimated total budget for implementing the UNDAF was \$487,600,000, of which \$154,740,000 were core resources (31.74%), \$177,400,000 vertical funds (36.38%) to be mobilised globally by various agencies, and \$155,460,000 (31.88%) to be mobilized through the Rwanda One UN Fund.

According to the original design, of expected One UN funds, 30% was to be reserved for governance, followed by 14% for health, 13% for education, 12% for HIV, 12% for sustainable growth, 11% for social protection and 8% for environment. The revised UNDAF results matrices³⁶ have not been budgeted.

Compared to earlier disbursements of the UN system in Rwanda, the total planned budget for the 2008-12 UNDAF was almost doubled (from approximately

³⁴ Meanwhile, as mentioned above, the UNIDO activity under UNDAF Results area 1 has been shifted to UNDAF Results area 5.

³⁵ While established earlier on, a standard MoU signed by UNDG members, including UNIDO, in October 2008, governs the One UN Fund.

³⁶ After the MTR (see above).

\$50 million in 2006 to \$98 million in 2008).³⁷ This represented a 100% increase in expected expenditures by the UN system in Rwanda under the new UNDAF.

Table14: Projected UNDAF/COD resources 2008-2012

	Total	Core Resources	Vertical	To be modified (=One Fund)
Governance	96,37	29,21	20,71	46,46
HIV	49,93	10,31	20,39	19,23
Health	70,51	23,48	25,10	21,93
Education	72,31	12,23	39,47	20,61
Environment	40,89	18,91	9,42	12,56
Sustainable Growth and Social Protection	157,60	60,60	62,31	34,68
Total(in millions US\$)	487,60	154,74	177,40	155,46
Percentage of total (%)	100	31,74	36,38	31,88

Although sustainable growth - UNIDO's main area - shows the second-largest total budget after governance, this UNDAF Result is heavily reliant upon two organizations, i.e. IFAD (around \$51 million in core resources) and WFP (over \$16 million in vertical resources). In other words, other organizations participating in this area are overwhelmingly dependent on One UN funds.

UNIDO's initial budgeted proposals under the Rwanda One Programme amounted to almost \$15 million over the 5-year period 2008-2012 and for nine projects. In comparison, UNIDO's total portfolio since 1966 when cooperation with the GoR started has amounted to close to \$18 million, though it should be added that UNIDO never benefited from an office in the country until October 2005 when the UNIDO Desk was established in UNDP-Kigali for the first time (see section on 'Field Office Performance' below).

The following table 15 shows a financial breakdown for UNDAF Results area 5, extracted from the COD's data:

³⁷ 2008 DaO Evaluability Assessment, page 19. It was not possible for the current assessment to explore the extent to which individual organizations (apart from UNIDO) had increased their budgets and to what extent based on available own funding and/or anticipated One funds.

Table 15: Projected Social Protection and Sustainable Growth resources

	Total	Core Resources	Vertical Funds	To be mobilized (One Fund)
Social Protection	67,048	6,5494	43,97	16,5286
Sustainable Growth	90,549	54,054	18,34	18,155
Total (in millions of US\$)	157,597	60,6034	62,31	34,6836

The 2008 *DaO Evaluability Assessment* critically noted that some smaller agencies had inflated their budgets under the One Programme compared to real disbursements in earlier years and that they were seeking a relatively large percentage of total resources from the One Fund.³⁸ This finding, however, should be considered in the context of the fact that UN agencies as a group had increased their 2008-12 UNDAF budgets by 100% on average compared to the previous UNDAF, as highlighted above.

5.4. UNIDO resources allocated to the One Programme

The UNCT Rwanda Code of Conduct states that participating organizations are responsible for ensuring availability of global resources (including core and vertical funds) through agency-specific channels for implementing their respective activities under the UNDAF, thus leveraging the potential to attract further funds for filling their respective funding gaps.

In August 2007, the UNIDO Country Programme was submitted to the UNIDO Programme Approval Committee for review, with a request for funding amounting to 10% of the total estimated Country Programme budget of \$14,897,519.³⁹ Around the same time, UNIDO committed itself in the COD to providing \$1,380,000 in core resources for implementing the UNDAF, 9.3% of its total estimated budget under the UNDAF for 2008-2012.

Rwanda has for a decade or so been among the biggest per capital aid recipients in the world, and expectations were high among UN partners on the level of funds that were to be raised locally among the core group of donors in Rwanda. UNIDO pinned its hopes on in-country fundraising efforts rather than any systematic

³⁸ DaO Evaluability Assessment, page 19, which also mentioned UN-HABITAT.

³⁹ IOM Country Programme for Rwanda, 7 August 2007.

efforts to mobilize other resources. This is reported to have negatively affected the Organization's ability to leverage One UN funds.

In this context, UNIDO's fundraising through government counterpart funding to the tune of \$1.3 million for the SHP project in 2008/2009⁴⁰ should also be mentioned as a UNIDO contribution to implementing the UNDAF/COD, although not recognized as such in the COD. This was a unique funds' mobilisation success in that the evaluation mission did not come across any other cases of UN projects being funded by the Government of Rwanda.

5.5. One Fund resources and allocations to UNIDO

Country-level resource mobilization:

Past midway of the UNDAF cycle, commitments to the Rwanda One UN Fund only amounted to about \$61 million; real-time deposits were \$55.5 million or 39% of the initial target.

Donors to the One Fund were/are: Spain, Sweden, the Netherlands, Norway and the UK. In addition, Rwanda has received funds from the Expanded Delivering as One Funding Window (EFW) for the achievement of the MDGs. Currently, a balance of \$10 million is available with UNDP as the Administrative Agent.⁴¹ Apart from information about a pending amount of \$10 million from the EFW, no news were available on any further contributions.

The 2008 DaO Evaluability Assessment concludes that there is a need to ensure compliance with the mechanisms agreed upon under DaO for the One Fund without losing the flexibility to raise important resources for the One Programme when opportunities arise.⁴² However, despite general dissatisfaction with the financial situation, according to evidence available, the UNCT, including UNIDO, has not engaged in a thorough situation analysis or discussions about adapting roles/responsibilities and modalities for mobilizing and receiving funds for the Rwanda One UN Fund, despite the fact that the COD and the One UN Fund ToR allow for earmarking at the level of UNDAF Results. Indeed, as opposed to other DaO countries, there is no joint resource mobilization strategy or a joint mechanism for collaborating to mobilize country-level funds for the One Fund.

Anecdotal reasons internal and external to the UNCT provided for poor resource mobilization at country level - despite apparent initial enthusiasm and a

⁴⁰ Email exchange with UNIDO, September 2011.

⁴¹ Multi-partner Trust Fund Office Gateway, 23/06/2011.

⁴² DaO Evaluability Assessment, page 29.

favourable 2010 Country-Led Evaluation (CLE) - include insufficient confidence-building measures; unclear roles, approaches and accountability for country-level fundraising; absence of important donors; supportive donors undergoing political/financial difficulties at home; and some donors encouraged by the GoR to shift to other aid modalities such as direct budget support.

5.6. Allocation and transfer of Rwanda One UN funds

Annex 17 of the COD explains that Rwanda One UN funds are allocated twice every year to participating organizations' activities in accordance with a set of principles and in application of pre-defined criteria based on a pro-rata allocation of funds per UNDAF Result and Consolidated Annual Plans (CAPs) and transferred by the Administrative Agent (UNDP).

Since 2008, UNIDO has been allocated \$3,175,011 from the Rwanda One UN Fund. Despite being much less than requested, the amount is slightly above average, with UNEP (\$215,448), UNCDF (\$248,799) and UNCTAD (\$694,473) at the bottom end of active organizations and UNFPA (\$8,763,607), UNDP (\$8,984,475) and UNICEF (\$9,637,518) the top-three ranking organizations, benefiting from just below 50% of total allocated funds from the Rwanda One UN Fund. Allocations decreased between 2008 and 2010, but experienced an increase in 2011.

Actual transfers to UNIDO by May 2011 amounted to \$1,878,027, approximately 1.4 million dollars less than allocated. The amount was below average, with transfers ranging from \$171,620 (UNEP), \$190,388 (UNCDF) and \$500,105 (UNCTAD) at the bottom end to \$7,074,683 (UNFPA), \$7,212,814 (UNDP) and \$8,354,015 (UNICEF) at the high end. Actual transfers correspond to some 16% of UNIDO's initial funding gap and around one third of UNIDO's total budget over the evaluation period.

The transfer of funds allocated to agencies under the Rwanda One UN funds is subject to strict criteria that are not fully conducive to recipient agency needs or their effective performance. One Fund transfers are made in two tranches in every year, with the second tranche (25% of the total allocation) being directly dependent on the delivery of the first (75% of the allocation). However, first tranche transfers since year 2008 have been received in the second or third quarter of the year, causing severe delays and bottlenecks in project implementation plans followed by a resultant loss of the second tranche. This in turn would be turned into a cumulative loss of funds for concerned agencies over successive years, leading to a total loss of \$1.4 million for UNIDO over 2008-May 2011, as compared to original allocations.

For example, as Table 16 below shows, UNIDO was allocated \$1.5 million in May 2008. In June 2008, 75% of this allocation was transferred to the agency, a full 6 months into the year. Not being able to deliver the full allocation in half a year, UNIDO was further penalised as the second tranche was deducted from its One Fund allocation in the same year. Moreover, this 25% loss is deducted from the following year's allocation too, resulting in an accumulated loss of around \$800,000 from the agency's actual budget allocations in the first two years of the One Fund's operation alone. Hence, UNIDO's first tranche transfer was around \$140,000 in the following year, despite an original annual allocation of \$668,000. And, the agency had to wait until the month of July to receive this first tranche.

UNIDO's second tranche payments were received in November/December of 2009 and 2010. Moreover, the same non-delivery penalty criterion has been applied to these funds transferred right at the end of the calendar year. Given the near impossibility of delivering such funds within a few calendar days, this has resulted in an equivalent deduction from UNIDO's allocation in the following year, turning the second tranche allocation into an automatic deduction in subsequent years.

In addition, a decision in 2010 to cut UNIDO's allocation because of the Organization's slow shift towards joint interventions resulted in a loss of \$400,000; a financial cut that appears harsh in light of the little time available since the UNCT decision of end November/early December 2009 to modify this 'joint programming' criterion.

Clearly, and despite clear advantages in establishing a One UN Fund available to all agencies in Rwanda, some disbursement issues have posed challenges for implementers across all projects that are reliant on One UN funding. Improvements were noticeable by year 2011 when the first tranche transfer was made in the month of March.

According to evidence available, the One UN funds process has suffered from teething problems that can be summarised as:

- a. Amount of time spent on annual planning;⁴³
- b. Insufficient information about available resources;⁴⁴

⁴³ Given annual allocations from the Rwanda One UN Fund, Theme Groups are required to develop Consolidated Annual Plans (CAPs), a process that reportedly can take up to six months of "negotiations"/"bargaining".

⁴⁴ 2011 was apparently the first year, for which Theme Groups were informed about their respective pro-rata allocations.

Table 16: Rwanda One UN Fund: UNIDO requests, allocations and transfers, as of May 2011

Year	CAP requests	Allocations (& dates)	1st tranche (& dates)	2nd tranche (& dates)	Total transfers	Subtotal (cumulative)	Remarks
2008	\$5.492 million	\$1,518,000 (May 2008)	\$1,138,500 (75% in June)	\$0	\$1,138,500	\$1,138,500	25% (2nd tranche) not mobilized; unspent funds in 2008: \$481,780.
2009	\$2.88 million / 667,768	\$667,769 (July 2009)	\$139,492 (75% in July)	\$46,497 (25% end Nov.)	\$185,989	\$1,324,489	Initial request (2.88 million) revised due to shortage of funds. Total transfers: allocation of \$667,768 minus 2008 unspent funds. Unspent funds in 2009: \$100,970. Cumulative loss to UNIDO: \$582,750.
2010	\$928,600	\$427,609 (April 2010)	\$213,805 (May)	\$198,805 (Dec.)	\$412,609	\$1,737,098	UNIDO request approved by PPOC but cut on grounds that there were not enough joint projects. Further deductions on grounds of unspent funds in 2009. 1st tranche 50% instead of 75% because request for individual activities higher than for joint activities. Unspent funds in 2010: \$287,997. Cumulative loss to UNIDO: \$1,386,738.
2011	\$1,270,942 / 770,942	\$561,633 (March 2011)	\$421,225 (75% in March)	\$150,000 (planned)	\$421,225	\$1,999,707	UNIDO allocation \$748,660 minus unspent funds in 2010 as communicated to UNRC in 2011. Cumulative loss to UNIDO: \$1,674,735 as of May 2011.

- c. No institutionalized presence of government counterparts in planning and decision-making;
- d. Perceived dominant role of the UNRC;
- e. Transfers in two tranches and delays in receiving funds;
- f. Underutilized, under-developed and changing criteria for objectively allocating funds to activities;
- g. Transparency issues related to missing documented process and rationale for allocation decisions; and
- h. Impossibility to carry over unspent funds with unrealistic delivery targets

Despite continued monetary shortcomings (compared to planned figures), UNIDO's full presence on the ground, good professional relationships within the UNCT and active participation in relevant coordination and governing bodies (UNDAF Theme Groups, the Programme Planning and Oversight Committee, PPOC, and UNCT) have proven of utmost importance in terms of UNIDO's contribution to joint planning and securing One UN funds.

5.7. UNIDO's role in implementation

A One UN Steering Committee (SC)⁴⁵ has been established to guide and decide on the overall strategic orientation and implementation of the One UN Initiative. The Minister of Finance and Economic Planning chairs the SC, which, according to its ToR, comprises three other GoR representatives, on a rotating basis four members of the UNCT (including two representatives of funds and programmes and two from UN specialized agencies⁴⁶), on a rotating basis three development partners and the UNRC. To date, UNIDO has not been a member of the Steering Committee; neither has the Ministry of Industry and Commerce, UNIDO's main counterpart.

The UNCT⁴⁷ is responsible for ensuring achievement of results and adherence to the One Programme. It is composed of representatives of UN entities accredited or having activities in the country. Meetings are chaired by the UNRC. As opposed to initial years when there was no guarantee for the HUO to participate in UNCT meetings, thus imposing a constraint to accessing important information and influencing strategic decisions, UNIDO, today, is either represented by its HUO or UR when in country. The HUO, however, is not invited to participate in

⁴⁵ See COD Annex 1 for the committee's TOR.

⁴⁶ The UNCT has been represented by FAO and WHO (both resident specialized agencies) as well as UNICEF and WFP.

⁴⁷ ToR available in COD Annex 2.

ad-hoc Heads of Agencies meetings or meetings of the Security Management Team.

In October 2009, a Programme Planning and Oversight Committee (PPOC) was created to coordinate and oversee the implementation of the One Programme. Its intention is to play the role of a think-tank for the One UN and provide technical oversight as well as strategic policy advice to the UNCT in support of DaO.⁴⁸ Today, it also plays a role in programme planning and ensuring that deadlines are met. The HUO represents UNIDO in the PPOC.

UNDAF Theme Groups coordinate its implementation, and are responsible for developing CAPs, designing joint programmes, reporting on resource utilization and monitoring progress. UNIDO does not chair or co-chair any Theme Group and regularly relies on its national experts to augment the HUO's participation in Theme Group discussions relevant to UNIDO's work. Their contributions are perceived as active and committed. UNIDO does not participate in any of the three Task Forces on gender; human rights; planning, monitoring and evaluation.

For a small UN agency, and despite being officially covered by the Addis Ababa Regional Office, UNIDO is relatively well represented and active in DaO governing and coordination bodies in Rwanda; and it has a good reputation within the UNCT as a partner. Furthermore, from January 2010 to January 2011, UNIDO seconded a Senior Policy Advisor to the RCO in Rwanda to support the work of the PPOC and Theme Groups, and in particular their efforts to reorient the UN towards policy work.

5.8. Financial delivery of UNIDO projects under the One Programme

At the time of the evaluation mission, UNIDO had started implementing all nine projects envisaged under the One Programme; a tenth project was added under UNDAF Results area 5, i.e. FB/RWA/08/J01: Inventory of Natural Dyes in Rwanda as part of the Joint Programme Enhancing the Socio-economic Development of Women through Strengthening Agaseke Cooperatives in Kigali City.

The COD identifies “over-commitment in the UNDAF” as a general risk, which is likely to occur, and which would have a high impact on implementation.⁴⁹ Of total funds transferred from 2008 to 2011, UNIDO has expended \$1,449,081 or 67%. This is above the UNCT delivery rate of 62%. The method of calculating this rate,

⁴⁸ *One UN Rwanda Annual Report 2009*, page vi.

⁴⁹ COD, page 3.

however, does not take into account delays in the transfer of One UN funds to UNIDO (per Table 16 above), which has reduced the timeframe available for effecting planned annual expenditures by as much as 70%. This, for example, was the case of year 2009 when the first tranche was transferred in July, followed by a second one in November, leading to an effective time loss of 8 months in the year.

Only three participating organizations' delivery rates have exceeded UNIDO's:

- FAO (75%; \$2,120,528)
- UNICEF (80%; \$6,685,401)
- UNCTAD (80.5%; \$402,522)

Six organizations have spent more One UN funds than UNIDO in absolute terms:

- UNICEF (\$6,685,401)
- UNDP (\$4,512,067)
- UNFPA (\$3,619,935)
- FAO (\$2,120,528)
- WHO (\$1,875,846)
- WFP (\$1,693,041)

It is important to note that these figures do not represent agency-specific overall expenditures under the UNDAF/COD (global agency resources and One UN funds), for which data was not available.

Opinions on principal reasons for under-delivery are varied. Key factors - both internal and external to the Organization - perceived to be negatively affecting UNIDO's financial delivery under the One UN are:

- Late receipt of One UN funds coupled with insufficient time between deadlines for implementing planned activities;
- Cumulative losses in allocation of funds over the period;
- Missing supplementary UNIDO core/vertical resources for technical cooperation;
- Absence of a HUU during most of 2010; and
- Insufficient size of tranches from Rwanda One UN Fund to procure required equipment and international consultancy services in some cases.

5.9. UNIDO's contribution to operational coherence

The UNCT has been working with the GoR since 2007 to establish a common site for all UN agencies in Kigali. In April 2009, a land agreement was signed between UNDP (as Administrative Agent for all UN agencies) and the Ministry of

Economic Affairs and Finance. Various measures are being taken in view of establishing a public-private partnership. However, a Memorandum of Understanding committing UN organizations to occupying the common premises has only been signed by UNDP, UNICEF and UNFPA. The general expectation is for UNIDO to follow UNDP; implications in terms of increased rental costs are not known. It is likely that a One UN House in Rwanda will only be operational in the next DaO programme cycle.⁵⁰

5.10. Extent to which UNIDO has harmonized business practices

A number of common services and support units are in place in Rwanda and are being used by UNIDO. Some of these include a UN Dispensary, a joint UN recruitment panel, a UN Security Unit and a UN Travel Agency.⁵¹ Progress in harmonizing business practices, e.g. in finance and procurement is slow pending action at different agency headquarters and because of limited staff capacity in Rwanda. In 2009, apart from the One UN House, the OMT paid special attention to human resources, procurement and ICT.⁵²

To date, harmonization does not seem to have required any major adjustments to UNIDO practices.

5.11. Extent of UNIDO's shift to national execution

Based on GA resolution 62/208⁵³, all UN agencies are encouraged to adopt national execution and use of national expertise to the extent possible.⁵⁴ In Rwanda, while the primary approach of the UN funds and programmes is some sort of national execution, the primary approach of the UN specialized agencies is that of agency execution, in the case of UNIDO mainly managed from its headquarters.

UNIDO's use of local expertise in the implementation of its programmes is extensive and quite effective. While the management of funds remains largely

⁵⁰ CLE, page v.

⁵¹ <http://rw.one.un.org>.

⁵² 2009 One UN Annual Report, pages 44/45.

⁵³ "Calls upon United Nations organizations to adopt measures that ensure sustainability in capacity-building activities, and reiterates that the United Nations development system should use, to the fullest extent possible, national execution and available national expertise and technologies as the norm in the implementation of operational activities by focusing on national structures and avoiding, wherever possible, the practice of establishing parallel implementation units outside of national and local institutions" (Para 39).

⁵⁴ Joint Terminal Evaluation, page 11. The JIU in its report JIU/REP/2008/4 found that different definitions are being used for national execution as well as for the terms execution and implementation.

centralised, practical implementation on a day-to-day basis is overwhelmingly run by national experts coordinated by the HUU who is also a national.

5.12. The Harmonized Approach to Cash Transfers (HACT) compliance

UNIDO is member of the UNDG HACT Advisory Committee. At the UNDG meeting on 24 April 2008, UNIDO and other agencies also agreed on the principle to use HACT. Meanwhile, the UNCT in Rwanda, according to the 2010 Country-led Evaluation, has emphasized HACT through trainings and the building of capacity in financial management.⁵⁵ It has explored modalities to extend HACT to a wider circle of UN agencies and taken steps towards full UNCT HACT compliance, i.e. macro assessment and micro assessments, including of UNIDO's implementing partners. However, progress has reportedly come to a halt in terms of undertaking joint assurance activities.

UNIDO does not make cash transfers to its implementing partners in Rwanda, neither directly nor indirectly through UNDP. In this regard, HACT is not applicable to the Organization today.

5.13. Impact of One UN mechanisms on transaction costs for UNIDO

Given annual allocations from the Rwanda One UN Fund, Theme Groups are required to develop CAPs, a process that reportedly can take up to six months. Findings of the Country-led Evaluation estimate that roughly 32% of the staff time in the programme cycle is spent on planning and that ideally this should be closer to 21%. Similarly, staff estimate that they spend roughly 35% of their time on implementing, and that ideally this should be closer to 46%.⁵⁶ However, there are currently no indications that transaction costs will decrease in the short-term.

Participation in the current UNDAP Task Force represents a valuable opportunity at the same time as it adds transaction costs for UNIDO in the field. Hence, the services of an external consultant are being sought, with financial assistance of the UNIDO DaO/CCA/UNDAF Support Project.

⁵⁵ CLE, page 26.

⁵⁶ CLE, page 19.

5.14. Extent to which costs are commensurate to benefits of DaO

On balance, the benefits of DaO outweigh its costs for UNIDO in the longer run and despite the DaO's teething problems. The DaO mechanism provides a useful opportunity for greater coherence within the UN system and its alignment with national priorities, which in turn would favour the role of specialised agencies such as UNIDO.

While there is some evidence that the mechanism may in instances favour larger agencies (both in terms of funds and visibility), it also provides the smaller agencies with the chance to be more deeply engaged in planning and coordination processes, and to raise additional resources through the One UN fund.

Rwanda is one of the two DaO pilot countries with a UNIDO Desk, the other being Mozambique. Capacity strengthening of the UNIDO Desk (human, financial and logistic), also in view of capacity constraints at HQ, has been singled out as a priority, eventually leading to the recruitment of four National Experts⁵⁷, an administrative assistant, a driver and the procurement of an office vehicle.

5.15. Locally available support for UNIDO as an NRA

At the time of designing the current UNDAF/COD, UNIDO was unable to argue for inclusion of industrial development priorities in the One Programme, though this was later rectified to some extent. Moreover, and in light of the views and priorities expressed by the GoR, prospects for greater UN support to economic development issues are good in the context of the next UNDAF.

Since the launch of the DaO, institutional mechanisms for NRAs and other UN agencies to be represented by the UNRC have been strengthened. In Rwanda, respective roles and responsibilities are laid out in the Code of Conduct. In addition UNIDO has been able to access One UN funding albeit at significantly lower levels than initially agreed.

⁵⁷ The HUU had repeatedly, including in the context of the 2008 Dalberg Capacity Assessment, requested to boost the office with two new national officers in the short term.

An NRA Officer is located in the Resident Coordinator Office (RCO). Her services such as information sharing, coordination and representation of NRA interests and concerns are appreciated and described as a “critical success factor”.

6.

Main conclusions and recommendations

6.1. Conclusions

Poverty reduction

UNIDO's support to MINICOM is highly relevant to Rwanda's needs especially as the country began implementing a new industrial policy, adopted in April 2011. UNIDO's greater involvement with the line ministry is likely to have a multiplier effect on several levels. However, low levels of funds available to UNIDO have posed a strong challenge to effective and sustainable capacity-building in this area, and will continue to do so unless the situation is improved. The counterpart ministry prefers UNIDO to concentrate more of its Rwanda resources in this area.

In targeting its support to enterprises involved in various strategic sectors of the Rwandan economy from leather to dairy products and other food processing, UNIDO has provided assistance of high relevance to Rwanda's economic development needs. Support to enterprises in the area of food safety is also a part of the regional Trade Capacity-Building programme. The Cleaner Production project too continues to support enterprises across various agribusiness subsectors. However, such interventions are, due to their limited funding, rather small in scope and potential impact other than at the level of individual enterprises that have benefitted from advisory services. As such, they constitute small but positive steps in the right direction, with potential for replication and scaling-up.

Where such support has been provided to key national institutions such as the standards bureau (RBS) or KIST, the potential for both sustainability and impact is far greater. This has been evident in the support given to both institutions in the area of food safety. Similarly, UNIDO's cooperation with the Ministry of Education has resulted in a nationwide introduction of entrepreneurship education within the secondary school system, funded in the main by national resources.

Energy & environment

Following a successful support to the development of the first NIP for the Stockholm Convention (POPs), UNIDO's future involvement in the implementation of the NIP is desired by the government.

Overall the SHP projects have shown a high degree of efficiency and relevance to the GoR and UNIDO plans and priorities, and are highly relevant to the needs of the beneficiaries. Synergies between the projects and higher level strategies can be found, and in the early part of the programme when UNIDO contributed to the development of Rwanda's SHP strategy through the implementation of the projects. In addition, the projects stimulated replication and testing of various rural energy solutions.

However, technical design issues have hampered the project's productive use potential, and the projects missed some of their capacity building targets. Moreover, long delays were ironically caused by the success of UNIDO's subcontractor in the first project, as the latter was then overwhelmed by additional requests by the Government before completing subsequent UNIDO project sites.

The SHP projects would have benefitted from a national coordinator based in the counterpart ministry in order to reduce delays. Also, several changes in project plans were not duly recorded in the PDs or work plans. A number of challenges remain in terms of a need to rectify technical and engineering shortcomings to stabilize and boost the power supply for productive uses, establishing a sustainable business/management model for the sites, and acquiring some essential spare parts as part of risk management.

Trade capacity building

UNIDO's TCB support is highly relevant to Rwanda's needs especially as the country is increasingly integrated in, and bound by global and regional trade regimes. UNIDO has made a positive – though limited – impact on the capacity of the RBS in helping to strengthen its food safety laboratories, supporting its company audit and certification function, and establishing Notification Points with associated training. It has also shown good results in food safety public awareness raising, and in enterprise upgrading support. The regional TCB project, however, suffered from design flaws that were largely related to inadequate concentration on specific country needs, but this was later amended.

CP formulation & implementation issues

The process for preparing UNIDO's Country Programme (CP) was launched in 2006 in tandem with UNDAF preparations. Within a year, Rwanda was selected as a pilot country for the Delivering as One UN initiative with important consequences for local fundraising. The budget for the One Programme of the UN in Rwanda was designed only as a general guide with no particular fundraising strategy or commitments to specific agencies. In the end, a highly flexible approach was adopted as a number of projects were added to or removed from the original CP, with some of the One Fund approved projects having no standard UNIDO project documents. The great majority of the UNIDO projects relying on the One Fund had to be drastically reduced in scope due to low, delayed and unpredictable funding. However, the overall framework of UNIDO's portfolio has remained the same, and UNIDO's interventions have remained largely in line with originally identified needs and priorities.

UNIDO Desk

Established in 2005, the UNIDO Desk has helped elevate UNIDO's presence and visibility in Rwanda. In effect, the UNIDO Desk allows for greater engagement at the country level - in line with the principles of the Paris Declaration - with use of national staff under the management of a HUU. In 2010, when UNIDO did not have a HUU in Kigali for most of the year, UNIDO's participation in the One UN mechanism was affected negatively. Formal representation of UNIDO in Rwanda, however, is the remit of the UNIDO Regional Office (RO) based in Addis Ababa.

UNIDO's visibility in Rwanda was clearly positive, despite the paucity of funds and small size of the office. One could go as far as stating that UNIDO has helped improve the image of the UN at the local level through some outstanding contributions such as the SHP project, and through positively valued expertise in industrial and PSD matters, as well as in industrial research. In addition, the UNIDO Desk contributes to the UNCT and DaO, and is the representative of non-resident agencies of the UN.

South-South Cooperation

The case of the SHP project showed good evidence of a proactive South-South approach by UNIDO in Rwanda and with good success. The entrepreneurship education curriculum and TCB projects also have successfully incorporated regional and South-South dimensions, particularly in terms of sourcing know-how. Given the fact that Rwanda is predominantly a South-oriented country in its trade relations, the situation points to a potential for greater concentration on South-South approaches by UNIDO.

Delivering as One

UNIDO has been a committed partner in the Rwanda One UN from the start. However, as the case of the late introduction of an economic development pillar in the UNDAF shows, it cannot assume the inclusion of its thematic priority areas or expect an invitation to contribute based on them also being national priorities. Thanks to the [2010 Donor Division of Labour](#), the organization's full membership in the newly established UNDAF (UNDAP) Task Force and the competent HUU and team on the ground, UNIDO is in a much better starting situation than in 2006/2007 for contributing to the design of the next One Programme (UNDAP 2013-2017), and consolidating its role in Rwanda.

The One UN in Rwanda has been unsuccessful in raising money for the Rwanda One UN Fund to support the funding gap of the ambitious UNDAF/COD. While in part there may be valid reasons for this deficiency, the question remains as to why few if any measures have been taken to adapt local resource mobilization modalities and reinforce fundraising efforts.

UNIDO is a comparatively well-performing small player, exceeding the average One UN funds delivery rate, a fact that deserves more recognition by partners within and outside the UNCT. However, the Organization's level of One UN funds expenditures in absolute terms amount to only \$1.5 million over three years, which roughly translated into an average and limited allocation of \$48,303 per annum per project.

UNIDO supports the goal of achieving operational coherence, i.e. establishing a One UN House and common services/harmonized business practices, however, and per the MoU between UNIDO and UNDP, the UNIDO Desk has relied on UNDP for financial, procurement and logistics operations at the country level.

Costs of UNIDO contribution to the One UN in Rwanda are not fully commensurate with benefits derived. Time spent participating in One UN governing and coordination bodies is disproportionate compared with UNIDO's participation in the One Budgetary Framework/Rwanda One UN Fund.

UNIDO country-level capacities and decision-making authority are central for contributing to One UN mechanisms in Rwanda: UNIDO has strongly relied on the UNIDO Desk to position the Organization within DaO in Rwanda and shoulder most of the work burden. In this regard, the 2010 vacancy, despite the best of intentions of the HUU ad interim, was a low point in UNIDO's DaO experience.

6.2. Recommendations

Poverty reduction

- Given the primacy of industrial policy to both UNIDO and Rwanda, it is strongly recommended that UNIDO should raise additional funds for cooperation with MINICOM.
- In addition, UNIDO should encourage a more proactive involvement of MINICOM in preparations for the next UNDAF (UNDAP) in order to promote industrial development issues.
- In order to enhance the efficiency, effectiveness and impact of its PSD interventions in Rwanda, UNIDO should devise a more integrated approach across these various initiatives, making use of its high calibre of national expertise and providing its range of advisory services to cater for the relevant needs of targeted companies across various projects, thus pooling project resources and UNIDO's expertise in a more systemic manner.
- For the next UNDAF, UNIDO should concentrate on institutional capacity building with a scaled-up approach to enterprise upgrading, helping local business associations and the Government to augment business development services in the country with a focus on agribusiness, as this sector has significant potential for further growth, particularly under the umbrella of implementing Rwanda's industrial policy.

Energy and environment

- UNIDO should conduct further consultations with REMA and approach GEF for further funding for the implementation of the Stockholm Convention NIP, as part of the next UNDAF.
- SHP lessons in Rwanda should be fully drawn on by UNIDO to inform hydro activities in other countries.
- When a renewable energy intervention costs over US\$1 million, as in this case, UNIDO should contract a national project co-ordinator.
- SHP programmes should also include a national team of an engineer, an economist and a community development expert based with the counterpart (i.e. MININFRA).
- In SHP programme implementation, UNIDO should pay careful attention to the design and supply of key components such as intakes, control systems, distribution lines and transformers. Spending a small amount in the overall budget on improvements in design could make a significant difference in project reliability, particularly in terms of productive uses (e.g. carpentry, welding and food processing) that typically require strong and steady supplies of electric power.

- UNIDO should design future SHP programmes with a less wide ranging set of objectives. Clear objectives especially on the operation & maintenance and ownership models need to be prioritised above others.
- Enough resource must be budgeted, ideally by the local authorities, to allow the purchase of a new generator for each site (and as a minimum at the Nyamyotsi site because it has been running longer), in order to have as a back-up spare for quick replacement if this long-lead item fails⁵⁸.
- Ownership structures, acceptable for all main stakeholders, including beneficiaries should be developed for the schemes
- The tariffs at the four sites need to be reviewed in light of the low level of operator salaries given the amount of work they do and the need for replacement of spares and repairs.

Trade capacity building

- UNIDO should continue to build on TCB achievements and ensure that RBS' food safety compliance and internal audit capacities are developed to the point of full accreditation.

Gender

- UNIDO should aim to increase its recruitment of Rwanda female professionals in its projects, and to introduce gender analyses in the next CP.

Management and DaO

- UNIDO must build on the 2010 Donor Division of Labour in Rwanda, and to consolidate its role as the UN focal point for 'energy' and the donor focal point for 'Manufacturing services and off-farm industry', and in preparations for the next UNDAF.
- In the context of the next UNDAF cycle preparations, and in its relatively new support role to NRAs in UNCT forums, UNIDO (PTC/BRP) should temporarily increase the capacity of the UNIDO Desk in Rwanda.
- In view of UNIDO's fundraising challenges in Rwanda, UNIDO should request for a UNCT review of the current modalities and efforts for raising and distributing Rwanda One UN funds.
- The HUC in Kigali and the UNIDO Africa Programme focal point for Rwanda in Vienna should play an elevated role in substantive programme

⁵⁸ The generator is prioritised above turbine as wear and tear on the latter can be resolved with its parts' replacement, whereas it is usually not a economic or long-term solution to rewind a generator as opposed to a straight replacement (at often justifiable and low cost relative to the whole electro-mechanical plant).

coordination at the field and HQ levels, in order to enhance synergies across UNIDO's projects in the country.

South-South Cooperation

- Senior UNIDO management should ensure that UNIDO project managers are familiarised with UNIDO's SSC successes in Rwanda, especially as these success stories were independent from the SSC 'Centre' model operated in India and China, and may provide a more mainstreamed and accessible model of SSC for all UNIDO project managers.

7.

Lessons learned

Energy and environment

As the case of the SHP (Nyamyotsi 1) project demonstrates, it is feasible for UNIDO to help LDCs introduce a low-cost, locally owned and managed rural energy model with a 'learning by doing' approach in remote areas.

South-South Cooperation (SSC)

In order to avoid technical (engineering) shortcomings such as those experienced in the SHP project, SSC initiatives should not necessarily opt for the 'least-cost option', particularly in the choice of technology.

The SSC successes in Rwanda point to an alternative and viable model for designing and implementing SSC projects within UNIDO's mainstream project formulation frameworks, and different from the model promoted by the UNIDO SSC Centres in India and China.

Delivering as One

In the context of a highly relevant yet significantly underfunded Country Programme, UNIDO's experience with DaO in Rwanda demonstrates a clear need for UNIDO to establish a larger pool of programmable funds in order to be able to implement its CPs more efficiently and effectively.

Resource mobilisation

UNIDO's experience in Rwanda demonstrates that regardless of a country's GDP it is possible to raise substantial national funding for UN projects for as long as the Government is convinced of the importance and relevance of the planned project and UNIDO's value added. This was evident in the SHP (direct Government funding through UNIDO), Entrepreneurship Curriculum (parallel Government funding), and Meat Processing (parallel funding) projects.

Annex A: Terms of Reference

Terms of Reference (abbreviated version)

Independent UNIDO country evaluation in the Republic of Rwanda

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1. BACKGROUND AND CONTEXT

The evaluation of UNIDO's Country Programme (CP) in Rwanda was included in the ODG/EVA Work Programme 2010/2011 and later approved by the Executive Board. Country evaluations look at UNIDO's entire programme in a country and the specifics of UNIDO's programme nationally and regionally insofar as they relate to the country.

UNIDO's cooperation with the government in Rwanda dates back to 1966. Since then there has been a portfolio of around 180 projects amounting to close to around \$18 million.

Rwanda is one of the UN's original eight pilot countries⁵⁹ for the Delivering as One initiative (DaO) that was launched in the country in April 2007. UNIDO's field presence in Rwanda is covered by a Head of Operations within the UNDP office in Kigali as part of an ongoing [Cooperation Agreement with UNDP](#) signed in 1998 regarding representation and joint programming in the field.

Therefore, in addition to assessing Rwanda's Country Programme and stand-alone projects, the country evaluation will contribute toward two ongoing thematic evaluations, namely UNIDO's experience with the Delivering as One initiative, and an assessment of UNIDO's field presence.

Country context

Rwanda is classified as a 'Land Locked Least Developed Country' (LLDC) with a per capita GDP of around \$520⁶⁰ in year 2009 and a total population of 10.1 million approximately. [Rwanda's Human Development Index](#)⁶¹ ranks 152 out of a total of 169 countries with comparable data, placing the country among the poorest globally.

National development, priorities and goals

Rwanda has a clearly defined set of national development goals and targets together with a specific monitoring framework.

The overall framework for the national vision is given in [Rwanda's Vision 2020](#)⁶² document that is based on the following pillars and targets:

⁵⁹ Albania, Cape Verde, Mozambique, Pakistan, Tanzania, Rwanda, Uruguay and Vietnam.

⁶⁰ National Institute of Statistics of Rwanda; <http://statistics.gov.rw/> at market exchange rates.

⁶¹ <http://hdrstats.undp.org/en/countries/profiles/RWA.html>

⁶² http://www.minecofin.gov.rw/webfm_send/1700

- Reconstruction of the nation and its social capital anchored on **good governance**, underpinned by a capable state;
- **Transformation of agriculture** into a productive, high value, market oriented sector, with forward linkages to other sectors;
- Development of **an efficient private sector** spearheaded by competitiveness and entrepreneurship;
- Comprehensive **human resources development**, encompassing education, health, and ICT skills aimed at the public sector, private sector and civil society. To be integrated with demographic, health and gender issues;
- **Infrastructural development**, entailing improved transport links, **energy** and water supplies and ICT networks;
- Promotion of **regional economic integration** and cooperation.

Under the Vision 2020 umbrella, the government's medium-term plan is stated in the country's [Economic Development and Poverty Reduction Strategy](#) (EDPR), 2008-2012.

Highlights of the EDPR (from UNIDO's perspective) include the following⁶³:

Private Sector-led Development

For Rwanda's development the emergence of a viable private sector that can take over as the principle growth engine of the economy is seen as key. It is expected to ensure both economic growth and the emergence of a vibrant middle class of entrepreneurs, which will help develop and embed the principles of democracy

Infrastructure Development – Energy

Inadequate and expensive electricity supply constitutes a limiting factor to development. Wood is the source of energy for 99% of the population, which leads to massive deforestation and soil destruction. Imported petroleum products consume more than 40% of foreign exchange. A 2007 World Bank survey found that 75% of businesses polled owned a generator, and that 45% of their total power comes from generators. In order to address these challenges, Rwanda has considerable hydroelectric potential, in addition to large deposits of renewable methane gas in Lake Kivu, estimated at 60 billion cubic metres. In rural areas direct solar energy or photovoltaic energy can be used. Moreover, up to 1/3 of 155 million tons of peat deposit is currently exploitable.

⁶³ The section borrows heavily and directly from the EDPR.

Environment

Five critically degraded ecosystems are to be mapped, assessed and rehabilitated as part of the Integrated Management of Critical Ecosystems (IMCE) project. Rehabilitated ecosystems will contribute to an increase in hydro-electric power generation as in the case of the Ntaruka station which is presently operating below capacity due to a drastic decline in water levels within the Rugezi wetland.

Development cooperation

With a current total GDP of around \$5 billion and a total annual ODA/Aid budget of close to \$1 billion a year, it is apparent that Rwanda is one of the most aid dependent countries globally. What is more, Rwanda's aid dependence has intensified over time, with aid levels rising by a factor of around 300% over the past decade, constituting 10% of GDP in year 2009 and over 50% of its budget financing for the decade⁶⁴.

On the other hand, Rwanda's ODA mix is rather diversified with an even spread across bilateral and multilateral donors and global funds.

Social sectors received about 50% (more than 25% went to education) of the bilateral ODA, while economic infrastructure & services, together with production, accounted for only 20% of the ODA.

Foreign direct investment remains far smaller than ODA despite a more than 15-fold increase in its volume over the decade (see Table 1).

The UNDAF 2008-2012:

According to the 2008-2012 UNDAF, in Rwanda the UN assistance framework is organized around five pillars: governance; health, population, HIV and nutrition; education; environment and sustainable growth; and social protection.

It is clear that UNIDO's mandate is most closely aligned with the fifth⁶⁵ UNDAF pillar, which addresses economic resilience and growth.

⁶⁴ <http://www.africaneconomicoutlook.org/en/countries/east-africa/rwanda/>

⁶⁵ UNDAF Result 5: Rwandan Population benefits from economic growth and is less vulnerable to social and economic shocks.

Delivering as One UN in Rwanda⁶⁶

The United Nations launched the “Delivering as One” (DaO) pilot initiative in 2007 to test how the UN family can provide development assistance in a more coordinated way in eight countries, including Rwanda. The concept is based on 4 ‘principles⁶⁷’, namely, one leader, one budget, one programme and one office.

In Rwanda, the DaO’s conceptual and operational frameworks are outlined in a number of key documents including:

- i. One UN Concept note⁶⁸ signed in April 2007
- ii. The Common Operational Document⁶⁹, which is ‘a programmatic document specifying how the UN in Rwanda will operationalize the United Nations Development Assistance Framework (UNDAF)’.
- iii. The UNDAF (2008-2012)
- iv. MoU One UN Fund for Rwanda⁷⁰
- v. TOR for One UN Fund for Rwanda⁷¹

UNIDO in Rwanda

As mentioned earlier, UNIDO’s field presence in Rwanda is covered by a Head of Operations (HUO) within the UNDP office in Kigali. UNIDO’s Representative (UR) for Rwanda is based in the UNIDO Regional Office in Addis Ababa.

Rwanda Integrated Programme (IP) 1998-2003

The first UNIDO attempt at implementing a consolidated programme in Rwanda was initiated in 1998 with the first UNIDO Integrated Programme for Rwanda with a planned budget of around \$7 million, and actual delivery of around \$2.7 million. The IP concentrated on private sector promotion at three levels of interventions:

Component I: Recovery of manufacturing capacity through **enterprise rehabilitation** and restructuring (IP pages 34-37);

⁶⁶ <http://www.undg.org/index.cfm?P=177>

⁶⁷ <http://www.undg.org/index.cfm?P=7>

⁶⁸ <http://www.undg.org/docs/7100/070405%20One%20UN%20Concept%20Paper%20-%20Signing%20version.pdf>

⁶⁹ http://www.undp.org.rw/COD_UN_Rwanda.pdf

⁷⁰ <http://www.undg.org/docs/8047/071109%20MoU%20One%20UN%20Fund%20for%20Rwanda%20final%20version.pdf>

⁷¹ <http://www.undg.org/docs/8047/071109%20ToR%20One%20UN%20Fund%20for%20Rwanda%20final%20version.pdf>

Component II: Capacity building to **promote micro- and small-scale enterprises** with particular emphasis on women entrepreneurs (IP pages 49-56); **Component III:** Capacity building for **industrial policy** formulation and Implementation of a National Industrial Policy including its monitoring and auditing (pp 66-68).

Subsequently, an energy component was also included in the IP upon local consultations. IP activities were largely completed by year 2004, but formal closure of the IP took place in 2010⁷².

A self-evaluation was conducted in 2004 and a Terminal Report was also prepared⁷³.

Rwanda Country Programme 2008-12:

UNIDO's attempt at developing a second IP - a Country Programme entitled 'Capacity building for industrial recovery, competitiveness and market access' - was eventually approved in 2007 as a 'working document' but not formally adopted. Instead, UNIDO's more recent role is found in cooperation emanating from the current UNDAF and within the UN's Delivering as One framework.

UNIDO's current project portfolio in Rwanda

UNIDO's portfolio of currently ongoing projects in Rwanda is summarized in the table below.

⁷² PAC minutes of 7 May 2010.

⁷³ IOM from RSF/RFO/AFR to Chair person of PAC, dated 19 April 2010

UNIDO's project portfolio in Rwanda

Theme (T)	Project. Title	Project No.	From: To	Type	Org units	Allotment	Disbursement
Energy and Environment	Rural energy development: mini hydro demonstration projects - learning by doing promoting affordable approach to rural energy	SFRWA06001 (and XPRWA06003, YARWA06002,XPRW A05002, FBRWA08E01)	4/2006: 12/2011	Integrated Programme (IP)-Others	Renewable and Rural Energy Unit	\$1,800,000	\$1,700,000
	Enabling activities to facilitate early action on the implementation of the Stockholm convention on persistent organic pollutants (POPS) in Rwanda	GFRWA03005	2/2003: 12/2009	Non-IP Others	Stockholm Convention Unit	\$371,000	\$365,888
	Waste management for income generation - One UN programme for Rwanda	FBRWA08C01,FBRW A08J01	7/2008: 6/2009	ONE UN Project	Cleaner and Sustainable Production Unit	\$251,168	\$188,000
	Cleaner production processes	FBRWA08D01	7/2008: 6/2009	ONE UN Project	Cleaner and Sustainable Production Unit	\$426,553	\$315,004
	Food processing for small producers and MSMES	FBRWA08F01	7/2008: 12/2011	ONE UN Project (component 3.3.1)	Agribusiness Development Unit	\$332,937	\$332,780
Poverty Reduction through Productive Activities	Technical assistance programs for mainly artisans in leather products development	FBRWA08G01 & USRWA08003	7/2008: 6/2011	ONE UN Project (component 4.1.10)	Rural Entrepreneurship Development and Human Security Unit	\$490,225	\$369,104

Theme (T)	Project. Title	Project No.	From: To	Type	Org units	Allotment	Disbursement
	Promotion of opportunities for private sector enterprise expansion, development and shared-growth (PROPSEEDS)	DPRWA06008, XPRWA06005, YARWA07005, XPRWA06005, XPRWA09001	1/2006: 12/2008	Integrated Programme (IP)-Others	Agribusiness Development Unit	\$647,121	\$563,725
	Technical assistance for MINEDUC to design and implement entrepreneurship education curriculum in lower secondary schools	FBRWA08B01, FBRWA08H01	7/2008: 12/2011	ONE UN Project (component 3.1.14)	Rural Entrepreneurship Development and Human Security Unit	\$253,111	\$241,005
	One UN programme for Rwanda - capacity building for MINICOM and key stakeholders on industrial policy implementation	FBRWA08A01, XPRWA06007 & USRWA08002	7/2008: 12/2011	ONE UN Project (component 1.6.1)	Competitiveness, Upgrading and Partnership Unit	\$340,000	\$326,000
	IP formulation	XPRWA06006, XPRWA07002, YARWA07006, YARWA07007	9/2006: 12/2007	Integrated Programme (IP)-Others	Various	\$ 407,043	\$407,043
81 Management	One UN Programme For Rwanda - central monitoring and coordination	FBRWA08001	2008: 04/2011	ONE UN Project	Various	\$0	\$0
TOTAL						\$5,319,158	\$4,808,549

In addition to the above, UNIDO has an ongoing **regional project** that covers Rwanda. This is a Norwegian-funded **trade capacity building** programme (TERAF06014 & TERAF06A14) launched in 2006 with a total budget of around \$3.1 million.

Pipeline projects

There are a few UNIDO projects currently undergoing formulation and approval processes. The project numbers given in the table below indicate that these have been in the pipeline since 2007-2009.

Project No.	Pro(T)	Project budget (\$)
XXRWA09X01	Scaling up energy access in off grid areas in Rwanda	\$30,975,000
XXSAF07X03	System optimization for industrial energy efficiency	\$4,450,000
TOTAL		\$35,425,000

2. RATIONALE AND PURPOSE OF THE EVALUATION

This country evaluation is being undertaken at a time when the UNIDO Country Programme (as a 'working document') and the UNDAF are close to completion. The evaluation will thus be a forward-looking exercise and seek to identify best practices, and lessons to enhance the relevance, efficiency, effectiveness, impact and sustainability of future UNIDO interventions in Rwanda.

The key users of this evaluation will be UNIDO professionals and management at Headquarters, the UNIDO Desk in Rwanda, UNIDO Regional Office in Ethiopia, the Government of Rwanda and various other stakeholders in Rwanda. The evaluation should constitute a starting point and key input for the design of a possible next UNIDO Rwanda country programme.

Furthermore, the evaluation will serve as an input to the following thematic evaluations:

- UNIDO's contribution to the MDGs
- Field office performance
- UNIDO's contribution to the 'One UN'

3. SCOPE AND FOCUS OF THE EVALUATION

The country evaluation will use DAC evaluation criteria (relevance, efficiency, effectiveness, impact and sustainability) and will go beyond a mere documentation of results by identifying factors that have facilitated or impeded the achievement of objectives.

The evaluation will focus on the following aspects:

- **The relevance and alignment of interventions to national needs and priorities** (EDPR, Vision 2020 and other national strategies) and to international development goals (MDGs, Paris Declaration etc.) as well as the UNDAF and UNIDO planning frameworks.
- **The achievements of TC and GF interventions** against the planned objectives of project/programme documents and against UNIDO's strategic objectives as a whole (Programme and Budget, Medium-Term Programme Framework).
- **The relation between the UNDAF, UNIDO's Integrated Programme II for Rwanda as well as the Delivering as One modality.** More specifically, it is aimed to clarify whether the IP II document was of any practical use or relevance as a 'guiding' or 'working' document, and what lessons can be drawn from the interaction between the UNDAF, UNIDO's IP document and the DaO modality on the ground.
- **The efficiency of management and coordination processes** including the performance of the UNIDO field office and relations with UNDP (re UNIDO/UNDP Cooperation Agreement) and the UNRC system.
- **Achievements in relation to cross-cutting issues:**
 - Integration and Delivering as One UNIDO (coordination, cooperation, funds mobilization, exploitation of synergies)
 - Contribution to Gender equality
 - Contribution to the achievement of the MDGs
 - Contribution to environmental sustainability
 - Fostering of South-South cooperation
- **UNIDO's strategic positioning in the country**

The time period to be covered by the evaluation starts from the end of the first IP and the self-evaluation that was carried out in 2004 and covering the period since (2004 to 2011).

The exact scope of the country evaluation will be defined during the inception period. The evaluation will not be able to evaluate in-depth all the projects that fall under the time coverage of the evaluation but only projects of a certain scale and those that are considered particularly interesting or strategically important in relation to the purpose of the evaluation. The evaluation should, however, cover projects that are representative of UNIDO's portfolio in Rwanda and relevant to the questions/issues identified in the ToR. The reasons for selection or exclusion of certain interventions need to be explained in the inception report.

4. EVALUATION ISSUES

A. General evaluation criteria and cross-cutting issues

In general, the country evaluation should consider the DAC Criteria (relevance, efficiency, effectiveness, sustainability, impact). In addition, specific evaluation criteria and cross-cutting issues will be mainstreamed in the evaluation of the Country Programme, individual projects, the One UN, and the field office performance in Rwanda.

Attention will be given to the following cross-cutting issues:

- Contribution to gender equality
- Contribution to environmental sustainability
- Fostering of South-South cooperation

B. Issues concerning UNIDO's presence in Rwanda (post-2004)

It is important to note that the assessment of UNIDO's country programme is not a mere compilation of individual project evaluations but will consider synergies and complementarities between projects as well as the UNDAF. It will include an assessment of the design and implementation of the programme with regards to:

- strategic objectives,
- Logical coherence between objectives and planned outputs and activities,
- geographic priorities,
- subsector focus,
- collaboration with and role of partner institutions and
- programme management and coordination.

Relevance

The degree to which the design and objectives of UNIDO's country programme is consistent with the needs of the country and with development plans and priorities as well as with UNIDO's strategic priorities.

The extent to which the country programme was relevant to:

- The development priorities and challenges facing the country;
- National and international development priorities (Vision 2020, EDPR, MDGs, etc);
- UNIDO's strategic priorities (Programme and Budget, Medium Terms Strategic Framework, etc.);
- The target group and UNIDO's counterparts.

Efficiency

Efficiency measures the outputs -- qualitatively and quantitatively -- in relation to the inputs.

The extent to which:

- the quality of UNIDO services (expertise, training, equipment, methodologies, etc) was as planned and led to the production of outputs; and
- the resources and inputs were converted to results in a timely and cost-effective manner
- coordination amongst and within components of the country programme lead to synergy effects (benefits and drawbacks) and/or to the production of outputs
- the same results could have been achieved in another, more cost-effective manner
- Objectives were achieved on time.

Effectiveness

The extent to which the programme achieved its objectives and major factors influencing the achievement or non-achievement of the objectives

The extent to which

- activities planned in the programme document were undertaken;
- objectives established in the programme document were achieved; and
- results hinged on specific – positive or negative – factors

Sustainability

Sustainability is concerned with measuring whether the benefits of an activity are likely to continue after donor funding has been withdrawn. Projects need to be environmentally as well as financially sustainable.

The extent to which

- there is continued commitment and ownership by the government and other key stakeholders;
- country ownership can be demonstrated; and
- changes or benefits can be maintained in the long term.

Impact

The positive and negative changes produced by a development intervention, directly or indirectly, intended or unintended.

The extent to which the programme contributed

- to developmental results (economic, environmental, social); and

- to the achievement of the MDGs.

Country Programme management

The extent to which:

- effective cooperation arrangements between the projects and with the country office were established;
- UNIDO's country office supported coordination, implementation and monitoring of the programme;
- UNIDO HQ based management; coordination and monitoring have been efficient and effective.

Partnership and coordination

UNIDO's contribution to coordinating external assistance and to building government and country ownership

The extent to which

- effective coordination arrangements with other development partners were established;
- UNIDO participated in the One UN and UNDAF (please see 'D' below for further information); and
- The UNIDO CP adhered to the principles of the Paris Declaration on Aid Effectiveness (i.e., government ownership, alignment with government strategies, results orientation, program approaches, use of country systems, tracking results, and mutual accountability).

C Evaluation of the field presence in Rwanda

As mentioned earlier, UNIDO's cooperation with the government in Rwanda dates back to 1966. Since then there has been a portfolio of around 180 projects amounting to close to around \$18 million.

However, UNIDO's representation in the field has been limited. A full time head of operations was recruited and placed within the UNDP office (as the 'UNIDO Desk') following the above mentioned UNIDO-UNDP agreement signed in 1998. The 'UNIDO Desk' in the UNDP office will be assessed with regards to its contribution to UNIDO's convening, normative and technical cooperation functions. This will include the extent to which the field office:

- develops and maintains relations with relevant public and private actors;
- participates in the UNCT and coordination mechanisms of international and regional development agencies, financing institutions and the donor community in the field;

- engages in the formulation process of programmes, aligned to local frameworks like the UNDAF; and
- engages in the implementation and monitoring of TC projects.

Additional questions include:

- How do UNIDO's field presence and HQ support planning, implementation and monitoring of TC and GF activities?
- Is the HUC adequately equipped to assume the assigned functions?
- Are the existing capacities being used in an efficient manner?
- To what extent does UNIDO's Regional Office in Ethiopia get involved in the design or management of the Rwandan programme

The evaluation will also encompass assessing the performance of the office in Rwanda against its Work Plan. The design and content of the Work Plan and its alignment with the national priorities of Rwanda will be reviewed.

D Evaluation of UNIDO's contribution to the One UN

Rwanda is one of the eight pilot countries for the Delivering as One agenda. The evaluation team will assess the following issues:

- UNIDO niches and roles within the One UN arena in Rwanda;
- UNIDO's contribution to the outcomes and outputs envisaged by the Joint Programmes;
- the value added and comparative advantage by/of UNIDO to the Joint Programmes;
- the extent to which UNIDO has been able to take on a leadership role within its thematic priorities;
- fund raising possibilities through the One UN;
- UNIDO's performance in achieving intended results within the One UN framework
- the extent to which the capacity of the field office to respond to increased coordination and administrative demands is sufficient;
- the extent of HQ support ; and
- the extent to which UNIDO benefits from the participation in the One UN, UNDAF and UNDAP in terms of visibility.

5 EVALUATION APPROACH AND METHODOLOGY

In addition to the DAC criteria and approach outlined above (see section 'III' above), the evaluation team will use different **data collection** methods ranging from desk review (project and programme documents, progress reports, mission reports, Agresso search, evaluation reports, etc) to individual interviews, group discussions, project visits, surveys and observation. Attention will be paid to

ensuring an unbiased and objective approach and to the **validation** of data. The evaluation team should ensure that all the data is valid, by a triangulation of sources, methods, data, and theories.

While maintaining independence, the evaluation will be carried out based on a **participatory approach**, which seeks the views and assessments of all stakeholders. These include government counterparts, private sector representatives, other UN organizations, multilateral organizations, bilateral donors and beneficiaries.

6. TIMING

The country evaluation is scheduled to take place between May and September 2011. A two to three week field mission for the evaluation is envisaged for May 2011.

Activity	Estimated date
Collection of documentation and relevant data by evaluation Team Leader at HQ	April-May 2011
Collection of documentation and relevant data by National Consultant in the field	May 2011
Desk Review by members of evaluation team	May 2011
Inception report	May 2011
Mission to Rwanda	May-June 2011
Presentation of preliminary findings to the government	May-June 2011
Presentation of preliminary findings at HQ	June 2011
Drafting of report	July-August 2011
Collection of comments	August 2011
Incorporation of comments	September 2011
Issuance of final report and evaluation brief	September 2011

7. EVALUATION TEAM

The evaluation team will include:

- 1) One national evaluation consultant to perform data collection and collation, support local arrangements for meetings and travel, advise on various aspects of the national context etc.
- 2) One international evaluation consultant covering mini hydro power/rural energy parts of the country evaluation.
- 3) One international evaluation consultant covering “Delivering as One”; Field Representation, agro-industries and PSD.
- 4) One UNIDO EVA evaluator who will act as team leader per the attached JD.

The international and national consultants will be contracted by UNIDO. The tasks of the consultants and the team leader are specified in their respective job descriptions, attached to this ToR as Annex B.

All members of the evaluation team must not have been involved in the design and/or implementation, supervision and coordination of any intervention to be assessed by the evaluation and/or have benefited from the programmes/projects under evaluation.

The member from UNIDO's Evaluation Group will manage the evaluation. Additionally, the UNIDO Regional Office, the HUC and the respective project teams in Rwanda will support the evaluation team and help to coordinate the programme of the evaluation mission.

8. EVALUATION PROCESS AND REPORTING

The responsibilities and involvement of stakeholders for the various evaluation stages are outlined below:

Process steps	UNIDO ODG/EVA Evaluation Group	UNIDO PTC/ Field office	UNIDO SQA	Government of Rwanda	Evaluation team ⁷⁴
Terms of Reference	<input type="checkbox"/>				
Comments on TOR		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Selection of consultants	<input type="checkbox"/>			<input type="checkbox"/>	
Review of background documentation					<input type="checkbox"/>
Interviews at UNIDO HQ		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Inception Report					<input type="checkbox"/>
Comments on inception report	<input type="checkbox"/>				
Evaluation mission			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Presentation of preliminary findings in the field					<input type="checkbox"/>
Presentation of preliminary findings at HQ					<input type="checkbox"/>
Drafting of evaluation report					<input type="checkbox"/>
Comments on draft report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Final evaluation report					<input type="checkbox"/>
Evaluation brief					<input type="checkbox"/>

⁷⁴ The national members of the evaluation team will not participate in the meetings and interviews at UNIDO HQ; they will be briefed by the international members upon arrival in Rwanda.

The evaluation team will present its preliminary findings to the Government and UNIDO staff in Rwanda, and, later on, to staff at UNIDO Headquarters. A draft evaluation report will be circulated for comments. The reporting language will be English.

Review of the Draft Report: The draft report will be shared with UNIDO and the Government for initial review and consultation. They may provide feedback on any error or fact and may highlight the significance of such errors in conclusions. The evaluators will take comments into consideration when preparing the final version of the evaluation report.

The Final Report will be submitted 6-8 weeks after the field mission, at the latest, to the Government of Rwanda and to UNIDO.

9. DELIVERABLES

- Inception Report
- Presentation of preliminary findings to counterparts and HQ staff
- Draft Report
- Final Report

10. QUALITY ASSURANCE

All UNIDO evaluations are subject to quality assessments by the UNIDO Evaluation Group. Quality control is exercised in different ways throughout the evaluation process (briefing of consultants on EVA methodology and process, review of inception report and evaluation report). The quality of the evaluation report will be assessed and rated against the criteria set forth in the Checklist on evaluation report quality in Annex B.

The applied evaluation quality assessment criteria are used as a tool to provide structured feedback.

11. ANNEXES

Annex B: Field office assessment framework

UNIDO Field Office Performance: Generic Assessment Framework

Contents

1. Introduction
2. Background
3. Purpose
4. Scope and focus
5. Criteria and issues
6. Approach and methodology

1. Introduction

1.1. This document outlines a generic framework for the evaluation of UNIDO field office performance in the context of comprehensive country evaluations that also cover technical cooperation (TC) projects/ programmes. Adjusted to the requirements of a particular country evaluation, it can be incorporated with the TOR for that evaluation. A generic TOR for UNIDO country evaluations can be downloaded from the ODG/EVA intranet page.

2. Background

2.1. UNIDO's field representation has been progressively transformed and strengthened since UNIDO was first established in 1966. Originally integrated with the field representation of UNDP and in part financed by UNDP, it now, in 2010, consists of 10 regional offices, 19 country offices, 18 UNIDO desks in UNDP offices, five UNIDO focal points operating from a counterpart institution, and one centre for regional cooperation. Altogether, UNIDO is represented in more than 50 countries around the world. Since the late 1990's, the field organization has been fully financed from UNIDO regular budgets, with some cost sharing and contributions by host governments.

The gradual expansion of UNIDO's field organization reflects changes within the UN-system towards closer cooperation of agencies at country level as well as a more general shift of development cooperation management and decision-making towards the country level. Field offices/desks are intended to make

UNIDO more accessible to partner country clients and stakeholders, while helping UNIDO itself to ensure that its services are well tailored to partner country needs and priorities. They are also intended to facilitate interaction with the UN country-level teams and bilateral and multilateral donors. Field presence is regarded as a precondition for efficient participation in joint UNCT planning and programming, and is normally required for leading a joint UN programme initiative. In some cases it is also required by donors.

3. Purpose

3.1. Field office assessments are assessment of the performance of field offices in conducting their mandated functions and achieving stated objectives. They are organizational or functional assessments as opposed to staff assessments focusing on individuals.

Like the comprehensive country evaluation of which it forms a part, a field office assessment serves purposes of both learning and accountability. It is intended to be useful to managers and staff at UNIDO headquarters who call on field offices for services or inputs as well as to the field offices themselves. It is also expected to be useful to UNIDO's governing bodies and to external partners interested in UNIDO's field organization.

4. Scope and focus

4.1. A field office assessment covers the main functions of a UNIDO field office.

In case the field office is a regional office serving several countries, the assessment will not include all the activities for which it is responsible, but cover only those pertaining to the country in focus for the country evaluation.

The list of field office responsibilities presented below is based on UNIDO/DGB/(0).95/Add 7. dated 26 February 2010, IDB. 37/6/Add. I, dated 20 April, 2010, UNIDO's TC Guidelines of 2006, and other documents describing the responsibilities of UNIDO's field representation.

4.2. Field office assessments do not replace the audits performed by UNIDO's Office of Internal Oversight Services (IOS). While internal audits tend to focus on compliance with UNIDO rules and regulations, the quality of systems of internal control, etc., field office assessments are more directly concerned with the contributions of field offices to development cooperation or in fulfilling UNIDO's mandate.

4.3. Field office assessments are also not intended to replace the reporting by the field offices themselves on activities and results in accordance with their annual results-based management (RBM) work plans. While the RBM work plan and the monitoring of its implementation are integral elements of field office management, a field office assessment is an independent evaluation of field office functioning. In a field office assessment both the design and the implementation of the RBM work plan are assessed. The work plan's standardized causal logic of outputs and outcomes is regarded as a hypothesis to be interpreted and validated rather than as an established fact.

In the standard RBM work plan framework for UNIDO field offices the following are currently (2010) the main outcomes:

1. UNIDO visibility enhanced at global, regional/sub-regional and country levels.
2. Responsiveness of UNIDO to national/regional priorities:
 - TC programme and project development
 - Fund raising
3. Effective participation in UN initiatives at country level, including UNDAF, PRSP, UNDG, One UN, etc.
4. Promoting Global Forum activities with direct link to UNIDO priorities and to the potential increase of UNIDO portfolio in the region and worldwide.
5. Effective management of technical cooperation activities and the UNIDO office.

5. Criteria and issues

5.1. Field office performance is assessed in relation to three evaluation criteria:

- Relevance
- Effectiveness,
- Efficiency

The following paragraphs define these concepts and explain how they are intended to be applied in field office assessments. Standard evaluation questions relating to each of the criteria can be found in the attached field office evaluation matrix (Annex 1).

5.2. Relevance is defined in much the same way as in the OECD/DAC Glossary of Key Terms in Evaluation and Results Based Management. The main difference is that while the OECD/DAC definition refers to the relevance of a specific development intervention, a field office assessment is concerned with the relevance of a subdivision of a larger organization. In both the cases, however, relevance is a criterion for assessing the extent to which the evaluated unit

matches the needs and priorities of its clients or target groups. Most of the questions about relevance in the attached evaluation matrix concern the extent to which field office services are consistent with needs and priorities formulated in the partner country PRSP and other national policy documents and are considered useful by national counterparts and stakeholders. There is also a question about the consistency of the field office work programme with UNIDO strategic priorities. Is the field office doing what it should, given UNIDO priorities in relation to the country in question?

5.3. Effectiveness is a criterion for assessing the extent to which an entity has achieved, or is likely to achieve, its objectives or fulfil its mandate. OECD/DAC defines it as 'the extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance.' In an assessment of field office performance, however, it is better understood as 'the extent to which an organization, or organizational unit, has achieved, or is expected to achieve its objectives or fulfil its responsibilities, taking into account their relative importance.' So defined, effectiveness refers to achievement of objectives and/or fulfilment of responsibilities in relation to most of the field office functions listed in section 4.1 above, including that of contributing to the effectiveness of TC projects/programmes.

An assessment of the overall effectiveness of a field office is a synthesis of function-by-function assessments that takes the relative importance of functions into account.

5.4. While effectiveness is about results, primarily outcomes, **efficiency** is about inputs and outputs and the relation between them. According to OECD/DAC, efficiency is 'a measure of how economically resources/inputs (funds, expertise, time, etc.) are converted to results.' As long as the word 'results' is taken to refer to outputs alone, this is an appropriate definition for field office assessments. Efficiency in this restricted sense is also known as input-output efficiency.

6. Approach and methodology

6.1. Field office assessments are part of country evaluations and should be planned and implemented accordingly. The evaluation team responsible for the country evaluation is usually also in charge of the field office assessment. Findings from assessments of TC project/programmes provide essential inputs to the field office assessment. Questions about field office contributions to TC interventions cannot be adequately answered without prior assessments of these activities themselves.

6.2. Field office assessments are conducted with the active participation of field office staff. They begin with a self-evaluation where field office staff members are asked to describe the functioning of the field office and make their own assessments of results in relation to the evaluation criteria explained above. In a second step the results from the self-evaluation are used as a platform for discussions between the FO staff and the evaluation team.

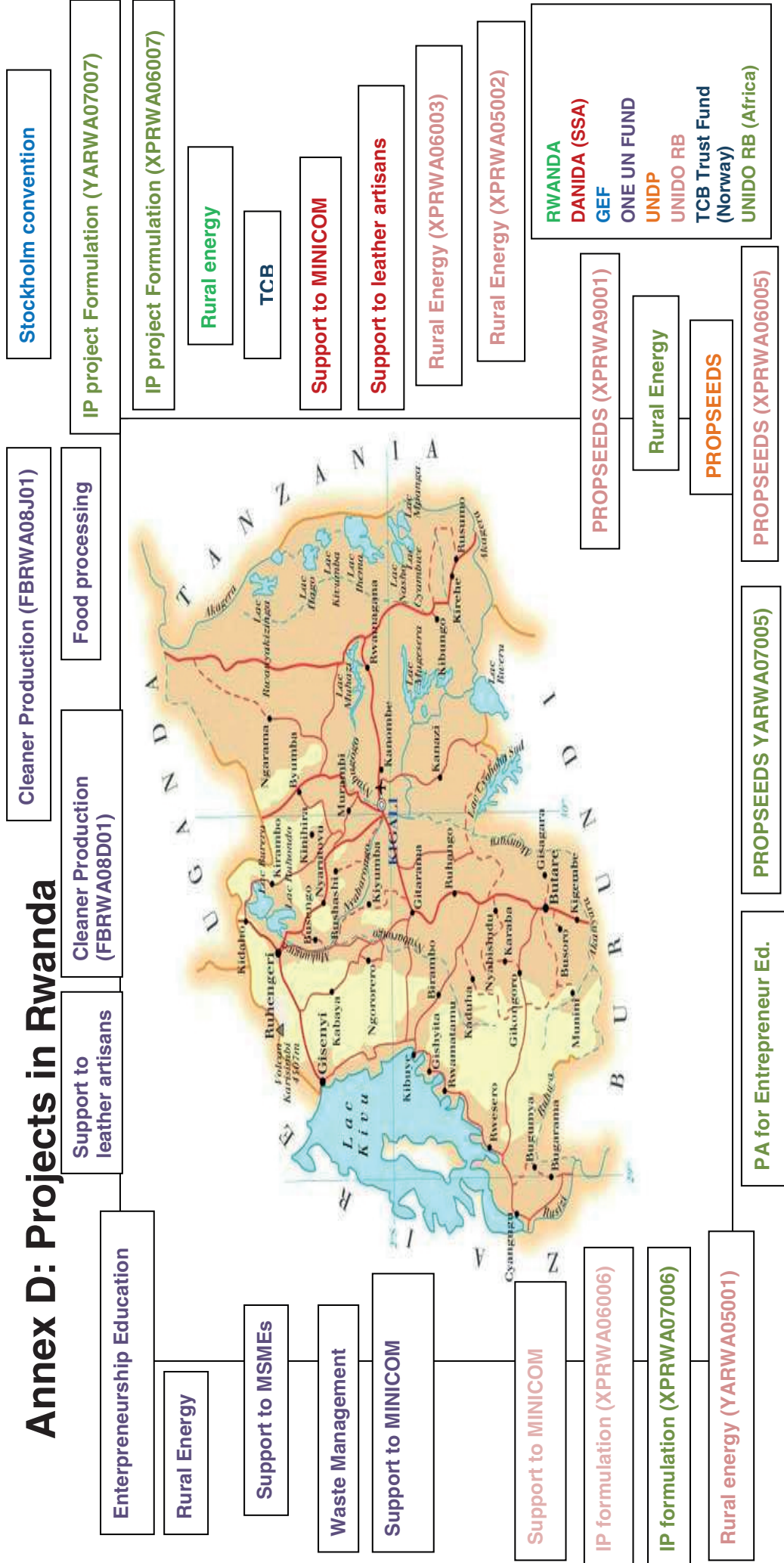
Annex C: List of persons met

Name	Position in the company/organisation	Name of the company/organisation
Government of Rwanda		
Mr. Pierre Jean BAJENEZA	Head of Market Surveillance Section	Rwanda Bureau of Standards
Mr. Ndizeye RUSAKANA ELIZEER	Rwanda Environment Management Authority	Kigali
Mr. Emmanuel HATEGEKA	Permanent Secretary	MINICOM
Ms. Liliane KAMANZI	Head of Information and Documentation Section	Rwanda Bureau of Standards
Mr. François KANIMBA	Minister of Commerce and Industry	
Eng. Leonard KASSANA	International Hydropower Consultant	MININFRA
Mr. Joseph KATABARWA		Ministry of Health, Kigali
Eng. Emmanuel KIRENGA	Head of Hydro Department	MININFRA
Dr. Rose MUKANAKOMEJE	Director General Rwanda Environment	REMA, Kigali
Ms. Athanasie MUKESHIYAREMYE	Director of Standards Unit	Rwanda Bureau of Standards
Mr. John NDIKUWERA		Rwanda Development Board
Mr. James NDASINGWA	Executive Director	Sector in Agatobwe
Mr. John NKUBANA	Team Leader/National Accreditation Focal Point	MINICOM
Mr. Gabriel NTAWURUHUNGA	SHP Engineer	MININFRA
Mr. Florian RUTYOMBA	Curriculum Developer in humanities section	NCDC
Ms. Chantal UWAMAHORO	Executive Assistant to the Minister	MINICOM
UN Kigali		
Mr. Aurélien AGBENONCI	UNDP Resident Representative and UN Resident Coordinator	
Ms. Annet BAINGANA	Executive Secretary OMT	UNFPA
Ms. Donnah Kamashazi GAZANA	Permanent Secretary	MINICOM
Mr. Auke LOOTSMA	Country Director	UNDP
Mr. John MUSEMAKWERI	Chair, UNDAF Theme Group 4 (Environment)	UNDP
Ms. Linn Borgen NILSEN	Chair, UNDAF TG 5A (Sustainable Growth)	FAO
Ms. Solange UWERA	Non-Resident Agencies	RCO

Name	Position in the company/organisation	Name of the company/organisation
	Coordination Analyst	
Ms. Michaela WINTER	Coordination Officer	RCO
PrivateSector		
Mr. Landislaus BARAJIGINYWA	Chairman, EMR	First Born Electrification Society (Nyamyotsi)
Mr. Albert BUTARE	Ex-Min. of Industry and CEO	Africa Energy Services Group
Mr. Hakizimana J de DIEU	Commercial Director	Sorwatom Tomato Processing Company, Kigali
Mr. Samitha KARUNARATHNE	Hydro Consultant, Aryans Eng. Ltd	Sri Lanka
Mr. Roger MUNYAMPENDA	CEO, Private Sector Federation	Kigali
Mr. Rama Kant PANDEY	Managing Director, Inyange Industries	Kigali
Ms. Florence MUSIIME UMURUNGI	Food Safety team Leader, Inyange Industries	Kigali
Donors Kigali		
Mr. Benjamin ATTIGAH	PSP Hydro Project Manager	GIZ
Mr. Justin NTURANYENABO	Project Engineer	GIZ
Mr. Charlie WHETHAM	Deputy Head	DFID, Rwanda
Local Communities & Beneficiaries		
Mr. Ferdinand AHISHAKIYE	SHP Operator	Mulika Mutobo
Mr. Evaresto BARIBANE	SHP Operator	Agatobwe SHP
Maria BASEBANYAKWISHI	Deputy Headmaster	Lycee de Kigali
Mr. Eduard KABARE	Headmaster, Nyagatare Secondary School	Eastern Province
Mr. Felicien KABASHA	Operator & Bookkeeper, EMR	First Born Electrification Society (Nyamyotsi)
Mr KACHWA	Teacher of Entrepreneurship all classes	Lycee de Kigali
Mr. David MAERI	Teacher of Entrepreneurship at Riviera High School (teach all classes from S1- S6)	Riviera High School, Kabuga area, Gasabo District, near Kigali
Mr. Martin MASABO	Headmaster	Lycee de Kigali
Brother Stanislas NGOMBWA	Headmaster	Byimana Sciences Secondary School, Byimana Brothers School, Southern Province
Mr. Francis NSENGIYUMVA	Local Consumer Association Chairman &	Mulika Mutombo

Name	Position in the company/organisation	Name of the company/organisation
	Bookkeeper	
Ms Ndayishimiye ROSINE	Student of entrepreneurship in Senior five, and head of entrepreneurship students' Club at the school	Lycee de Kigali
Ms. Monique UWINGABIRE	Teacher of entrepreneurship	Sun Rise HS, Musanze town, Northern Province
UNIDO HQ		
Mr. Klaus BILLAND	Senior Coordinator for UN System Coherence	UNIDO, Vienna
Ms. Aurelia CALABRO-BELLAMOLI	Senior Industrial Development Officer, UNIDO	UNIDO, Vienna
Mr. Bashir CONDE	DaO Focal Point, Africa Programme	UNIDO, Vienna
Mr. Victor C. Diwandja DJEMBA	International Consultant	UN System-wide Coherence
Mr. Jan GAJOWSKI	Industrial Development Officer	
Ms. Adot KILLMEYER-OLECHE	Former Senior Policy Advisor	RCO Rwanda
Ms. Fatin Ali MOHAMMED	Industrial Development Officer	UNIDO
Ms. Matilde MUWEME	Rwanda Area Officer	UNIDO
Ms. Cristina PITASSI	Industrial Development Officer	UNIDO
Mr. Jürgen REINHARDT	Industrial Development Officer	UNIDO
Mr. Carl AARON	International Expert (MINICOM)	UNIDO
UNIDO Kigali		
Mr. André HABIMANA	Head of UNIDO Operations	UNIDO
Mr. James KAGABA	National Expert	SME development
Mr. Steve NIYONZIMA	National Expert	Cleaner Production
Mr. Canisius PARURANGA	National Expert	Industrial Development
Mr. Charles RUTAGYENGWA	National Expert and HUO ad interim (2010)	TCB
UNIDO Regional Office		
Mr. David TOMMY	Regional Representative	UNIDO Regional Office, Addis Ababa

Annex D: Projects in Rwanda



Annex E: List of projects assessed/reviewed by source of funding

UNIDO Country Programme by Source of Funding and Delivery Rate (as of May 2011)						
Donor(T)	Project No.	Short title	Total Allotment (US\$, May 2011)	Total Exp \$ (May 2011) ⁷⁵	Funds available \$ (May 2011)	Financial delivery rate (May 2011)
Rwanda	SFRWA06001	Rural energy	\$1,298,010	\$1,297,385	\$625	100%
		Subtotal	\$1,298,010	\$1,297,385	\$625	100%
TCB Trust Fund (Norway)	TE/RAF/06/014 & TE/RAF/06/A14	Trade Capacity Building	\$376,000	\$299,508	\$76,492	80%
		Subtotal	\$376,000	\$299,508	\$76,492	80%
Danida (SSA)	USRWA08003	Support to leather artisans	\$200,000	\$149,456	\$50,544	74%
Danida (SSA)	USRWA08002	Support to MINICOM	\$19,431	\$19,431	\$0	100%
		Subtotal	\$219,431	\$168,887	\$50,544	77%
GEF	GFRWA03005	Stockholm convention	\$371,000	\$365,888	\$5,112	99%
		Subtotal	\$371,000	\$365,888	\$5,112	99%
ONE UN FUND	FBRWA08E01	Rural energy	\$85,397	\$85,397	\$0	100%
ONE UN FUND	FBRWA08C01	Waste Management	\$143,692	\$146,037	-\$2,345	102%
ONE UN FUND	FBRWA08J01	Cleaner production	\$107,476	\$45,419	\$62,058	42%
ONE UN FUND	FBRWA08D01	Cleaner production	\$426,552	\$335,667	\$90,886	79%
ONE UN FUND	FBRWA08F01	Food processing	\$332,936	\$339,548	-\$6,611	102%
ONE UN FUND	FBRWA08G01	Support to leather artisans	\$319,174	\$286,234	\$32,940	90%
ONE UN FUND	FBRWA08B01	Entrepreneurship education	\$172,821	\$141,306	\$31,515	82%

⁷⁵ Total expenditure = Current yr disbursements, prior yr expenditures and unliquidated obligations

UNIDO Country Programme by Source of Funding and Delivery Rate (as of May 2011)						
Donor(T)	Project No.	Short title	Total Allotment (US\$, May 2011)	Total Exp \$ (May 2011) ⁷⁵	Funds available \$ (May 2011)	Financial delivery rate (May 2011)
ONE UN FUND	FBRWA08H01	Support to MSMEs	\$35,047	\$37,895	-\$2,848	108%
ONE UN FUND	FBRWA08A01	Support to MINICOM	\$254,930	\$232,433	\$22,497	91%
		Subtotal	\$1,878,025	\$1,649,936	\$228,092	88%
UNDP	DPRWA06008	PROPSEEDS	\$148,162	\$151,430	-\$3,268	102%
		Subtotal	\$148,162	\$151,430	-\$3,268	102%
UNIDO RB (Africa)	YARWA06002	Rural energy	\$52,915	\$53,539	-\$624	101%
UNIDO RB	XPRWA06003	Rural energy	\$80,650	\$80,650	\$0	100%
UNIDO RB	XPRWA05002	Rural energy	\$246,970	\$248,846	-\$1,876	101%
UNIDO RB	YARWA05001	Rural energy	\$55,304	\$55,304	\$0	100%
UNIDO RB (Africa)	YARWA06004	PA for Entrepreneur Ed.	\$15,768	\$15,768	\$0	100%
UNIDO RB (Africa)	YARWA07005	PROPSEEDS	\$15,708	\$15,708	\$0	100%
UNIDO RB	XPRWA06005	PROPSEEDS	\$150,036	\$67,754	\$82,282	45%
UNIDO RB	XPRWA09001	PROPSEEDS	\$86,705	\$85,501	\$1,204	99%
UNIDO RB	XPRWA06007	Support to MINICOM	\$91,994	\$91,994	\$0	100%
UNIDO RB (Africa)	YARWA07006	IP formulation	\$19,308	\$19,308	\$0	100%
UNIDO RB (Africa)	YARWA07007	IP/project formulation	\$61,933	\$61,933	\$0	100%
UNIDO RB (Africa)	XPRWA06007	IP/project formulation	\$91,994	\$91,994	\$0	100%
UNIDO RB	XPRWA06006	IP formulation	\$24,590	\$10,763	\$13,827	44%
		Subtotal	\$993,875	\$899,062	\$94,813	90%
		GRAND TOTAL	\$5,284,503	\$4,832,096	\$452,410	91%

Annex F

Village survey results

	NYAMYOTSI I	NYAMYOTSI II	MUTOBO	AGATOBWE
Key contacts	Ladislaus Barajiginywa (Chairman) 0788222906 Felicien Kabasha – Accountant	Raphael Nkundabakura (Chairman) 0783314554	Francis Nsengiyumva (Chairman) 0783460665 Ferdinand Ahishakiye - operator	Evariste Baribane – operator of the Hydro power 0783767614 James Ndasingwa (local leader) 0788677529
No. of households connected	March -May 176	March -May 301	March -May 1200	Jan 317 Feb 317 Mar. May 340
Household tariff (RWF per mo.)	RWF 1500	RWF 1000	RWF 700	1000 1000 RWF 1000
No. of households paying	176 all people paying	250 These have just started paying in May 2011	500 payers. Association will soon hire a permanent employee responsible for follow up payments.	260 211 268
Businesses:				
Mill			Total 5. @ paying RWF 7500 p.m	Total 6 mills but 3 start paying in June 2011. Other 3 paying @ RWF 5000 p.m
Hair dressing	Total 2. each paying	Total 4. each paying	Total 7. Each paying	Total 8. Each paying RWF

	NYAMYOTSI I	NYAMYOTSI II	MUTOBO	AGATOBWE
Key contacts	Ladislus Barajiginywa (Chairman) 0788222906 Felicien Kabasha – Accountant	Raphael Nkundabakura (Chairman) 0783314554	Francis Nsengiyumva (Chairman) 0783460665 Ferdinand Ahishakiye - operator	Evariste Baribane – operator of the Hydro power 0783767614 James Ndasigwa (local leader) 0788677529
salon	March -May RWF 4000 p.m	March -May RWF 1500 p.m	March -May RWF 1500 p.m	Jan Feb Mar. May 3000 p.m.
Welding			-	Total 3 welding. 2 small each paying RWF 2000 p.m from Jan 2011. 1 big paying RWF 3000 p.m paid twice only.
Sector Office/cell offices	Total 1. Paying RWF 5000 p.m		Total 4. @ paying RWF 1000 p.m	
Bar & Restaurant, Lodge/Guest house	-		Total 200. Each paying RWF 1500 p.m (Few paying. Plan to hire someone to follow up payments)	Total 3. each paying RWF 3000 p.m. but yet to start paying since Jan 2011
Health Centre	Total 1. Paying RWF 10,000 p.m	Total . Paying RWF 8000 p.m	Total 1. Paying RWF 10,000 p.m	Total 1. paying RWF 7000 p.m
Carpentry workshop	Total 1. Paying RWF 5000 p.m	-	-	
Primary schools	-	Total 2. Paying RWF 2000 p.m	Total 2. @ paying RWF 1000 p.m	Total 2. Each pay RWF 1000 p.m

	NYAMYOTSI I	NYAMYOTSI II	MUTOBO	AGATOBWE
Key contacts	Ladislaus Barajiginywa (Chairman) 0788222906 Felicien Kabasha – Accountant	Raphael Nkundabakura (Chairman) 0783314554	Francis Nsengiyumva (Chairman) 0783460665 Ferdinand Ahishakiye - operator	Evariste Baribane – operator of the Hydro power 0783767614 James Ndasiringwa (local leader) 0788677529
	March -May	March -May	March -May	Jan Feb Mar. May
Church	Total 3. 2 paying RWF 300 p.m, other one paying RWF 2000 p.m		Total 4. @ each paying RWF 1000 p.m	Total 3. @ paying RWF 1000 p.m
Police post			-	Total 1. Paying RWF 5000 p.m
Revenue Authority office	-		-	Total 1 office. To pay RWF 5000 p.m
Immigration office	-		-	Total 1 office. To pay RWF 5000 p.m (not yet started paying)
Bread Bakery			Total 1. paying RWF 5000 p.m	
Extension possible? How many houses?	220 households have applied and can be reached with electricity.	300 households can be reached	Yes extension possible to 150 houses, 1 milling business, and 4 bars	About 1500 households can be reached.
List businesses that have potential/ need to be connected in future		2 primary schools, and 2 health centres		70 residential houses near the border area, 1 church, 150 houses, 2 churches, 2 primary schools, 1 sector level office, 1 health centre, 1 training centre

	NYAMYOTSI I	NYAMYOTSI II	MUTOBO	AGATOBWE
Key contacts	Ladislaus Barajiginywa (Chairman) 0788222906 Felicien Kabasha – Accountant	Raphael Nkundabakura (Chairman) 0783314554	Francis Nsengiyumva (Chairman) 0783460665 Ferdinand Ahishakiye - operator	Evariste Baribane – operator of the Hydro power 0783767614 James Ndasingwa (local leader) 0788677529
	March -May	March -May	March -May	Jan Feb Mar. May
Capacity use:	Overall 400 people can be reached/served			Installed capacity 200 KW. Only use 80 KW now.

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