

Case Study 1 – Partner Country Government, Rwanda

Our first case study considered the information needs of the Government of Rwanda, and focused largely on users within the Ministry of Finance.

Summary of improvements they would like to see in future

The main needs identified by this study are for:

- Complete, accurate and comparable data, covering all donors and all forms of aid;
- Timely data – reported in as close to real-time as possible;
- Better information on future aid flows, and ability to track disbursements against initial commitments;
- In relation current and future flows, clarity on how the promised aid will arrive – money ? goods ? people ?
- Clarity on whether aid will be delivered through the government, and where it is not, who the implementing partner(s) will be – again, this is often unclear for past and present spending, as well as future flows.

Background

What data sources do they currently use?

Our study identified five main data repositories that hold aid information across donors and sectors and are therefore potential sources of aggregate data on all aid flows to Rwanda. These are:

- The DAD – the Development Assistance Database implemented by the External Finance Unit in MINECOFIN (the Rwandan Ministry of Finance)
- The access database of project execution data held by CEPEX¹
- The foreign exchange projection spreadsheets prepared by the Banque Nationale du Rwanda
- The national budget documentation
- The Creditor Reporting System (CRS) database of the OECD-DAC

Despite the fact that key stakeholders within the Ministry of Finance are generally aware of these data sources, our study suggests that in practice, they make little use of them. This is because the data is frequently incomplete, and inconsistencies between data sources leave users unsure as to which source to trust. Instead, users tend to go to their own preferred sources, typically approaching donors or line ministry officials directly. This leads to duplication of effort, and some resentment on the part of information providers who are faced with multiple requests for the same information.

¹ CEPEX is a semi-autonomous body based in MIENCOFIN responsible for monitoring projects within the Public Investment Programme

What problems have they encountered with current data sources?

1) Significant discrepancies between the principal sources of data cause confusion and uncertainty

For example, our research found differences in coverage, with 12 donors listed in the CRS not appearing in the DAD, and 8 listed in the DAD but not the CRS. There are also wide differences in the amounts attributed to each donor – for the 16 donors listed in both the CRS and the DAD, there is a difference of US\$96 million in total disbursement figures for 2006, and of US\$166 million in 2007.

There are a variety of reasons for these discrepancies, including poor coverage of multilateral institutions by the CRS, the DAD missing data from donors who have no in-country mission and/or those who disburse through multiple agencies, lack of consistency about basic terms such as “project”, which makes traceability through the system very difficult, and human error in entering some of the DAD data, which relies on manual input.

2) Lack of timely data means the CRS is of limited value to GoR users

The time-lag in publishing verified CRS data reduces its value to users within Government who are typically interested in aid information for planning purposes, and to evaluate current programmes.

3) Gaps and discrepancies in reporting project aid hamper aid management and economic planning

The data for budget support disbursements was generally regarded as reliable, meaning that most of the discrepancies occur in the data given on project-based aid. As project-based aid accounts for 20-30% of the Government’s budget, this causes severe problems in terms of both aid management and overall economic planning. Uncertainty about the quantity of project-based aid also affects key economic measures such as GDP and the balance of payments.

4) Information on future aid flows is incomplete, and not sufficiently up-to-date

This has contributed to a situation where in some cases, planned aid disbursements have not arrived when they were expected. Because the Rwandan budget is significantly aid-dependent, this has led to the unplanned drawing down of reserves, leading to liquidity problems in the Central Bank and unplanned government borrowing.

Finally, while this study focused on the needs of the Rwandan Government, it confirmed that donors face multiple requests for aid information, responding to three regular, formal processes as well as responding to a variety of ad hoc request for aid information. It also noted that Rwandan CSOs typically have poor access to aid information, and are largely reliant on broadcast media as they get little information from official sources.

Full details of this case study are available on the aidinfo website at:

<http://aidinfo.org/files/rwanda-case-study.pdf>