



» EU Aid for Sexual and Reproductive Health in Rwanda

June 2010

EU Development Cooperation

Taken alone, EU development aid¹ represents 11% of the global ODA, making the EU the world's third largest aid donor. This equalled net disbursements of EUR11.08 billion in 2009.² The objective of EU aid is the eradication of poverty in the context of sustainable development, in line with the Millennium Development Goals (MDGs).

EU aid is guided by the following policy documents:

- The 2005 European Consensus on Development.
- The 2005 revised Cotonou Agreement.
- The 2006 Regulation establishing a Financing Instrument for Development Cooperation.

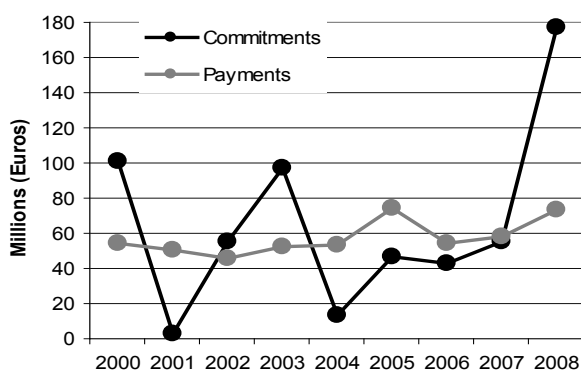
These documents reveal several common trends:

- Increased budget support (target: 50% of EU aid).
- Decreased disbursement of aid through programmes and projects.
- Commitment to involve Civil Society.

The largest share of EU aid goes to African, Caribbean and Pacific (ACP) countries. Country Strategy Papers (CSP) guide the implementation of the above mentioned policies. They are drafted for a period of six years. Aggregated information on how EU policies are implemented is scarce.

Next to desk research, this Fast Fact is based on meetings held with a representative of the EU delegation, and representatives from the German and Belgian Embassies in Rwanda. It aims to help better understand the reality of EU ODA in the field and its implication for funding for Sexual and Reproductive Health and Rights (SRHR).

EU Development Aid to Rwanda



Source: EU annual reports 2001-2009³

Country Strategy Papers (CSPs)/ National Indicative Programmes (NIPs)

The EU relies on CSPs to identify the priorities for its development assistance. They are proposed by the partner country's national government and negotiated with the EU. In principle, each country is allowed two focal priority areas plus non-focal areas that can also receive some funding. In addition to CSPs, the EU programmes its aid on the basis of National Indicative Programmes (NIPs) which illustrates how priorities will be implemented with EU funds.

The current strategy papers will direct funding from 2008-2013 with a mid-term review (MTR) in 2009/2010. In principle, the CSPs can be readjusted during the MTR: objectives can be introduced to reflect changing conditions in the country and funding can be re-allocated.

The main objective of EU support to Rwanda is to alleviate poverty in the context of sustainable development, while according a high priority to human rights and good governance issues. Good governance, environment, gender balance and sustainability are cross-cutting issues throughout the whole of the programme.



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The EU's CSP for Rwanda

Focal sectors:

- Rural development (HIV/AIDS cross-cutting sector)
- Infrastructure (HIV/AIDS cross-cutting sector)

Non-focal sectors:

- Good governance
- Trade, regional integration and private-sector development
- Technical Cooperation Facility

The Rwanda CSP was signed in December 2007 and can be retrieved from the EU website.⁴ It provides an indicative financial contribution of EUR 290 million from the EU to Rwanda between 2008 and 2013, of which an additional EUR 4.4 million is intended to cover unforeseen needs, such as emergency assistance. The largest share of the total budget - EUR 175 million - will go towards General Budget Support (GBS).

EU Budget Support to Rwanda

Aid from European donors to Rwanda is mainly allocated to the government, a high level of which is through general budget support. The EU will channel 60% of programmed funds under the 10th European Development Fund (EDF) envelope for Rwanda (or EUR 175 million out of a total budget of EUR 290 million for the period 2008-2013) through budget support.⁵ The EU's preferred modality of aid delivery for Rwanda's aid policy is GBS.

Rwanda is the first of seven ACP countries to benefit from an MDG contract, which is offered to countries demonstrating good performance and sound economic management. Under this MDG contract, budgetary support is provided within a predictable long-term framework: EUR 175 million for the 6-year period, 2009-2014.

The indicators for the variable tranche in the MDG contract are chosen by the EU, in consolidation with the Government of Rwanda from the Common Performance Assessment Framework (CPAF).⁶ The CPAF contains indicators to be used by the government and all donors in assessing the government's performance. Progress on these indicators provides the basis for disbursements under the MDG contract. It will be reviewed during the 2010 Mid-Term Review. The CPAF is updated every six months or annually with the purpose to monitor progress

of Rwanda's Economic Development and Poverty Reduction Strategy (EDPRS). The EDPRS includes some health related indicators which are further broken down in the Health Sector Strategy Sector Plan II (2009 -2012).

In 2009 an 'EDPRS Results and Policy Matrix' reviewed selected health policy actions and revealed that reducing maternal mortality and controlling high fertility rates were two of Rwanda's priority objectives. Out of a total of 14 policy actions implemented between July-December, 11 were fully achieved. The EDPRS indicator for family planning aims to increase the use of modern contraceptives from 10% in 2005 to 70% by 2012. Rwanda has surpassed its 2010 target of 38% for this policy action, achieving a commendable 45.1%.⁷

Sector reviews take place twice a year. The government presents a performance evaluation report and holds discussions on new developments. Recent discussions have included biomedical centres and reproductive health issues. Information from these sector reviews subsequently feed into the budget review.

Health Sector Support in Rwanda

Among the EU Member States, Belgium is the lead donor in Rwanda for health (totalling around EUR 40 million over four years) and intends to increase its sector budget support to Rwanda to a maximum of 50% of its total envelope. Currently, Belgium's sector budget support for Rwanda prioritises access to quality health services for the poor and the vulnerable (primary and secondary healthcare) including family planning, maternal and child health and financial access to health. By 2010, Belgium will have prepared a new 'Indicative Cooperation Programme' with Rwanda, and will implement projects and programmes which are to be carried out over a 12-year framework period.⁸

For Germany, health is one of the three main areas of cooperation with Rwanda. Having had a previous focus on HIV/AIDS, Germany has now reallocated its focus to reproductive health issues through the German Technical Cooperation (GTZ), the German Development Agency (DED) and Population Services International (PSI). However by 2012, it is foreseen that Germany will phase out any activities in the health sector.⁹

In recent years, the US Government has increased its development assistance in Rwanda for health and HIV/AIDS to around EUR 30 million per year. Other donors which are active in the health sector include DFID, the Swiss Development Cooperation



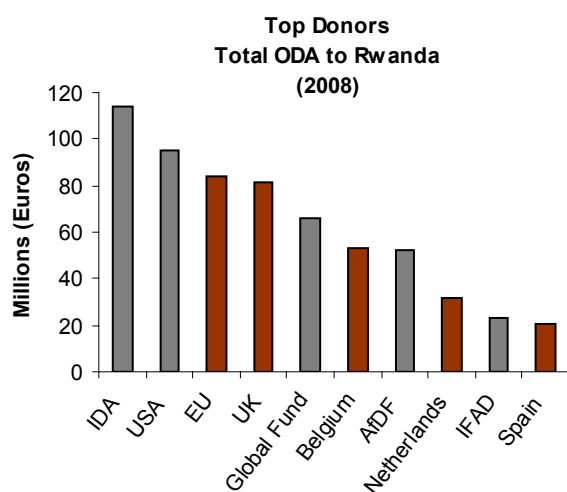
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(SDC), LuxDev, the World Bank, UN organisations, as well as up to 50 international NGOs which mainly implement HIV/AIDS programmes.

EU aid in Figures

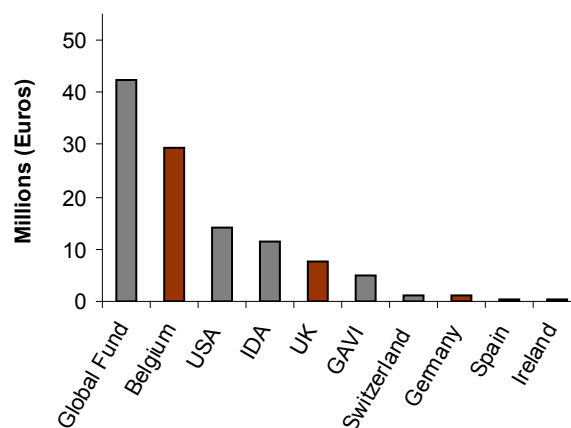
Rwanda remains a highly aid-dependent country. Total aid accounts for around 15% of its GDP. The International Development Agency (IDA), the USA, and the EU (excluding Member States) were the top three donors in 2008 and contributed a total of EUR 293.1 million. The EU as a whole provides over half of all aid to Rwanda (not including contributions to multilateral institutions). UK aid reaches above EUR 80 million per year, of which two thirds is GBS.



Source: OECD DAC Credit Reporting System¹⁰

Next to important international donors such as the Global Fund to fight HIV/AIDS, Tuberculosis, and Malaria (GFATM), the USA and the IDA, it is primarily the EU Member States Belgium, Germany and the UK who have made health a priority in their development cooperation with Rwanda. Altogether, these five donors donated EUR 108.5 million to health in Rwanda in 2008.

Top Health Donors in Rwanda (2008)



Source: OECD DAC Credit Reporting System¹¹

Donor coordination in Rwanda

There are many stakeholders active in the health sector in Rwanda. The 2008-2013 CSP indicates that out of 35 development partners present in Rwanda, 21 are health-focused (including UNAIDS, UNDP, UNFPA and the WHO). A Health Sector Coordination Group (HSCG) meets every two months and various technical working groups (TWGs) involving the Ministry of Health have been set up with Terms of Reference (ToR). In order to increase harmonisation amongst donors, a Development Partners Health (DPG) Group (with a rotating chair) consisting of health donors and numerous American international NGOs carry out informal discussions once every two months to discuss health issues and the agenda for the HSCG meetings.¹²

The Rwanda government and its partners maintain regular dialogue through the Development Partners Coordination Group (DPCG) - the highest level coordination structure in Rwanda - and Sector Working Groups (SWGs). The effectiveness of the DPCG has been questioned, as the majority of decisions are made within the various SWGs. Germany chairs the Budget Support Harmonisation Group and Belgium is the co-chair of the Health Sector Working Group.¹³ In addition, a Sector Budget Support Group (SBSG) coordinates the Development Partners which provide Sector Budget Support: Belgium, Germany and DFID, including the



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Swiss Development Cooperation for issues around the Capacity Development Pooled Fund. A DPCG meeting has been scheduled for July to decide upon which three sectors every Development Partner will be limited to focus on. Proposals have been made to expand the Sector Budget Support TWG to other partners including USAID, WHO/UNFPA, the World Bank and the GFATM.

There are no formal separate EU Member States discussions about donor coordination, but there is a regular EU Head of Cooperation (HoC) meeting where decisions are taken. In 2008, a donor mapping exercise sought to improve donor coordination and harmonise development aid in Rwanda. Three analyses were made on how the government and donors perceived current progress and their expectations for future coordination. There has been little development so far on determining the comparative advantage of donors in Rwanda. The Rwanda government has reservations about taking the lead and would prefer the coordination to be made through bilateral donor discussions. However, discussions are currently taking place to better coordinate the future division of labour in Rwanda.¹⁴

The Rwanda government has wanted to redefine each donor's area of intervention according to the EDPRS implementation working groups. No such list has been developed and there has been insufficient progress in clarifying the EDPRS implementation monitoring framework. The EU delegation in Rwanda plans to request the government to include an analysis of the division of labour into their planning for the next EDPRS (2012).

In 2009, Ministry of Finance and Economic Planning requested each donor to provide their preferred areas of intervention. EU Member States provided detailed responses, unlike donors such as USAID, UN and the African Development Bank which failed to provide any response.

EU funding and Civil Society Organisations (CSOs)

The EU's increased reliance on budget support measures has delegated spending negotiations to donors and governments. As a result, civil society organisations have no significant role in affecting spending decisions. There are no specific

consultations processes with civil society organisations for the MDG contract as they form part of the CSP. Major decisions are taken in the sector working groups which involve the government, donors and only occasionally CSOs. However, the EU Delegation has encouraged the government to better include umbrella organisations in these working groups. A select few European and Rwandan NGOs have previously attended the meetings but American International NGOs dominate the health sector coordination group.

Germany, as co-chair of the budget support working group, intends to focus on how to support CSOs when monitoring EDPRS development and governmental budget decision-making.¹⁵

Under the EU's CSP, support for Non-State Actors (NSAs) has generally focused on governance issues, funded through EU budget lines and the NIP allocation for the governance non-focal sector. Limited support has been provided to NSAs on broader development issues. The support for NSAs is mainstreamed across all domains and amounts to EUR 7.5 million.¹⁶ Financing will be available for NSAs active in complementary actions such as capacity building, innovative approaches, advocacy, monitoring.¹⁷

Although the largest part of EU aid in Rwanda under the CSP goes towards budget support and thus funds government programmes, the EU's delegation in Rwanda also publishes calls for proposals on its website.¹⁸ According to a previous DSW analysis of EU budget allocations in RH projects in developing countries, the delegation in Rwanda is one of the few to include reproductive health in their calls for proposals.¹⁹

The EU Delegation in partnership with the government and NSAs are involved in the CSP/NIP drafting and consultation process of the Mid-Term Review of the EDF. However, concerns have been raised that NSAs in Rwanda do not have sufficient advocacy or monitoring roles and lack the capacity to bid successfully for EU resources.²⁰



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Endnotes*

1. In this document, "European Union (EU) Aid" refers to assistance that is channelled through and managed by the European Commission, and which does not include the 27 EU Member States' bilateral aid.
2. DSW, "Euromapping 2010", <<http://www.euroresources.org/euromapping.html>>.
3. European Commission, DG EuropeAid, "Publications - Annual Reports", <http://ec.europa.eu/europeaid/multimedia/publications/index_en.htm>.
4. Republic of Rwanda & European Community, "Country Strategy Paper and Indicative Programme for the Period 2008-2013", <http://www.delrwa.ec.europa.eu/en/downloads/CSP-NIP/rw_csp-nip10_en.pdf>.
5. *Ibid.*
6. MDG contracts have a fixed tranche: 70% is disbursed throughout year one to year three. The precondition for the fixed tranche is (1) continued commitment to poverty reduction, (2) maintenance of macroeconomic stability, and (3) satisfactory progress in the implementation of the programme to improve and reform public financial management.
7. Republic of Rwanda, Ministry of Health, "Economic Development and Poverty Reduction Strategy (EDPRS) Implementation Report, July – December 2009".
8. Minutes of Meeting (26 June 2009), with Dr Dick De Clercq, co-chair Health Sector Coordination Group (HSCG), Belgian Embassy, Kigali.
9. Minutes of Meeting (26 June 2009) with Head of German Development Cooperation in Rwanda, German Embassy, Kigali.
10. OECD DAC Credit Reporting System Statistics, <<http://stats.oecd.org/Index.aspx?DatasetCode=CRSNEW>>.
11. OECD DAC Credit Reporting System Statistics, Rwanda: <<http://stats.oecd.org/Index.aspx?lang=en>>.
12. *Ibid.* 8.
13. Minutes of Meeting (26 June 2009) with Head of German Development Cooperation in Rwanda, German Embassy, Kigali.
14. *Ibid.*
15. *Ibid.*
16. Republic of Rwanda & European Community, "Country Strategy Paper and Indicative Programme for the Period 2008-2013", <http://www.delrwa.ec.europa.eu/en/downloads/CSP-NIP/rw_csp-nip10_en.pdf>.
17. *Ibid.*
18. Delegation of the European Union to Rwanda <<http://www.delrwa.ec.europa.eu/>>
19. DSW, "Fast Fact: Reproductive Health and the EC's Non-State Actors Programme 2007", <http://www.euroresources.org/fileadmin/user_upload/Fast_Facts/Reproductive_Health_and_Non_State_Actors_Programme.pdf>.
Delegation of the European Union to Rwanda <<http://www.delrwa.ec.europa.eu/>>
20. DSW, "Fast Fact: Civil Society Participation in Mid-Term Review of the EDF", <http://www.euroresources.org/fileadmin/user_upload/Fast_Facts/MTR_Fast_Fact.pdf>.

*All documents retrieved on 29 June 2010.



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