

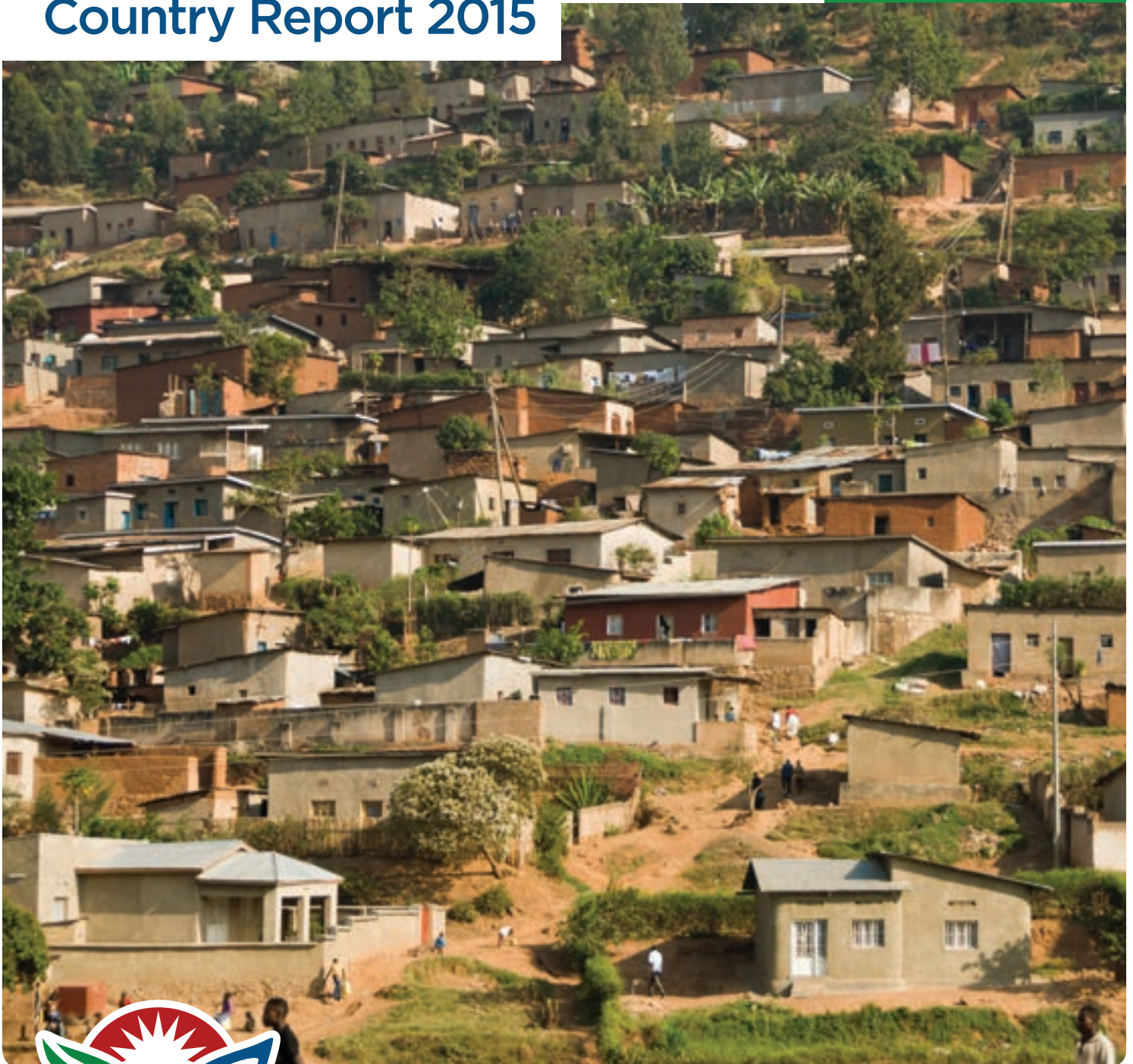


WAVES  
Country Report  
Rwanda  
June 2015



Wealth Accounting and Valuation of Ecosystem Services (WAVES)

# Rwanda Country Report 2015



WAVES

[www.wavespartnership.org](http://www.wavespartnership.org)

Wealth Accounting and the  
Valuation of Ecosystem Services



---

# Rwanda Country Report 2015

---

## Natural Capital Accounting

May 2015

### **WAVES - Global Partnership for Wealth Accounting and Valuation of Ecosystem Services**

Wealth Accounting and Valuation of Ecosystem Services (WAVES) is a global partnership led by the World Bank that aims to promote sustainable development by mainstreaming natural capital in development planning and national economic accounting systems, based on the System of Environmental-Economic Accounting (SEEA). The WAVES global partnership ([www.wavespartnership.org](http://www.wavespartnership.org)) brings together a broad coalition of governments, UN agencies, nongovernment organizations and academics for this purpose. WAVES core implementing countries include developing countries—Botswana, Colombia, Costa Rica, Guatemala, Indonesia, Madagascar, the Philippines and Rwanda—all working to establish natural capital accounts. WAVES also partners with UN agencies—UNEP, UNDP, and the UN Statistical Commission—that are helping to implement natural capital accounting. WAVES is funded by a multi-donor trust fund and is overseen by a steering committee. WAVES donors include—Denmark, the European Commission, France, Germany, Japan, The Netherlands, Norway, Switzerland, and the United Kingdom.

# Contents

Acronyms -----	2
1.0 Overview-----	3
2.0 Progress Update-----	4
3.0 Institutional Arrangements -----	5
4.0 Capacity Building and Outreach -----	7
5.0 Economic and Planning Context -----	8
6.0 NCA in the Policy Context-----	10
7.0 Annual Workplan and Results Framework -----	12
8.0 Annexes: -----	14
Annex 1. Rwanda 2015 Results-Based Monitoring Matrix - PDO 1 -----	14
Annex 2. Country Results-Based Monitoring Matrix - PDO 2-----	17

## Acronyms

ANS	Adjusted Net Savings
EDPRS	Economic Development and Poverty Reduction Strategy
FRw	Rwandan Franc
GDP	Gross Domestic Product, a measure of annual economic output
MINALOC	Ministry of Local Government and Districts
MINECOFIN	Ministry of Finance and Economic Planning
MINICOM	Ministry of Commerce, Trade and Industry
MINIRENA	Ministry of Natural Resources
NCA	Natural Capital Accounting
NISR	National Institute of Statistics Rwanda
PPP	Purchasing Power Parity
PRSP	Poverty Reduction Strategy Paper
RBS	Rwanda Bureau of Standards
RDB	Rwanda Development Board
REMA	Rwanda Environment Management Authority
RNRA	Rwanda Natural Resources Authority
RRA	Rwanda Revenue Authority
RURA	Rwanda Utilities Regulatory Authority
NSC	National Steering Committee
SEEA	System of Environmental-Economic Accounting
Sida	Swedish International Development Cooperation Agency
SNA	System of National Accounts
STC	Short Term Consultancy
TWG	Technical Working Group
UNDP	United Nations Development Programme
WAVES	Wealth Accounting and Valuation of Ecosystem Services
WCS	Wildlife Conservation Society

## 1| Overview

**Rwanda is engaged in developing Natural Capital Accounts, guided by a Steering Committee led by the Ministry of Natural Resources,** and with support from the World Bank under the Global Partnership on Wealth Accounting and Valuation of Ecosystem Services. Rwanda's Natural Capital Accounting work is being carried out through a scoping phase (now completed) and an implementation phase. The first phase assessed the feasibility of institutionalizing natural capital accounting and identified how and where it can contribute to policy and resource management decisions. The implementation phase consists of work to build natural capital accounts for priority sectors with involvement of Government officials from key agencies, wider stakeholders, and technical inputs from the WAVES Partnership.

**Natural Capital Accounting can add value to Rwanda's national development planning process** by raising attention about economically important natural resource sectors, and providing consistent, reliable data to support economic assessments and sound policy formation that takes into account cross sectoral issues. Rwanda's Vision 2020 aims for the country to become a middle-income, knowledge-based economy that is competitive both regionally and globally. Rwanda has made much progress towards attaining the Vision 2020 objectives and is implementing this long term vision through a series of medium term plans. The current national development plan up to 2018, the second Economic Development and Poverty Reduction Strategy (EDPRS2: <http://www.edprs.rw>), focuses on four thematic strategies: Economic Transformation, Rural Development, Productivity and Youth Employment and Accountable Governance. In EDPRS 2, environment and climate change are seen as cross cutting issues that require mainstreaming environmental sustainability into productive sectors and reducing vulnerability to climate change.

**The EDPRS 2 recognizes both development challenges and opportunities.** In addition to high poverty and inequality, the EDPRS sees land as a key resource for both rural livelihoods and new production. Land is under pressure from population increase and the need to generate significant youth employment. Labor skills, productivity, infrastructure and coordination across sectors and levels of government are all seen as constraints to investment and growth. Opportunities include the youthful work force, with increasing skills, and growing domestic demand for goods and services due to increasing urbanisation. The stable political and economic situation is another opportunity and there is a good enabling environment for private investment. Regional integration in East Africa is seen as important to expand markets and achieve economies of scale. Rwanda is also keen to mainstream environment issues and become a center for green growth and investment.

**Natural capital accounts for land and water can add value by providing indicators and trend analysis to help in tracking performance toward sustainability, land allocation, service delivery, and productivity targets.** NCA can help to identify trade-offs or potential constraints as Rwanda grows. NCA can also contribute to accountable governance by increasing the quality, credibility and consistency of the statistics and analyses that support national development plans and targets.



## 2| Progress Update

Rwanda completed the scoping phase of the work in December 2015 and the National Steering Committee approved the sectoral priorities and a work plan for the implementation phase. During scoping, introductory meetings, informal workshops with stakeholders and identification of data availability and gaps helped to shape the priorities and work plan activities. Based on the contribution to development goals, relevance for contributions to growth and economy-wide planning, institutional responsibilities and commitment plus data availability, the NSC chose to focus in the first year on land and water accounts. The NSC also determined to initiate exploratory work on environmental and economic issues related mineral extraction, aiming to produce an early policy output, while preparing for eventual preparation of mineral accounts. The table below summarizes the assessment of each sector in terms of policy relevance, institutional engagement and technical feasibility.

The implementation phase began in 2015 with a three part strategy: technical work on land and water accounts, capacity building workshops and on-the-job training, and policy analysis based on the sectoral work and identified gaps and needs. The focus on land, water and minerals accounts resonates with the priority sectors identified in Rwanda's Vision 2020 and the EDPRS2.

Land accounts are policy relevant because land availability and productivity are potential constraints to agricultural growth, which is a key pillar of Rwanda's development agenda. Land is the basis for agriculture, which accounts for 34 percent of GDP and 90 percent of jobs; Rwanda's population is 80 percent rural. Beyond agriculture, Rwanda's rapid urbanization will require strategic choices about land allocation and availability. Land accounts would help Rwanda to

**Table 1.** Sector Assessment for NCA Application in Rwanda

Criteria	Sectors Analyzed				
	Energy	Water	Minerals	Land	Forests
Relevance for national policy and planning	High for electricity, limited for other energy sources	High	Medium	High	Limited
Institutional engagement and coordination	Demanding	Manageable	Manageable	Manageable	Demanding
Technical feasibility	Potentially high for electricity, limited for other energy sources	Potentially high	Limited at present	High	Limited



account for trends in economic values of land in different uses and to assess potential trade-offs more systematically. Land accounts can help to clarify and compare economic values generated by land in terms of competing uses and how changes in land use may affect land value.

Water accounts are policy relevant because Rwanda's water resources are under pressure from population growth and rapid development. Water availability could constrain growth in some regions or key sectors (agriculture, urban development) or deter investment in some kinds of commercial activities. Water accounts can help to clarify and compare the economic values of water in terms of competing uses and how they are changing over time. Water accounts could allow estimation of water use and value for different economic activities, and relative contributions to employment and growth. Preparation of water accounts will provide a process and platform for improving data exchange, institutional coordination, and measures for dealing with inter-sectoral trade-offs.

Rwanda's minerals sector is small but represents a very large share of export revenues and is growing rapidly. There are high hopes for increasing investment and production, but the sector is currently relying on less efficient processing technology and low skilled labor. Potential environmental impacts and the cross-sectoral linkages to land allocation and water resources planning need more systematic study. Although data availability would constrain preparation of Mineral accounts in the near term, baseline analytical work, data collection systems and capacity building can be undertaken with a view to the future. Such accounts could ultimately help Rwanda to optimize resource rents from mining and utilize these through re-investment in physical, human and social capital.

### 3| Institutional Arrangements

Rwanda has established the institutional arrangements to support the implementation process. This section describes the main institutional elements and the next section lays out capacity building activities that have been undertaken.

The **National Steering Committee** was formed in October 2013 to set priorities and to oversee NCA preparation and implementation under the authority of the Minister of Natural Resources. Key sectoral, financial, statistics and investment agencies are represented. The Chairman of the NSC is the Director General of the Rwanda Natural Resources Authority. The co-Chairman is a Director General from the Ministry of Finance and Economic Planning. The Director General of the Rwanda Environment Management Agency serves as the Secretary General of the Steering Committee. The Ministry of Infrastructure, National Institute of Statistics of Rwanda, Rwanda Development Board, and the Wildlife Conservation Society are all represented at high level, including Deputy Directors General for Land, Water, Minerals and Forests from RNRA and REMA, as well as Advisors to the Ministry of Natural Resources. The NSC members are listed in the table on the following page.

The Steering Committee meets regularly, approved the WAVES Scoping Report, and selected the sectors for focus during implementation and approved the first year work plan. The choice of land and water as key sectors for NCA development reflects the NSC's understanding of the important role of these natural resources in the country's economic development process. The WAVES multi-year implementation plan is sequenced to provide inputs at timely intervals aligned with the annual planning and budgeting process.

A **Technical Working Group (TWG)** was formed by the Steering Committee to advance the country's NCA efforts. The TWG is a key part of the institutionalization effort and will help to ensure that NCA products are understood, that consultant inputs are assimilated, and that

 **Table 2.** NCA – National Steering Committee Members

Names	Institution/Position
Dr. Emmanuel Nkurunziza	Rwanda Natural Resources Agency (RNRA) Director General and Chair of NSC
Mr. Godfrey Kabera	Ministry of Economics and Finance (MINECOFIN) Director General and Co-Chair of NSC
Dr. Rose Mukankomeje	Rwanda Environmental Management Agency (REMA) Director General and Secretary General of NSC
Eng. Coletha Ruhamyia	Deputy Director General / REMA
Dr. Michael Biryabarema	Deputy Director General / RNRA-Mining
Ms. Adrie Mukashema	Deputy Director General / RNRA-Forest
Mr. Didier Sagashya	Deputy Director General / RNRA-Land
Mr. Vincent de Paul Kabalisa	Deputy Director General / RNRA-Water
Mr. Emmanuel Hategekimana	Ministry of Infrastructure, Director – Energy
Mr. Sebastien Manzi	National Institute of Statistics of Rwanda Director-National Accounts
Mrs. Yamina Karitanyi	Rwanda Development Board Head-Tourism & Conservation
Mr. Telesphore Ngoga	Rwanda Development Board Transfrontier Conservation Analyst, Tourism & Conservation
Mr. Michael Masozera	Wildlife Conservation Society Country Director-Rwanda
Mr. Innocent Kabenga	Ministry of Natural Resources Strategic Advisor
Mr. Peter Katanisa	Ministry of Natural Resources Advisor to the Minister
Dr. Uwera Claudine	National Coordinator-WAVES Programme Environmental Economist, University of Rwanda

Government staff take the lead in briefing management on priorities and milestones. The working group mirrors the representation of the NCA Steering Committee and will meet regularly to discuss specific technical topics; receive and review reports from World Bank/WAVES consultants and other contributing partners; participate in capacity building workshops, including contributions to design and approach; track progress of reports, results, outputs; assist consultants in accessing and institutionalizing data and information; and brief senior management on products, processes, milestones, and results.

The **NCA Country Coordinator** was selected and formalized in February 2015. The Country Coordinator's role is to champion the NCA initiative across government, work closely with technical staff in key Government agencies, organize and facilitate meetings and training events, and to provide technical coordination and reporting on the delivery of the Bank's technical assistance and other support for NCA. The National Coordinator will work with a Government counterpart who serves as the **key point of contact** and the channel to the NSC.

The Coordinator will organize and participate in workshops and regular updates, and coordinate with other technical team members and World Bank missions. The Country Coordinator will be the primary communication link among the key Government agencies, the World Bank and the WAVES Secretariat. The Country Coordinator will be responsible for technical contributions to the NCA agenda, managing consultants and technical inputs, liaison and communication with Government institutions, particularly the Steering Committee; ensuring the proper level of organizational, administrative and logistic support; and annual budgeting and work planning. The National Coordinator also observes Steering Committee meetings.

A **Communications Specialist** was recruited in March 2015. This consultant works with the National Steering Committee, Country Coordinator, World Bank team and WAVES Secretariat to develop and implement a communications and engagement strategy. The position will assist the Country Coordinator with a range of communication needs, taking the lead on producing communications outputs, helping to build the community of practice, and ensuring good external communications in Rwanda and with the global partnership. The Communications Specialist will also be responsible for outputs and content delivered to the IIED research communications manager, who will provide IIED's expert guidance and quality control to ensure that the work meets high professional standards. The Specialist is responsible for delivering high quality products on implementation of a communication and outreach Strategy, building a community of practice of those interested in NCA, and strengthening external communications to inform stakeholders relevant to decision making on natural capital.

This describes the core elements of NCA institutionalization in Rwanda to date. The WAVES technical support will provide additional consultants and administrative support, from time to time as needed, to ensure the success of the program. Technical experts will supplement the team on the ground at regular intervals and assist in providing capacity and training programs, as described below.

## 4| Capacity Building and Outreach

During a mission in May 2014, the WAVES/NCA concept was introduced to a wide set of stakeholders at the WCS "Inception Meeting on Natural Capital Accounting Projects." This half day seminar was attended by four dozen of the most relevant stakeholders in both government and civil society circles. This workshop also provided the opportunity to discuss collaboration opportunities with international partners working on related efforts, including WCS, SIDA, DFID, UNDP, UNEP, UNECA, University of Rwanda and others.

In November 2014, the WAVES technical assistance team delivered a technical workshop on policy and institutional features of NCA implementation, highlighting the experience of Botswana. This provided participants with a more practical understanding of the implementation requirements and the potential benefits and policy opportunities of NCA implementation. This training provided an overview of the institutional set up for NCA in Botswana, as an example of the level of decision-making and the level of effort required. The training also provided an extensive overview of Botswana's water accounts, how they have been developed and how they have influenced policy discussions about the value and allocation of water resources.

In February 2015, the WAVES technical assistance team organized training and international exchange with the Netherlands in support of Rwanda's NCA efforts. Statistics Netherlands is one of the world's leaders in natural capital accounting and is a key WAVES Partner. Statistics Netherlands also plays an important leadership role within the statistical community, as a member of the UNCEEA and chair of technical committees and working groups. Under a collaboration agreement with WAVES, staff of Netherlands Statistics are mobilizing to provide technical assistance and capacity building support to Rwanda, among other countries. The Netherlands team will other capacity building through in-country missions, hands-on joint work and potential study visits.

In February 2015, Rwanda's National Coordinator and key Government Focal point joined delegates from nine countries in the Philippines for the first WAVES Knowledge Exchange Workshop on Ecosystem Accounting. This event was aimed at learning, brainstorming, collaborating and sharing best practices and experiences on ecosystem accounting. The Philippines is pioneering the development of ecosystem accounts and has been seen as an example by other emerging countries in mainstreaming environmental accounting in economic planning and policy making.

In April 2015, a workshop was held on "Building a communications and engagement strategy for NCA in Rwanda" to bring together stakeholders to discuss opportunities and challenges in bringing NCA to fruition with practical results relevant for policy making. The workshop was facilitated by London-based International Institute for Environment and Development (IIED), a policy research organization working with the WAVES Global Partnership. This information and discussion will help to inform communication strategies and activities in Rwanda.

## 5| Economic and Planning Context

**Macroeconomic Context.** The Rwandan economy is largely based on rain-fed agricultural production of small, semi-subsistence, and increasingly fragmented farms. It has few natural resources to exploit and a small, uncompetitive industrial sector. More than 60% of households cultivate less than 0.7 ha of land, and more than a quarter cultivate less than 0.2 ha (World Bank, 2011b). Furthermore, the small size of the country and high population density also call for gradual transformation from relying on traditional subsistence agriculture to modern agri-business activities. Rwanda is landlocked, making the costs of trade higher than those of its neighboring countries. These elements provide Rwanda with less comparative advantage in trade and manufacturing and more regional comparative advantage in service provision, especially given its central position in the Great Lakes area.

During the 1990s, Rwanda experienced civil wars that led to political, social and economic instability. The war led to massive destruction of property, infrastructure and resources and marked the turning point for the economy. After the genocide, the government focused on rebuilding the country through resettlement and reconstruction, and from 1995 onward the


Rwandan economy has gradually improved and has now emerged as one of the fastest growing in the world. Economic policy reforms played a central role in this process. One of the early and most important policy measures was for example to make certain that property rights on capital assets, and most crucially on land, were respected.

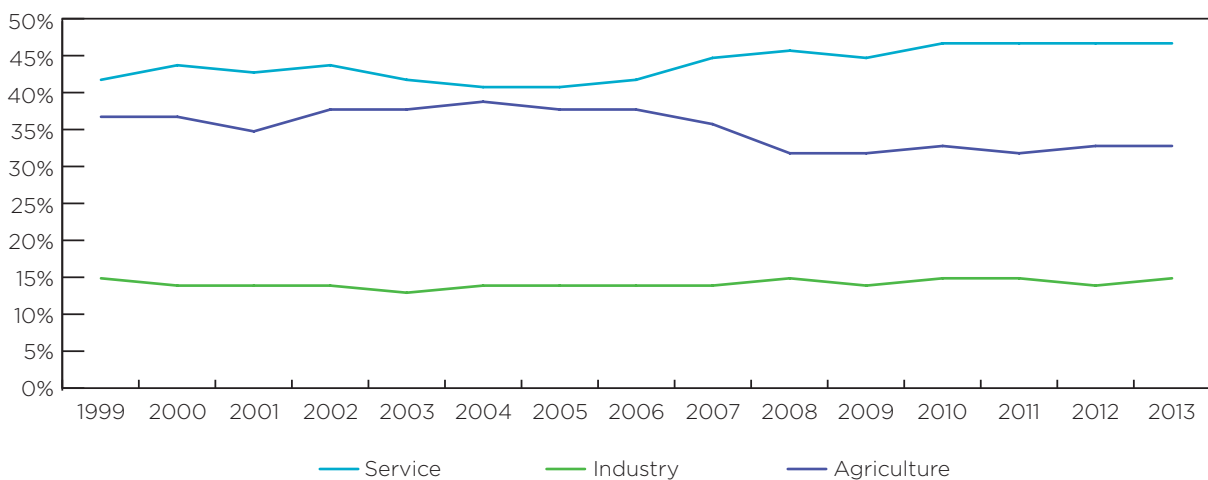
Despite impressive growth rates in the past decade, the structure of the economy has changed very little. The shares of all sectors (agriculture, industry and services) in GDP remained largely unchanged through most of this period, although the share of the services sector has been rising since 2007 and is the main engine of growth in the economy (see Figure 1). The share of industry in GDP (mining and quarrying, manufacturing, electricity and water, and construction), however, has long been around 15% of GDP (NISR 2014).

**Planning and Challenges.** Rwanda is considered a model of post-conflict reconstruction. However, the country is still characterized by a high poverty rate (57%) and by high population growth, which contribute to rapid depletion and degradation of natural resources (deforestation, land degradation, water pollution, etc.). Crop production has not grown quickly enough to reduce food insecurity and extreme poverty.

To address these challenges, Rwanda developed the Rwanda Vision 2020 document that identifies key national objectives. The Vision 2020 aims to transform Rwanda from a low income (US\$ 220 in 2000) to a middle income (US\$ 900 by 2020) country (Republic of Rwanda, 2000). Vision 2020 provides the general development objectives and policy goals with the strategic ambition of moving Rwanda towards agricultural development and industrialization. The main objectives are; in the short term, the promotion of macroeconomic stability and wealth creation to reduce aid dependency; in the medium term, the transformation from an agrarian to a knowledge-based economy; and in the long term, the creation of a productive middle class fostering entrepreneurship.

To realize the Vision 2020 goals, the Government has adopted a series of medium-term strategic plans, most recently the Second Economic Development and Poverty Reduction Strategy (EDPRS2). The focus of EDPRS2 is to bring appropriate solutions to the differential needs of

 **Figure 1.** Contributions by each sector to GDP between 1999 and 2013



Source: National Institute of Statistics of Rwanda. Annual and quarterly estimates of GDP rebased on 2011.

different parts of the country through Sector Strategic Plans and District Development Plans (Republic of Rwanda, 2012a). EDPRS 2 also includes key stakeholders more explicitly in the development process.

In addition to high poverty and inequality, the EDPRS recognizes land as a key resource for both rural livelihoods and new production. Land is under pressure from population increase and the need to generate significant youth employment. Labor skills, productivity, infrastructure and coordination across sectors and levels of government are all seen as constraints to investment and growth. Opportunities include the youthful work force, with increasing skills, and growing domestic demand for goods and services due to increasing urbanization. The political and economic situation is stable and there is a good enabling environment for private investment. Regional integration in East Africa is seen as important to expand markets and achieve economies of scale. Rwanda is also keen to mainstream environment issues and become a center for green growth and investment.

The EDPRS 2 focuses on four thematic strategies—Economic Transformation, Rural Development, Productivity and Youth Employment and Accountable Governance—and several cross cutting initiatives that are relevant to a discussion of Natural Capital Accounting.

- Economic Transformation aims to accelerate economic growth, particularly in more services and industry, through investment in infrastructure for exports, increased private sector investment, urbanization and green economy approach to sustainability. The ‘green economy’ priority aims to promote green urbanization and green innovation in industrial and private sectors.
- Rural Development aims to continue reducing poverty by increasing the productivity of agriculture and enhancing social protection programs. A priority on human settlements focuses on land use allocation for development, decentralized land management, and improved rural access to economic opportunities and basic services. Prioritizing agricultural productivity builds comparative advantage by focusing on irrigation and land husbandry, advisory services and connecting farmers to agribusiness. Connecting rural communities to economic opportunity aims to improve feeder roads, information and communications technologies for connectivity, linking rural communities to markets and modern energy, and improving the coverage of quality water and sanitation service
- Productivity and Youth Employment aims to improve skills and productive employment opportunities for rural communities, particularly youth.
- Accountable Governance aims to improve the overall level of service delivery, and improve citizen satisfaction by promoting participation and communication, strengthening the media and civil society organizations, and revitalizing public service delivery through a customer-centered service culture.

The environment and climate change are seen as cross-cutting issues that require mainstreaming environmental sustainability into productive sectors, reducing vulnerability to climate change and investing in disaster management preparedness, early warning systems and awareness campaigns.

## 6| NCA in the Policy Context

**Land accounts are policy relevant because land availability and productivity are potential constraints to agricultural growth, which is a key pillar of Rwanda’s development agenda.**

Land is the basis for agriculture, which accounts for 34 percent of GDP and 90 percent of jobs;

Rwanda's population is 80 percent rural. Small plots reduce productivity and increased productivity is needed to achieve food security and to boost rural incomes. Beyond agriculture, Rwanda's rapid urbanization and plans for development of secondary cities will require additional land, as well as policies to limit sprawl and promote zoning for green areas that improve quality of life.

**Land accounts would help Rwanda to account for trends in economic values of land in different uses and to assess potential trade-offs more systematically.** Although sectoral level planning exists, better information and coordination would help to ensure that individual sectoral targets do not contribute to cross sectoral tensions, or competing demands for the same land. Land value and trend information could also inform planning on potential implications for water use or food production due to changes in land uses.

**Land accounts can help to clarify and compare economic values generated by land in competing uses and how changes in land use may affect land value.** Land accounts could help in the analysis of questions related to land use change impacts on productivity of key crops, production of fuel wood, or pressure on water resources (when linked to water accounts). Land accounts would also help in the comparison of market values for land in different regions or uses, which could inform the "just compensation" policy. Land accounts would contribute to understanding of how sectors compare in terms of land use per value of output or intensity of use, or longer term projections of productivity, resource use, or potential bottlenecks in land availability for national development objectives.

**Water accounts are policy relevant because Rwanda's water resources are under pressure from population growth and rapid development.** Urban water provision is uncertain; rural households rely on less hygienic sources, adding to the burden of disease. Water availability could constrain growth in some regions or key sectors (agriculture, urban development) or deter investment in some kinds of commercial activities.

**Water accounts can help to clarify and compare the economic values of water in competing uses and how they are changing over time.** These accounts would enable comparison of water costs being paid by different sectors and population groups, which can inform infrastructure improvement needs. Water accounts would help responsible agencies to understand where water is being used most and its productivity, as well as trends in efficiency or intensity of use. Water accounts could allow estimation of water use and value for different economic activities, and relative to contributions to employment and growth. Preparation of water accounts will provide a process and platform for improving data exchange, institutional coordination, and measures for dealing with inter-sectoral trade-offs. Water accounts could also help to improve quality of data used for management, pricing and allocation and to address questions of cost recovery and investment needs.

**Rwanda's minerals sector is small but represents a very large share of export revenues and is growing rapidly.** There are high hopes for increasing investment and production, but the sector is currently relying on less efficient processing technology and low skilled labor. Although the value of output contributes to GDP and foreign exchange earnings, rent capture by the government is limited and the level of employment and environmental effects are not yet well understood. Potential environmental impacts and the cross-sectoral linkages to land allocation and water resources planning need more systematic study.

**Due to data and institutional constraints, developing Mineral accounts at this time would be challenging,** but baseline analytical work, data collection systems and capacity building can be undertaken with a view to the future. In the medium term, mineral accounts would help Rwanda



by providing more accurate data for government management and oversight, for setting appropriate mining taxes or fees, and for determining trends in production, value addition and employment in different mineral sectors. Such accounts will also help to satisfy Rwanda's interest in knowing how to optimize resource rents from mining and utilize these through re-investment in physical, human and social capital.

## **7| Annual Workplan and Results Framework**

The attached work plan is designed to implement the decisions of Rwanda's NCA Steering Committee. As a first priority, work should begin on developing land accounts, with the aim to produce a practical, policy relevant interim output within 4 months. This product will be based on relevant data sources, but will not represent a complete land account. As a concurrent priority, work should begin on a study of the environmental and economic costs associated with mineral extraction, with the aim to produce a policy relevant interim output, in preparation for eventual preparation of mineral accounts. The second priority is to phase in work on water accounts after the work on land accounts is well under way. The sequencing of this work is illustrated on the following page.

With inputs from technical counterparts, the work plan and sequencing of tasks and products have been harmonized with the Government's annual planning/budgeting cycle. This will maximize the potential to produce influential inputs at key points during the calendar. The discussion also noted forward plans for preparation of EDPRS3 during FY2016/17 and opportunities for delivery of key NCA products and recommendations at that time.

The workplan is followed by a summary of Rwanda's results in the format of the WAVES Monitoring and Evaluation Framework.



## 8| Annexes:

Annex 1. Rwanda 2015 Results-Based Monitoring Matrix – PDO 1

Objectives & Outcome (Results) Indicators	Base-Line June 2014	Prep year June 2014	Yr1 Jun-15	Yr 2 Jun-16	Yr 3 Jun-17	Yr4 Jun-18	Yr5 Jun-19 (proposed)
<b>PDO 1. To implement natural capital accounting in partner developing and developed countries</b>							
<b>Outcome Indicators:</b>							
a. Country has committed to institutionalize natural capital accounting based on lessons learned from the WAVES program	Signed Gabarone declaration, 2012; WAVES Core Implementing Country, 2013;	<p><b>Target</b></p> <ul style="list-style-type: none"> <li>Mobilize resources from WB / WAVES; initiate scoping study</li> </ul> <p><b>Achieved</b></p> <ul style="list-style-type: none"> <li>TOR approved, Consultants hired, Missions held.</li> </ul>	<p><b>Target</b></p> <ul style="list-style-type: none"> <li>Institutional arrangements for integrating land and water accounts into national accounts and development planning suggested</li> </ul>	<p><b>Target</b></p> <ul style="list-style-type: none"> <li>Land accounts institutionalized</li> <li>Data collection methods revised to supply data to water accounts</li> </ul>	<p><b>Target</b></p> <ul style="list-style-type: none"> <li>TBD</li> </ul>	TBD	
<b>Intermediate Outcomes Indicators</b>							
1.1 Country has completed the milestones for the WAVES Preparation Phase <sup>a</sup>	Appointed Steering Committee;	<p><b>Target</b></p> <ul style="list-style-type: none"> <li>Scoping report; Selection of priority accounts; preparation of initial workplan</li> </ul> <p><b>Achieved</b></p> <ul style="list-style-type: none"> <li>Report completed, 12/2014; NSC Approved</li> </ul>	<p><b>Target</b></p> <ul style="list-style-type: none"> <li>Appoint National NCA Coordinator and Govt Focal point;</li> <li>Establish Technical Working Groups; technical support; interim policy reports</li> </ul> <p><b>Achieved</b></p> <ul style="list-style-type: none"> <li>Yes</li> </ul>				

(continued on next page)

**Annex 1. Rwanda 2015 Results-Based Monitoring Matrix – PDO 1 (continued)**

Objectives & Outcome (Results) Indicators	Base-Line June 2014	Prep year June 2014	Yr 1 Jun-15	Yr 2 Jun-16	Yr 3 Jun-17	Yr4 Jun-18	Yr5 Jun-19 (proposed)
1.2 Country has asset accounts for selected natural assets	None		<p><b>Target</b></p> <ul style="list-style-type: none"> <li>• First draft for Land Accounts to be developed in May.</li> </ul> <p><b>Achieved</b></p> <ul style="list-style-type: none"> <li>• Assessment of data availability</li> </ul>	<p><b>Target</b></p> <ul style="list-style-type: none"> <li>• Land accounts consolidated. Policy analysis using Land Accounts undertaken</li> <li>• Preparatory work planned for Minerals</li> </ul>	<p><b>Target</b></p> <ul style="list-style-type: none"> <li>• Mineral accounts for selected minerals developed</li> </ul>		
1.3 Country has flow accounts for selected NR	None		<p><b>Target</b></p> <ul style="list-style-type: none"> <li>• Prepare plan for extending data gathering to compile Water Accounts.</li> </ul> <p><b>Achieved</b></p> <ul style="list-style-type: none"> <li>• Assessment of data availability</li> </ul>	Draft Water accounts developed			
1.4 Country has experimental ecosystem accounts (if intended in country work-plan)	None		<p><b>Target</b></p> <ul style="list-style-type: none"> <li>• Not planned under WAVES Funding; WB will collaborate with WCS in training + show-casing tech results</li> </ul>	<p><b>Target</b></p> <ul style="list-style-type: none"> <li>• Technical studies on EA to be produced under separate funding, coordinated under the NCA Steering Committee</li> </ul>			

(continued on next page)

**Annex 1. Rwanda 2015 Results-Based Monitoring Matrix – PDO 1 (continued)**

Objectives & Outcome (Results) Indicators	Base-Line June 2014	Prep year June 2014	Yr 1 Jun-15	Yr 2 Jun-16	Yr 3 Jun-17	Yr4 Jun-18	Yr5 Jun-19 (proposed)	
1.5 Country has macro-economic indicators derived from the SEEA accounts (if intended in country work-plan)	None			<p><b>Target</b></p> <ul style="list-style-type: none"> <li>• WAVES results inform green indicators and national M&amp;E prepared by Rwanda (with support from UNDP2)</li> </ul>				
1.6 Country has capacity for maintaining NCA (evidenced by dedicated government staff for NCA and regular reporting mechanism for production of natural capital accounts)	Developing	Developing in MINIRENA and NISR.	<p><b>Target</b></p> <ul style="list-style-type: none"> <li>• Implementation workplan schedule is aligned with national planning and budgeting process;</li> </ul> <p><b>Achieved</b></p> <ul style="list-style-type: none"> <li>• NCA coordination and reporting unit established in MINIRENA around National Coordinator; System of monitoring developed</li> </ul>	<p><b>Target</b></p> <ul style="list-style-type: none"> <li>• Initial own-budget allocations established;</li> <li>• NCA reporting regularized within key institutions</li> </ul>	<p><b>Target</b></p> <ul style="list-style-type: none"> <li>• Rwanda budget allocations for NCA + statistical capacity sustained/expanded</li> </ul>			

<sup>a</sup> UNDP under Swedish funding is preparing Green Indicators and National Environmental M&E system

**Annex 2. Country Results-Based Monitoring Matrix – PDO 2**

Objectives & Outcome (Results) Indicators	Base-Line June 2014	Prep year June 2014	Yr 1 Jun-15	Yr 2 Jun-16	Yr 3 Jun-17	Yr 4 Jun-18	Yr 5 Jun-19 (proposed)	
<b>PDO 2. To incorporate natural capital accounting in policy analysis and development planning in core implementing countries</b>								
<b>Outcome Indicators:</b>								
a. NCA informs policy dialogue on growth, environment and poverty reduction, evidenced by citing NCA or using NCA indicators and data in, development plans, sector strategies and plans, executive orders, legislative documents, and policy literature, incl. WB		Not yet	<p><b>Target</b></p> <ul style="list-style-type: none"> <li>Policy studies initiated on land and water planned for Q3-4, 2015</li> <li>Achieved: Technical Working Groups formed to work on accounts and policy priorities. Technical inputs from Netherlands Statistics is advancing the process in Feb and May 2015.</li> </ul>	<p><b>Target</b></p> <ul style="list-style-type: none"> <li>Policy studies and recommendations are aligned with national planning and budgeting cycle to allow uptake into policies and plans;</li> <li>Inputs to be provided to Rwanda Economic Update (WB ESW)</li> </ul>				
<b>Intermediate Outcomes Indicators</b>								
2.1 Country has policy notes and analytical work based on NCA.		Not yet	<p><b>Target</b></p> <p>Draft Policy notes planned to focus on initial sectors</p>					

(continued on next page)

**Annex 2.** Country Results-Based Monitoring Matrix – PDO 2 (continued)

Objectives & Outcome (Results) Indicators	Base-Line June 2014	Prep year June 2014	Yr 1 Jun-15	Yr 2 Jun-16	Yr 3 Jun-17	Yr4 Jun-18	Yr5 Jun-19 (proposed)
2.2 Country has capacity for using NCA in policy dialogue (evidenced by government staff trained in using NCA)		Developing	<p><b>Target</b></p> <ul style="list-style-type: none"> <li>• Training programs implemented; Assistance from Netherlands Statistics set up</li> </ul> <p><b>Achieved</b></p> <ul style="list-style-type: none"> <li>• Intro to SEEA, 6/14;</li> <li>• Intro to Land and Water Accounts, Botswana Experience, 11/14;</li> <li>• Land &amp; Water Account Exercises, Netherlands Experience, 2/15</li> <li>• 1st Mission of Netherlands Stats, 2/15; 2nd Mission, 5/15 provided seminars and hands on training</li> </ul>	<p><b>Target</b></p> <ul style="list-style-type: none"> <li>• Deeper training program planned and implemented;</li> <li>• Exchanges with other WAVES countries planned and implemented;</li> <li>• International workshop for African WAVES countries planned and implemented</li> </ul>			



## Wealth Accounting and the Valuation of Ecosystem Services

Wealth Accounting and the Valuation of Ecosystem Services (WAVES) is a global partnership led by the World Bank that aims to promote sustainable development by ensuring that natural resources are mainstreamed in development planning and national economic accounts.

[www.wavespartnership.org](http://www.wavespartnership.org)