

REPUBLIC OF RWANDA



MINISTRY OF LOCAL GOVERNMENT & SOCIAL AFFAIRS

NATIONAL DECENTRALIZATION POLICY

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I. Background

The current political, economic and social situation of Rwanda is a direct consequence of the recent political and administrative history of the country the apex of which was the cataclysmic genocide of 1994 - a genocide planned and effectively executed by the communities and agents of the State.

The inappropriate, highly centralized dictatorial governance of the colonial as well as post independence administration of the country excluded the Rwandese population from participating in the determination of their political, economic and social well-being.

When the present Government of National Unity came into power in 1994, it inherited a situation characterized by:

- Lawlessness
- Insecurity both from within and out of the country
- Destroyed infrastructure
- Dislocated public service systems
- Displaced and traumatized populations
- A deeply divided society.

The Government of National Unity immediately embarked on executing emergency measures to restore the country. The government has succeeded in rehabilitating government infrastructure, restoring the provision of public services (health, education, security, justice, etc.), resettling the returned populations, re-establishing a credible government in the eyes of both the people of Rwanda and the international community, rehabilitating and stabilizing the economy.

Most importantly, the government has succeeded in bringing the Rwandan society to live together again and reconcile themselves. This is a job most people had thought to be impossible given the fact that just a few months before the same society had been so divided that one part sought to exterminate the other through genocide.

In addition, the government adopted and implemented policies, which allowed other players to participate in the social and economic rebuilding of the country. Notable among such policies is the policy of privatization and private sector development, together with encouragement of the activities of civil society and non-governmental organizations.

Consequently, five years after the cataclysm of 1994, the country's economy has now recovered to its pre 1994 level in most sectors.

However, from a political and administrative view, the Rwandese system is largely centralized and the following problems still persist:

- (i) Inadequate participation of the majority of the population in the making of decisions that concern their livelihood.
- (ii) Inadequate financial and other resources at Intara, Akarere and lower levels. It is true that the Rwanda Government has limited revenue, but the little there is, remains concentrated at central government level.
- (iii) Management structures at local administrative levels that support lack of accountability and transparency.
- (iv) Accumulation of powers in one person, both at the central and local level, for example, at Akarere level, the powers are centralized in one person, the Bourgmestre.
- (v) Passivity, lack of initiative and dependency syndrome on the part of the majority of the population, caused especially by over-centralization and exclusion from participation.
- (vi) Inadequate capacity (human, systems, structures, institutions, networks, attitudes, etc) at both central government and local levels.
- (vii) Officialdom which erodes further the people's say in the management of their affairs, the system being generally accountable to central government instead of being accountable to the people.
- (viii) Little presence of women and youth in the running of the political economic and administrative systems and affairs of Rwanda.

A political and administrative system where problems such as the above prevail cannot support economic and social development precisely because the concerned people's energies are not adequately mobilized to initiate, plan and implement development action based on locally identified needs.

The repercussions of the inappropriate governance system are reflected in the economic and social development situation of Rwanda which is still among the poorest countries of Africa with more than 65% of its population living below poverty line.

Rwanda is placed 164th out of 174 poorest countries of the world (see UNDP: Human Development Report 1999 for Rwanda page 13).

The following is a summary of some of the statistics that describe the undesirable poverty situation in Rwanda

Indicators	Years	1993	1994	1995	1996	1997	1998
1. GDP growth rate		- 8.5 %	- 49.9%	34.4 %	15.8 %	12.9%	9.6%
2. Per capita income							251 US \$
3. Infant mortality rate per 1000 live births					125%	131%	129%
4. Debt burden: External debt							1.2.Bln US\$
5. Prevalence of children with malnutrition				28%			42%
6. Life expectancy at birth { Males Females							47 years 50 years
7. Population with access to safe water					44%		
8. Population with access to health care						80%	
9. HIV positive per 100 adults						11.3	
10. Adult literacy { Males Females					52% 45%		

The imports were 4.5 times more than the exports in 1998

(Source : UNDP Human Development Report Rwanda 1999 and Ministry of Finance and Economic Planning, Directorate of Statistics (Rwanda July 1999)

All efforts of the Rwandese Government of National Unity since 1994 have been dedicated to reversing the situation. The government is launching democratic decentralization as yet another government policy targeting poverty reduction by improving the quality of governance in the country and by promoting the mobilization and participation of the people in the determination of their well being.

Decentralization will provide a structural arrangement for government and the people of Rwanda to fight poverty at close range and to enhance their reconciliation via the empowerment of local populations. There have already been elections at the Akagari and Umurenge levels in 1999 as part of the democratization process.

2. Meaning, modes, foundation and principles of decentralization

2.1. Meaning and modes

Decentralization being the opposite of centralization refers to the process of transferring powers, authority, functions, responsibilities and the requisite resources from central government to local governments or administrative divisions.

Decentralization will be implemented through three modes: deconcentration, delegation and devolution.

- (1) Under **deconcentration**, services and functions reserved to be performed by central government (outlined in this policy) will be executed by central government public servants located in local governments but hierarchically responsible directly to central government.
- (ii) Under **delegation**, services and functions reserved to be performed by central government (outlined in this policy) will be delegated to local governments and the requisite resources transferred to them for effective provision of these delegated services.
- (iii) Under **devolution**, the powers, authority, functions, responsibilities services and resources (outlined in this policy) currently centralized at central government level will be transferred to local governments which will be created by law as legal entities with powers to sue and be sued.

The combination of the Three phases of Decentralization will be geared towards economic, political and managerial/administrative empowerment and reconciliation of the people of Rwanda to determine their livelihood.

2.2. Legal and political foundation of the decentralization policy

This decentralization policy emanates from the commitment of the government of Rwanda to empower its people to determine their destiny. In addition the policy has its foundations in the fundamental laws of the country as well as in the political and administrative pre-dispositions the government has already taken as follows:

- (1) Acceptance of the principle of power sharing as expressed in the "Arusha Peace Agreement between the Government of the Republic of Rwanda and the Rwandese Patriotic Front". Up to now power sharing has only been seen among the political elite at Parliament and Executive levels. The decentralization policy will reinforce power sharing by ensuring that the Rwandese people themselves are empowered to shape their political, economic, and social destiny.
- (ii) The Ministry responsible for Local Government was mandated to formulate and implement a policy of democratic decentralization.
- (iii) Constitutional provision that all power emanates from the people and that the national sovereignty belongs to the Rwandese people (Constitution of the Republic of Rwanda 1991, First title, article 6). The decentralization policy will make this constitutional provision materialize into the people's exercise of their power over their leaders both at central and local levels.
- (iv) Presidential consultations held from May 1998 to March 1999 resolved that decentralization and democratization will be one of the policies to reconcile the Rwandese people and fight poverty.

2.3. Principles to be respected

The decentralization policy is formulated and will be implemented respecting the following:

- Ensuring national unity, indivisibility and even development;
- Ensuring local autonomy, identity, interests and diversity;
- Separation of political and administrative/technical authority/work;
- Matching transferred responsibilities with the transfer of financial, human and material resources.

Respecting the principle of national unity, indivisibility and even development will make sure that decentralization is not used as an excuse for national disintegration and discriminative development.

Respecting the principle of local autonomy, identity, interests and diversity will make sure that decentralization champions people's participation in identifying local needs and interests, making plans for satisfying them, mobilizing resources and committing their energies in the implementation of the plans.

Respecting the principle of separation of political and administrative/technical authority will help to avoid duplication, overlaps, conflict and power fusion, which confuse accountability.

Finally, matching the transferred responsibilities and functions with the requisite financial, material and human resources will ensure that decentralization is meaningful in giving local populations the capacity to plan and manage their local development. If resources are not transferred decentralization is empty.

3. Objectives of the Decentralization Policy

The overall objective of the decentralization policy is to ensure political, economic, social, managerial/administrative and technical empowerment of local populations to fight poverty by participating in planning and management of their development process.

The following are the strategic objectives of the policy:

- (i) To enable and reactivate local people to participate in initiating, making, implementing and monitoring decisions and plans that concern them taking into consideration their local needs, priorities, capacities and resources by transferring power, authority and resources from central to local government and lower levels.
- (ii) To strengthen accountability and transparency in Rwanda by making local leaders directly accountable to the communities they serve and by establishing a clear linkage between the taxes people pay and the services that are financed by these taxes.
- (iii) To enhance the sensitivity and responsiveness of public administration to the local environment by placing the planning, financing, management and control of service provision at the point where services are provided and by enabling local leadership develop organization structures and capacities that take into consideration the local environment and needs.
- (iv) To develop sustainable economic planning and management capacity at local levels that will serve as the driving motor for planning, mobilization and implementation of social, political and economic development to alleviate poverty.
- (v) To enhance effectiveness and efficiency in the planning, monitoring and delivery of services by reducing the burden from central government officials who are distanced from the point where needs are felt and services delivered.

With the above objectives the government of Rwanda is taking decentralization as an instrument for people's political empowerment, a platform for sustainable democratization, a structural arrangement for mobilization of economic development energies, initiatives and resources and as a weapon for people's reconciliation, social integration and well being.

Overall it is a vehicle for the promotion of a culture of good governance in the country (political, economic, civic and managerial/administrative good governance). The hope for the development of Rwanda lies in the will and power of its people. The decentralization policy is intended to give the power to the people and enable them execute their will for self-development. Decentralization will evolve institutions that are not only democratic, accountable and transparent but also efficient and effective in service provision and community development.

4. Political and administrative divisions of the Republic of Rwanda

The Republic of Rwanda is divided into Intara, Uturere, Imirenge and Utugari. The creation of new Intara and Akarere will be created by law. The decision to modify Utugari or Imirenge is a responsibility of the Akarere Council but this decision will be submitted to the Ministry responsible for Local Government for approval.

The creation of Intara and Uturere will be subjected to the following criteria:

- Size of population
- Accessibility to public services
- Economic viability
- Environmental considerations.

5. The functions of Central Government and Akarere

In the process of decentralization, it is important to define the responsibilities and functions of every level of government. Furthermore it is essential to proceed through a phased approach in implementation.

In the first phase, there will be deconcentration at the Intara level and devolution at the Akarere level.

In the second phase, capacities at Akarere will have been raised such that some functions and responsibilities at Intara can be decentralized to the Akarere with corresponding resources and some administrative functions at Akarere level will be deconcentrated to Umurenge level.

In the third phase, the capacities at Akarere and Umurenge should be sufficient to take on all responsibilities and functions at Intara level. The tier at Intara level would be removed so that we have fewer layers of administration between the Central

Government and Local Governments. This would make the Government more effective, efficient and responsive to people's needs and preferences.

5.1 The Central Government functions and responsibilities

The Central Government is responsible for:

- Formulation of National Policies
- National security
- Establishment of National Bureau of Standards
- Foreign policy
- International trade
- Industrial licensing
- Settlement policy and land use planning
- Organization of Judiciary
- Money, banking and national finance policy
- Prevention and control of natural calamities
- Construction and maintenance of national infrastructures
- National Education policy and Culture
- Conservation and environmental protection policy
- National health policy
- Exploitation of natural resources policy

Some of the above functions and responsibilities can be delegated or deconcentrated to lower levels, however, the Central Government will not delegate or deconcentrate to lower levels of governments the following functions and responsibilities:

- Formulation of National Policies
- Establishment of National Standards
- The National Security
- Foreign affairs
- International trade
- Money, banking and national finance
- National Education and Culture programmes
- National health programmes.

The rest that are reserved for Central Government may be delegated or deconcentrated to lower levels for purposes of efficiency and effectiveness in the delivery of services.

5.2. The Akarere functions

The following functions are transferred to Akarere Government:

- Agriculture, veterinary and forestry plus all extension services related to them
- Local trade
- Small scale industries
- Education (nursery, primary, secondary, technical and commercial) teacher training, making programs and inspection
- Health services (Hospitals, Health Centres and Nutrition Centres)
- Water production and maintenance
- Land titles, registration and resettlement
- Tourism and environmental protection
- Cooperatives and associations
- Vulnerable groups (orphans, widows, handicapped etc.)
- Local government roads
- Fire brigade
- Genocide sites (cemeteries)
- Gender, youth, culture and sports at Akarere level
- Promotion and protection of children.

6. Legal entities as local governments and administrative structures

6.1. Rural areas

The Akarere will be a legal entity with powers to sue and be sued. It will therefore be referred to as a local government. The Intara, the Akagari and the Umurenge will be administrative divisions to serve the purpose of effective implementation of central government, local government and local community development activities and services provision.

6.1.1. Administrative structure at Akagari level

Akagari is the basic politico-administrative unit of the country. It is also the closest to the grassroot people. Therefore, it is the unit through which the problems, priorities and needs of the people at the grassroot will be identified and addressed. The participation of the people at this level is crucial for the culture of people centred participative development to take root. It is at this level that adult citizen of Rwanda will have chance to take part in taking the decisions that concern them.

(i) The Akagari Council (AC)

All citizens resident of Akagari who are aged 18 and above will be members of the Akagari Council. The Akagari Council will mobilize the residents of the Akagari, identify, discuss and prioritize the problems of Akagari, take decisions for their development, monitor the implementation of the decisions, forward the problems they can not solve to the Umurenge Council, promote the establishment and functioning of the Gacaca system of justice and oversee the delivery of services at the Akagari level.

The Council will implement its decisions through the Akagari Executive Committee which it elects and supervises. The Akagari Council is the policy making body at the Akagari level and it will demand and enforce accountability of the Akagari Executive Committee.

(ii) The Akagari Executive Committee (AEC)

The Akagari Council will elect Akagari Executive Committee composed of ten members as follows:

- The Chairperson
- The Secretary
- Secretary in charge of Economic Development
- Secretary in charge of Finance
- Secretary in charge of Security
- Secretary in charge of Education, Culture and Community Mobilization
- Secretary in charge of Health and Social Affairs
- Secretary in charge of Gender and Women Development
- Secretary in charge of Information
- Secretary in charge of Youth Affairs.

The Akagari Executive Committee is named so because the fundamental reason behind the creation of the decentralized structures of which the basic one is Akagari is the development of the Rwandese Communities. The AEC will execute the following functions related to administration and community development:

- Day to day administration of Akagari
- Implementation of the decisions taken by the Akagari Council
- Preparing the Agenda and reports for the meetings of the Akagari Council
- Guiding the people of Akagari in matters of their development
- Identifying and prioritizing needs
- Mobilizing local partners, the population and human, material, and financial resources for the development activities of Akagari
- Preparing and submitting to the Akagari Council the development plans for Akagari;
- Submitting to the Umurenge Council the needs of Akagari that are beyond the capacity and competence of Akagari ;
- Monitoring and evaluating development activities in Akagari ;

- Liaising with development partners within and without Akagari in matters of provision of services in Akagari.
- Ensure proper accountability of resources (financial and material) to the Akagari Council.

The Akagari Executive Committee, will work through its technical committee (the Community Development Committee) to identify and prioritize needs, design development plans, mobilize development resources and implement the plans.

6.1.2. Administrative structure at Umurenge level

Unlike the Akagari level where the Council is a structural instrument through which the residents directly participate in planning, managing and controlling their local development affairs, the Umurenge will be a level where people participate through their representatives.

The following will be the administrative structure at the Umurenge level.

(i) The Umurenge Council (UC)

There will be a political organ for policy-making decisions called Umurenge Council. Its composition will be as follows:

- Umurenge Executive Committee members
- Utugari Executive Committee Chairpersons
- Two women representatives elected in each Akagari
- Two youth representatives elected in each Akagari
- Two persons of integrity elected in each Akagari

The number of Umurenge Council members is determined by the number of Utugari forming Umurenge.

The Umurenge Council functions are the following:

- Approving Umurenge plans and action programmes and ensuring the follow-up of their implementation
- Approving annual budget
- Analyzing and approving or amending lower level decisions
- Controlling Umurenge Executive Committee's activities and functioning
- Analyzing past and current problems and recommending appropriate solutions
- Disciplining, including provisional suspension of incompetent council members or those responsible for serious misconduct. The decision to definitively replace such individuals is the responsibility of relevant higher level authorities
- Studying and taking measures to safeguard the Umurenge security.

The number of council members of the Umurenge Council will be determined by the number of Utugari forming the Umurenge.

The Council will engage in mobilization of the Umurenge population to participate in development activities.

(ii) The Umurenge Executive Committee (UEC)

The Umurenge Council (UC) will elect Umurenge Executive Committee (UEC) to support the preparation and implementation of its policies, plans, and decisions.

The UEC will be composed of 10 members as follows:

- The chairperson (who is the chairperson of the Council)
- The Secretary
- The Secretary in charge of Economic Development
- The Secretary in charge of Security
- The Secretary in charge of Education, Culture and Community Mobilization
- The Secretary in charge of Health and Social Affairs
- The Secretary in charge of Youth Affairs
- The Secretary in charge of Gender and Women Development
- The Secretary in charge of Finance
- The Secretary in charge of Information.

The Umurenge Executive Committee will execute the following functions:

- Day to day administration of the Umurenge
- Implementation of the decisions and plans of the Umurenge Council
- Preparing and submitting reports (quarterly and annual) to the Umurenge Council and ensuring proper accountability of resources
- Ensuring the effective delivery of services at the Umurenge level
- Identifying Umurenge development needs (this includes receiving and compiling the needs forwarded by the Akagari Executive Committees)
- Prioritizing the needs
- Preparing Umurenge development plans, projects, and budgets and submitting them to the Umurenge Council for approval.
- Mobilize and sensitize the Umurenge population to participate in their development
- Identifying and compiling the Umurenge needs and priorities which are beyond the capacity and competence of the Umurenge and through the Umurenge Council submitting them to the Akarere Council.

The Umurenge Executive Committee will work with the technical support of its two sub-committees:

- The Political and Administrative Committee (PAC)
- The Community Development Committee (CDC).

6.1.3. Administrative Structures At the Akarere level

The Akarere is being created as the centre for the delivery of the services that directly concern the well being of the local populations.

Being a level of government (a local government with a legal personality and specified functions, services and resources devolved to it) the Akarere will bear most of the characteristics of a democratic, people-centred, development oriented, effective, efficient, and accountable government. The structure and resources at the Akarere level will match the services the Akarere is legally mandated to deliver and the functions it is to execute. The following is the management structure:

(i) The Akarere Council (AC)

The Akarere Council is the policy making and legislative body at the Akarere level. It functions like Parliament of the Akarere through which the people of the Akarere through their representatives will exercise their decision-making, planning and control powers to determine the development of the locality. The Council will be composed as follows:

- Each Umurenge will elect through direct universal suffrage one person to represent it in the Akarere Council.
- Women representatives.
- All women representatives elected through direct universal suffrage from Imirenge will constitute an electoral college at Akarere. They will elect women representatives at Akarere council among themselves equal to one third of the number of directly elected councillors at the Imirenge.
- Youth representatives.
- Similarly, the election of youth representatives will follow the same procedure as that of the women representatives.
- Members of Parliament who come from the Akarere may attend the Akarere Council or its commission meetings but will not be entitled to vote.
- Similarly, the Akarere Council can invite any person with professional competency in any of its council or commission meetings to offer valuable advice.

In order to avoid accumulation of mandates and concentration of powers in a few individuals, people who are members of the Umurenge Executive Committee should not be Councillors at the Akarere level.

If an individual who is a member of the Umurenge Executive Committee is elected as a member of the Akarere Council he/she relinquishes the position in the Umurenge Executive Committee and is replaced by election of another person.

The Akarere Council will execute the following functions:

- Discuss the development policies, plans and budgets and approve them
- Enact by-laws for the Akarere in line with the laws of the country
- Mobilize the Akarere to participate in development activities
- Oversee and monitor the work of the Umurenge Executive Committee and ensure its accountability.

For scrutinizing proposals forwarded to it by the Executive Committee the Council will utilize its commissions. There will be three council commissions for:

- Economic and Technical Affairs Commission
- Political, Administrative and Legal Affairs Commission
- Welfare and Cultural Affairs Commission.

The Council will divide itself into these three commissions. However, the council may create more or less commissions if it deems it effective, efficient and economical for facilitating exhaustive deliberations of issues to be agreed on or approved.

(ii) The Akarere Executive Committee (AEC)

In its inaugural meeting, the Akarere Council together with all the members of the Imirenge Executive Committees and Chairpersons of the Utugari Councils will constitute an electoral college to elect the chairperson of the Akarere Council among the elected councillors of Akarere and 4 members of the Executive Committee.

The composition of the Akarere Executive Committee will be then as follows:

- The Chairperson (who is the Chairperson of the Akarere Council and also the political head in the Akarere)
- Secretary for Finance and Economic Development
- Secretary for Social Services
- Secretary for Gender and Women Development
- Secretary for Youth, Culture and Sports.

The Akarere Council may increase or reduce the number of Akarere Executive members if it deems it efficient, effective and economical.

The Executive Committee is the day-to-day contact point between the people of the Akarere and their elected council in matters pertaining to service delivery and development.

It will be responsible for:

- Preparation of the Akarere development plans and budget taking into consideration the needs received from the Imirenge and submitting them to the Akarere Council for approval
- Preparation of the agenda for the council meeting
- Monitoring the implementation of the Akarere budget and provision of services
- Preparation of reports and submitting them to the Council

For purposes of identifying Akarere needs and preparing its development plans, the Akarere Executive Committee will work through the **Community Development Committee (CDC)**, which is composed as follows:

- The Secretary in charge of Finances and Economic Development of the Akarere Executive Committee, acting as Chairperson;
- The Women Representative, member
- The Youth Representative, member
- The Secretaries in charge of development in each Umurenge.

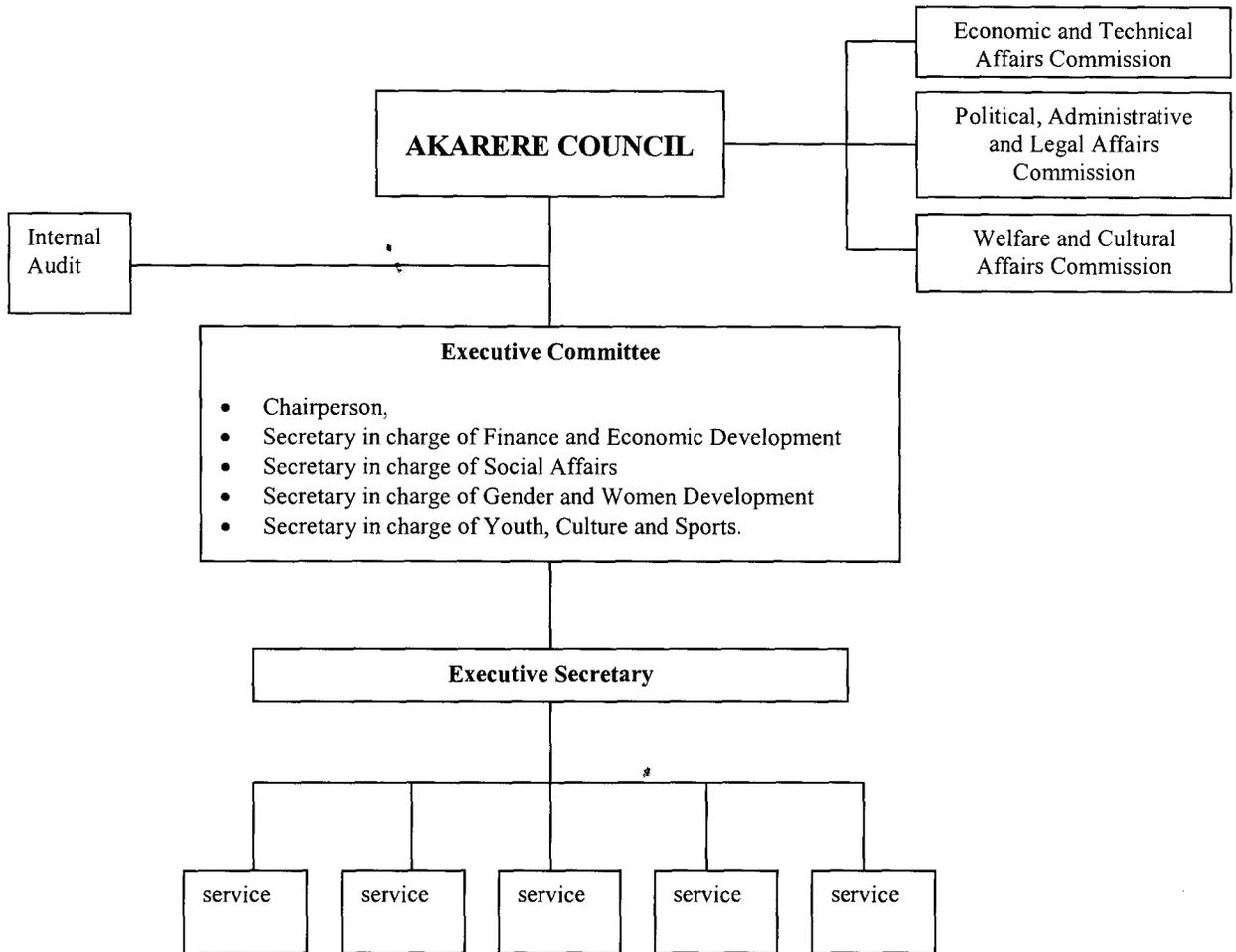
Members of the Akarere Executive Committee shall choose a Secretary among themselves who will write the minutes.

(iii) The Akarere Executive Secretary (AES)

The head of administration in the Akarere will be the Executive Secretary. He/she will head the management and technical units of the Akarere and be the overall supervisor of the public servants employed in the Akarere. The following will be the functions of the Executive Secretary

- Giving efficient, effective and equitable management, administrative and technical support to the work of the Akarere Executive Committee and Council
- Being the secretary to both the Executive Committee and the Council
- Ensuring effective, efficient, economical and equitable utilization of the resources (financial, material and human) put at the disposal of the Akarere
- Supervising, appraising and developing the staff under him/her;
- Ensuring the preparation of the Akarere budget, forwarding and defending it before the Akarere Executive Committee
- Making situational, quarterly and annual reports and forwarding them to the Executive Committee
- Facilitating and coordinating the work of the Community Development Committee at Akarere Level.

(iv) The Akarere Organigram (Organization Chart)



6.1.4. The Administrative Structure of Intara

The Intara is a deconcentrated structure of local administration. It will serve as a coordinating organ for the efficiency and effectiveness of Central Government in the planning, execution and supervision of the deconcentrated services. It is also a channel through which the Central Government will receive complaints from the population concerning quality, quantity, fairness and services provided.

The administrative structure of the Intara is as follows:

(i) The Umuyobozi of Intara

The Umuyobozi of Intara is the custodian of the authority of the State and the Government's delegate in Intara.

Functions of the Umuyobozi of Intara are mainly the following:

- To ensure the execution and adherence to the existing laws and regulations
- To ensure peace, public order and the security of people and property
- To ensure the realization of the programs of the Government and to take, within its competence and the instructions from the Government, all measures and initiatives to promote the general development of Intara
- To inform the central government about the situation in the Intara and any event worthy of interest
- To ensure that the population is informed about the laws and regulations and the general policy followed by the Government;
- To prepare quarterly and yearly reports, on the administration of Intara.

In order to accomplish his/her mission, the Umuyobozi of Intara as the Chairperson requires opinions and suggestions of a Coordination Committee.

(ii) The Intara Coordination Committee (ICC)

The Intara Coordination Committee is composed of:

- The Umuyobozi of Intara who is also the Chairperson
- The Executive Secretary, Secretary
- The Chairpersons of Councils of Uturere that make up Intara, members
- The Directors of Departments in Intara, members
- The Heads of deconcentrated services at Intara, members.

The functions of the Coordination Committee of Intara are:

- To examine and coordinate all matters concerning the administration and the development of Intara
- To give views on development plans and budgets for approval before submitting them to the competent authorities
- To ensure the follow-up of the execution of every project and every decision emanating from the Central Government or from Intara for the improvement of the projects management and their outputs.

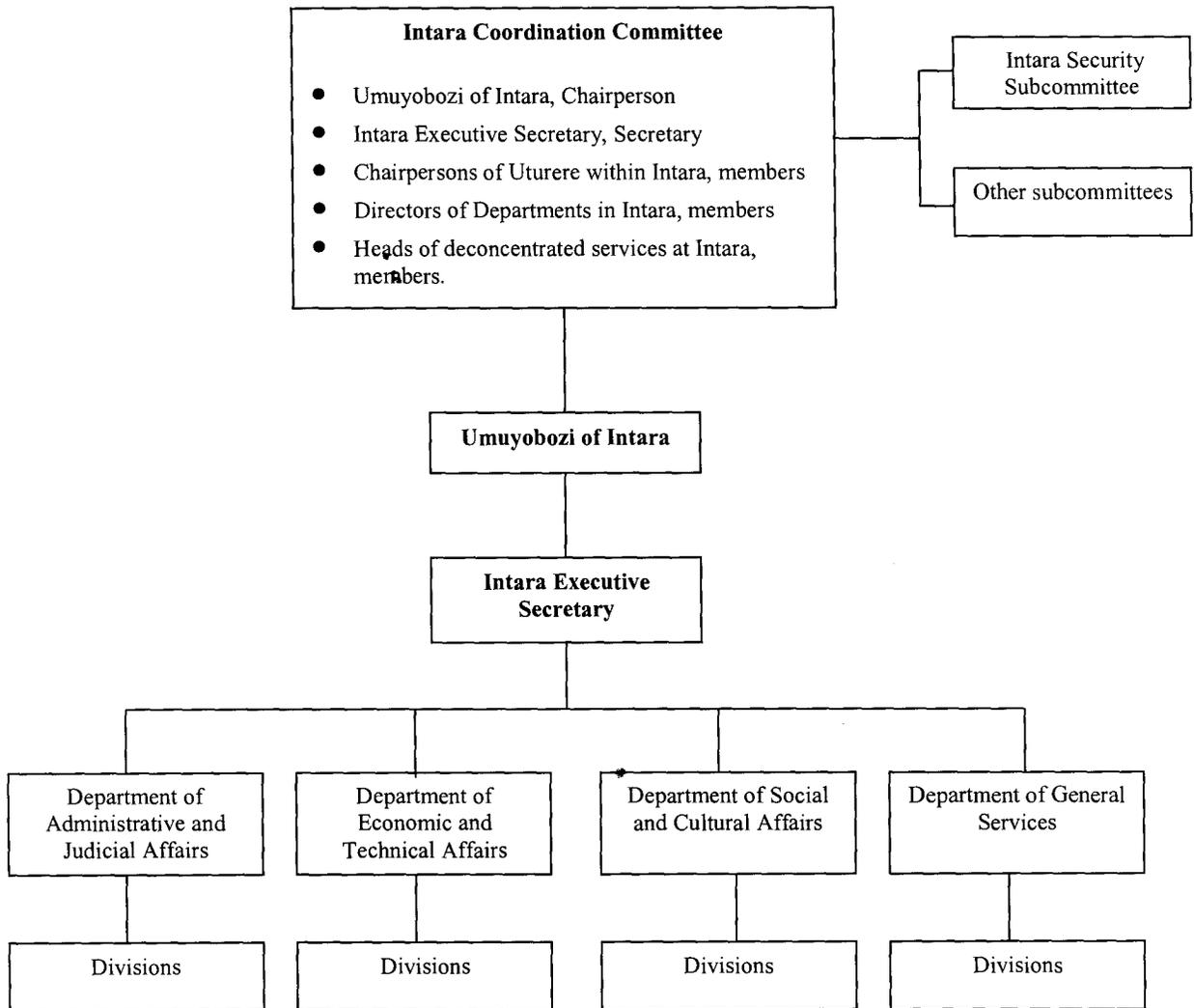
The Coordination Committee can establish different subcommittees according to its needs, however the security subcommittee will be established through a Presidential Decree.

(iii) The Intara Executive Secretary (IES)

The Intara Executive Secretary ensures the coordination of administrative and technical services of Intara. To this effect he/she has the following duties:

- To serve as the Secretary to the Intara's Coordination Committee
- To coordinate the preparation of plans and budgets of Intara
- To supervise and assess the performance of civil servants posted to the Intara
- To ensure the development of the capacities of the staff under his/her supervision
- To ensure effective performance in the provision of deconcentrated services.

(iv) The Intara Organigram (Organization Chart)



6.2. Urban areas

One of the acute problems Rwanda is facing and which is growing bigger and bigger with time is the problem of rapid unplanned and uncontrolled growth of urban centres.

It is a central objective of the decentralization policy to ensure that the growth of urban centres is planned and controlled for effective, efficient and equitable delivery of social services to urbanized populations.

Although government has policies and programmes for rural development in areas such as agriculture, veterinary, environment management, health and education services delivery, it is clear that the phenomenon of rural urban migration cannot be halted.

Urbanization, since it cannot be halted, should be taken as an opportunity for relieving the population pressure from agricultural land, planning and delivery of social services (such as health, education, water and electricity) and stimulation of the growth of income generating activities especially in trade and services sectors. Planned urbanization also provides opportunity for the growth of urban markets for rural agricultural produce.

The growth of urban centres poses a specific challenge to the delivery of social services to urban populations. These challenges are difficult to face using the political and administrative structures for rural local governments. The needs of urban populations are specific and require structures that are specifically tailored to them.

Some of the needs specific to urban centres are : sewage systems, street lighting, refuse collection and disposal, markets, structural plans, land/plots demarcation and allocation, infrastructures (such as road networks and airports, etc ...), water supply and drainage. Therefore, the decentralization policy is creating the following urban local governments distinct from the Intara and Akarere already elaborated above.

The urban local governments are the following:

- The Cities
- The Municipalities
- The Towns
- The Trading Centres

6.2.1. Criteria for forming Cities, Municipalities and Towns

The criteria for forming the above urban local governments will be basically the size of the population. However, their position as headquarters of Intara will be used in addition to the population criterion.

- (I) An urban centre with a population of 200,000 people or above will be a city.
- (II) An urban centre with a population of 30,000 to 200,000 people will be a municipality.
- (III) An urban centre with a population of 10,000 to 30,000 people or which is a headquarters of Intara will be a Town.
- (IV) An urban centre with a population below 10,000 people and which does not serve as Headquarters of Intara will be a trading centre.

6.2.2. Urban local governments and administrative divisions

(i) Urban local governments

The following will be urban local governments created by law with legal personalities and powers to sue and be sued.

- The City of Kigali or any other urban centre that qualifies to be a City.
- All Municipalities
- All Towns

(ii) Trading Centres

All trading centres will be under the management of the Akarere in which they are located. For purposes of ensuring planned urban development of these trading centres, Uturere will employ urban officers and deploy them in the trading centres.

(iii) Urban administrative divisions (urban Uturere, Imirenge and Utugari)

Cities, Municipalities and Towns may be sub-divided into the following for proposes of effectiveness in administration and delivery of services:

- A City with a population above 200,000 people will be sub-divided into Uturere, Imirenge and Utugari.
- Municipalities with a population of below 150,000 people and towns will be sub-divided into Imirenge and Utugari.

6.2.3. General functions devolved to urban local governments

The following are the general functions devolved to urban local governments:

- Urban planning
- Land use planning, plots demarcation and allocation
- Control over developments
- Construction and maintenance of roads and footpaths
- Street cleaning
- Street lighting
- Urban water supply
- Storm water drainage
- Gender and women development activities
- Sewage and sanitation
- Garbage collection, treatment and disposal
- Primary health care (including maternity centres, clinics, pharmacies, dispensaries, prevention and control of communicable diseases including HIV/AIDS)
- Markets
- Maintenance of open spaces, parks, recreation
- Trade licenses
- Street parking
- Nursery schools, primary schools and secondary schools
- Youth, Culture and Sports activities
- Small scale industries development
- Environmental protection and management
- Genocide sites
- Vulnerable groups.

6.2.4. Functions of local governments to be deconcentrated to lower divisions

A City, Municipality or Town will deconcentrate the following functions to lower divisions (i.e. Uturere, Imirenge and Utugari in the case of a City, and Imirenge and Utugari in the case of a Municipality and a Town)

- Gender and women development activities
- Primary health care
- Maternity centres
- Clinics
- Dispensaries
- Markets
- Nursery schools
- Primary schools
- Youth, Culture and Sports
- Vulnerable groups
- Trade licenses.

6.2.5. Political and administrative structures of Urban Local Governments

A City will be sub-divided into Uturere, Imirenge and Utugari. A Municipality and a Town will be sub-divided into Imirenge and Utugari. The following will be the political and management structure at each level:

- The administrative structure of Utugari in Urban areas will be similar to the structure of the Utugari in rural areas.
- The administrative structure of Umurenge in Urban areas will be similar to the structure of Umurenge in rural areas.
- The administrative structure of Akarere in urban areas will be similar to the structure of Akarere in rural areas. However, the urban Akarere having few number of Imirenge, the urban Akarere Council will be composed as follows:
 - Each Umurenge will elect by direct universal suffrage two councillors.
 - Women representative.

All women representatives elected on direct universal suffrage two from each Umurenge will constitute the Electoral College. They will elect women representatives at Akarere Urban Council from among themselves equal to one third of the number of directly elected councillors at Imirenge.

- Youth representative.

Similarly, the election of youth representatives will follow the same procedure as that of the women representatives.

6.2.6. The political, managerial and administrative structures of the City

The City is being created as an urban centre for the delivery of services that directly concern the well being of the population residing and or working in the City. Being a local government with a legal personality and specified functions, services and resources devolved to it, the City will bear most of the characteristics of a democratic, and people - centred, development oriented, effective, efficient and accountable government. The structure and resources of the City will match the services it is legally mandated to deliver and the functions it is to execute. The following is the structure of the City.

(i) The City Council

The City Council is the policymaking and legislative body of the City. It functions as the Parliament of the City through which the people through their representatives will exercise their decision making, planning, and control powers to determine the development of the City.

The City Council will be composed as follows:

- The Council will be composed of elected representatives through direct universal suffrage from UTURERE. Each Akarere will be represented by five members two of whom shall be respectively a woman and youth and four Secretaries who are members of the Executive Committee.
- Members of Parliament who come from the City may attend Council or its commissions meetings but will not be entitled to vote.
- Similarly, the City Council can invite any person with professional competency in any of its council or commission meetings to offer valuable advice.

The City Council will execute the following functions:

- Discuss the development policies, plans, budgets and approve them
- Enact by-laws for the City in line with the laws of the country;
- Mobilize the city population to participate in development activities
- Oversee and monitor the work of the Executive Committee and ensure its accountability.

For scrutinizing proposals forwarded to it by the Executive Committee, the City Council will utilize its commissions. There will be the following commissions:

- Economic and Technical Affairs Commission
- Political, Administrative and Legal Affairs Commission
- Welfare and Cultural Affairs Commission
- Infrastructure and Equipment Commission.

The Council will divide itself into the commissions. However, the Council may create more or less commissions if it deems it effective, efficient and economical for facilitating exhaustive deliberations of issues to be agreed on or approved.

(ii) The City Executive Committee

The City Council, at its inaugural meeting with all members the Urban UTURERE Councils will constitute an electoral college to elect the Mayor of the City from among the elected councillors of the City and the four Secretaries who are members of the Executive Committee.

The composition of the Executive Committee will be as follows:

- The Chairperson who will be the Mayor and the political head of the City
- Secretary for Finance and Economic Development
- Secretary for Social Services
- Secretary for Gender and Women Development
- Secretary for Youth, Culture and Sports.

The Executive Committee will supervise the work of the management and technical staff of the city in developing the provision of services. It will be responsible for:

- Preparation of the agenda for the Council meetings
- Preparation of the city development plans, budgets, taking into consideration needs received from the Uturere, Imirenge and Utugari in the City
- Monitoring the implementation of the city budget and provision of services
- Preparation of reports and submitting them to the Council
- The Executive Committee is the day to day contact point between the people of the city and their elected Council in matters pertaining to service delivery and development.

(iii) The City Manager

The Head of administration in the city will be the City Manager. He/she will head the management and technical units of the city and be the overall supervisor of the employees of the city. The following will be the functions of the City Manager:

- Giving efficient, effective, equitable and accountable management, administrative and technical support to the work of the City Executive Committee
- Being the Secretary to both the Executive Committee and the City Council
- Ensuring effective, efficient, economic, equitable and accountable utilisation of the resources (financial, material and human) put at the disposal of the City
- Supervising, appraising and developing the staff under him/her
- Ensuring the preparation of the city budget, forwarding and defending it before the City Executive Committee
- Making situational, quarterly and annual reports and forwarding them to the Executive Committee.

6.2.7. The structure of the Municipality

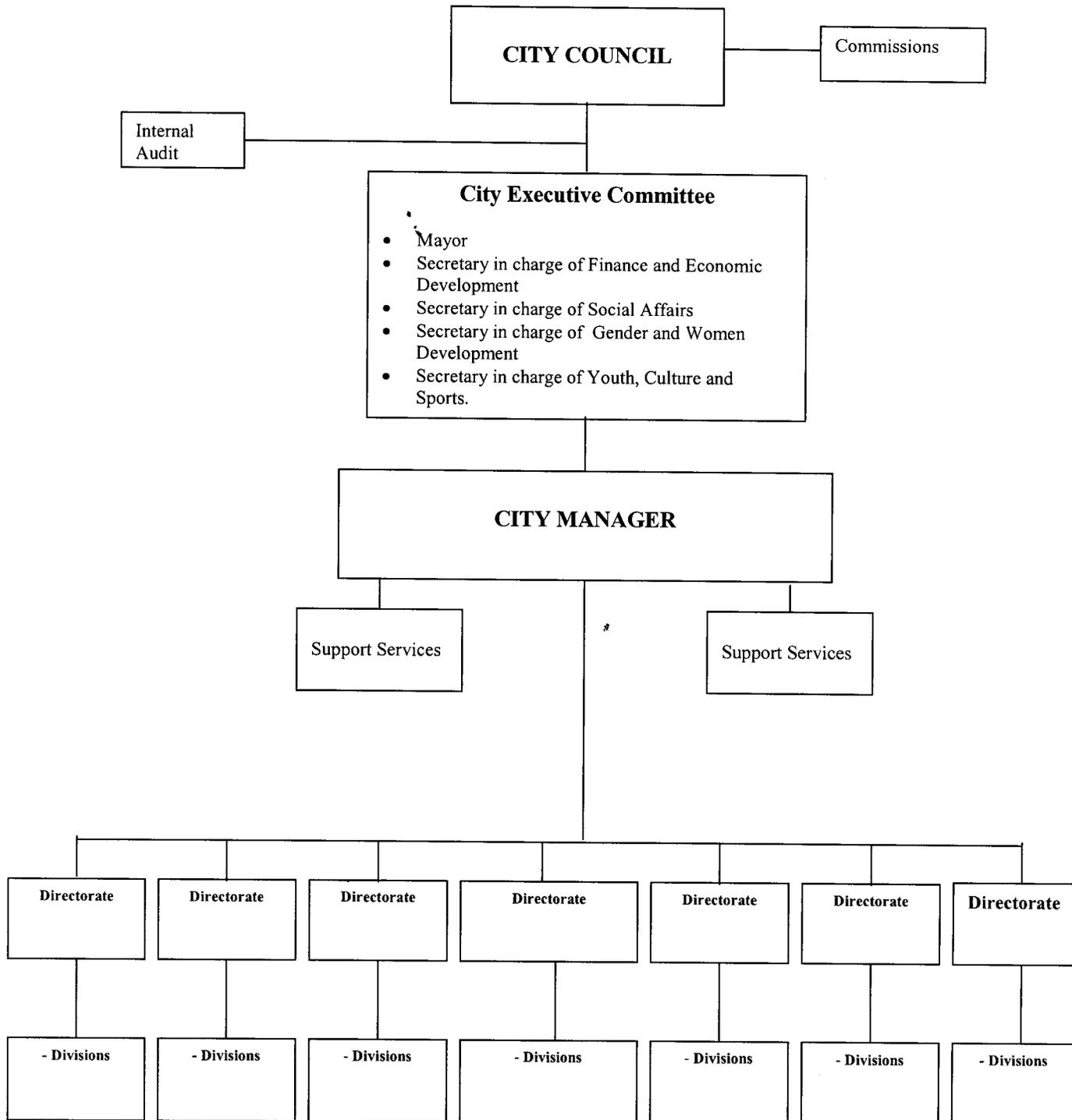
The structure of the Municipality will be similar to the structure of the city.

6.2.8. The structure of the Town

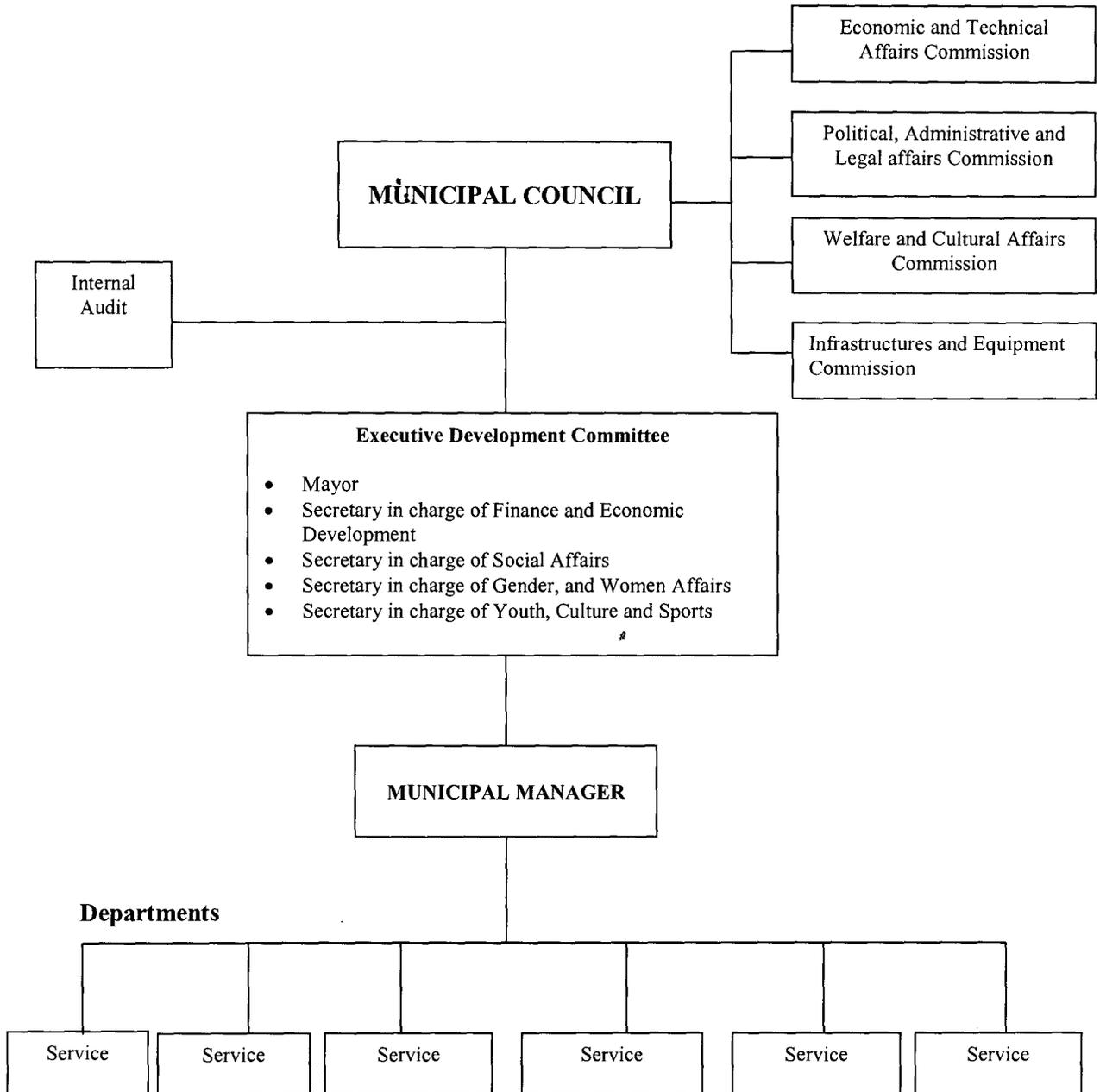
The structure of the Town will be similar to the structure of the City.

6.2.9. The organigrams (Organization Charts) of urban local governments

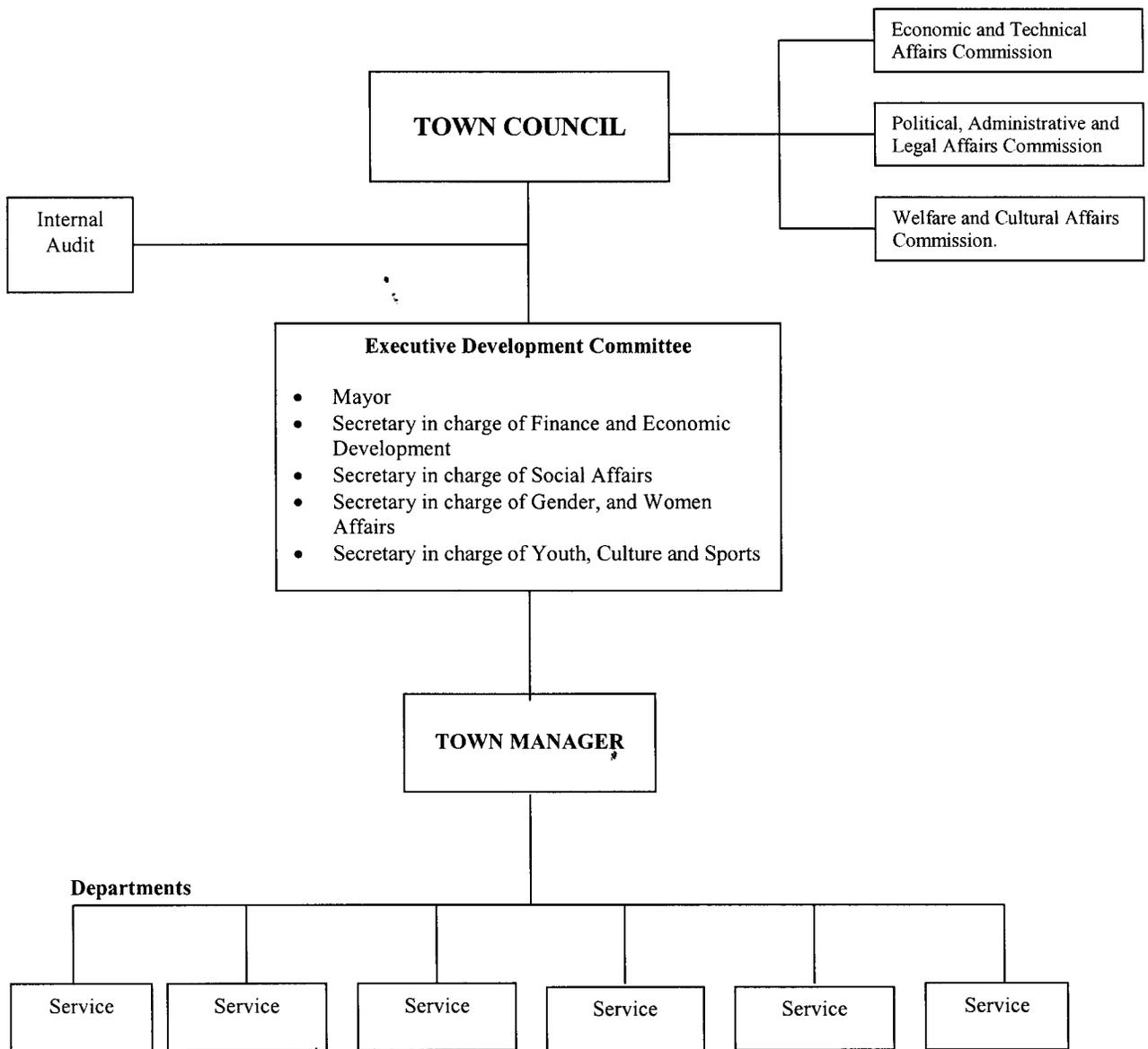
(i) The City organigram (Organization Chart)



(ii) The Municipality Organigram (Organization Chart)



(iii) The Town Organigram (Organization Chart)



6.3. Relationship between the Central Government and Local Governments

A law will be passed that governs the relations between Local Governments and the Central Government.

6.3.1. Rural areas

(i) Central Government and Intara

The Central Government is responsible for national policies that affect the welfare of its people., It therefore provides guidelines to lower levels of administration including the Intara.

The Intara will be a deconcentrated entity. Its primary responsibilities are to coordinate the planning, execution and supervision of Central Government programs and activities. It also coordinates services delivery in decentralized Local Governments.

(ii) Intara and Akarere

The Intara has the responsibility of coordinating activities of all Uturere and will monitor and evaluate the activities of each Akarere on behalf of the Central Government.

The Akarere will be the center of economic and social development. The Akarere Council will be the highest level of governance in the Akarere.

(iii) Akarere and Umurenge

The Akarere is a decentralized Government entity, while Umurenge is an administrative entity. Akarere can deconcentrate some services to the Imirenge and also exercise coordinating roles over Imirenge activities.

(iv) Umurenge and Akagari

Both are administrative entities. Umurenge coordinates activities of Utugari but the Utugari are the closest administrative levels to the people where community needs are identified.

6.3.2. Urban areas

(i) Central Government and the City

The City is the decentralized Local Government with powers and responsibilities. It functions within the limits of the law and overall supervision of the Central Government.

(ii) The City and Urban Akarere

Both are decentralized local entities but are complementary in serving the population. The functions and responsibilities of each level will be specified by the law.

(iii) The Urban Akarere, Umurenge and Akagari

The relationship between these entities will be similar to those of rural Akarere, Umurenge and Akagari.

7. The financing of the decentralized local governments

The leading principle for the financing of the decentralized governance is that every function, responsibility and service transferred to the local levels must be accompanied by the necessary funds.

7.1. Sources of revenue for the decentralized entities

Financing of decentralized local governments is mainly through locally generated revenues and secondary through transfers from Central Government.

7.1.1. The locally generated revenues

- Property tax
- Personal graduated tax
- Market dues and rentals
- Land rent
- Parking fees
- Service charges
- Surcharges
- Loans
- Advertising fees
- Trading licenses
- Industrial exploitation tax
- Other taxes that are not collected by the Central Government.

Every local government will endeavour to collect maximum revenues from the above sources and identify other possible sources.

7.1.2. Transfers from the Central Government

The Central Government will transfer funds to local governments using some or all of the following mechanisms:

(i) Votes

The currently practiced deconcentration of the budget to the Intara level will be extended to increase funds managed at Intara level.

(ii) Grants/subsidies (conditional and or unconditional)

Grants will be given to local governments to enhance their autonomy and flexibility in spending money according to what they take to be their priority. Conditional grants will be transferred to local governments to finance specific services, which Central Government takes as of high national priority. Unconditional grants on the other hand will be transferred to local governments to spend the funds according to their priorities.

(iii) Revenue sharing

Ministry of Local Government and Social Affairs and Ministry of Finance and Economic Planning will work out what taxes will be collected at Akarere, what percentages the Akarere must submit to lower or Central Government authorities and what percentage it will retain.

(iv) Loans

Mechanisms will be put in place where local governments may obtain loans either from private and public financial institutions or from Central Government itself or from other loaning mechanisms.

(v) Equalization grants

Different local governments are differently endowed therefore may develop at different paces and levels. However, the Central Government has the duty to ensure that the whole country enjoys a minimum standard level of services.

To ensure this, it will give equalization grants to local governments that are lagging behind the national minimum standards. The government will put in place a finance law and formula in which the national minimum standards will be specified and the formula for determining the equalization grants.

(vi) Development fund

The Central Government will not allocate less than 10 % of the previous annual national income to a common development fund meant for financing development plans at the level of Akarere. The Akarere common development fund will be administered by a

commission composed of people appointed by the President. Parliament will annually pass the proposals for allocating these funds to Uturere.

7.2. The collection of local revenues

In the first and second phases, local revenue collection will be at Akarere level. However, Akarere can use the Imirenge in collecting some local revenues. In the third phase, the Imirenge will take over this responsibility as soon as they will have acquired the necessary capacity.

The Ministry in charge of local governments in collaboration with the Ministry of Finance and Economic Planning will set up a mechanism of revenue sharing between the different levels of government.

7.3. The management of Finances

The management of finances will be strengthened within the framework of the implementation of decentralization. This management will involve:

(i) The budget

The budgetary process will include:

- The budget preparation;
- The budget approval;
- The budget execution;
- The budget control;
- The budget review.

(ii) The budget cycle

- Before the end of February, the Utugari must submit their budget proposals to the Imirenge.
- Every Executive Committee of the Umurenge must combine the budgets of its Utugari. The Umurenge Council approves the budget so combined and transmits it to the Akarere before the end of March.
- In the first week of the month of June, the budget of the Akarere combining budgets of the Imirenge is transmitted to the Intara, after approval by the Akarere Council.
- Before the end of the month of September, the Intara must have integrated budgets of the Uturere and submitted the budget so combined to the Intara Coordination Committee to be discussed and amended if necessary.

The Intara submits its budget proposal then to the Ministry of Finance and Economic Planning with a copy to the Ministry of Local Government and Social Affairs.

(iii) The mobilization of resources

The mobilization of resources is important for the financing of development and it involves:

- The identification of the taxpayers;
- Evaluation of the tax base;
- Revenue collection;
- Verification and application of penalties;
- Control of receipts by collectors;
- Identification and mobilization of alternative sources of funds; (Financial backers and non-governmental organizations).

(iv) The internal control

A system of management of finances of decentralized Administrations must be devised by the Ministry of Local Government and Social Affairs. This system must be uniformly applied by all decentralized units in the respect of its principles. Such procedures serve as means of internal control for the administration.

(v) Akarere Tender Board

To ensure that Akarere secures goods and services of quality, competitiveness and transparently supplied, it is necessary to establish the Tender Board at Akarere level.

(vi) Accountability

Every Local Government must give account of its activities by well-defined systems. It must account for all collected revenues and justify their use.

(vii) The internal audit

The Local Governments employ their own auditors called "internal" auditors who make reports to the Council.

(viii) The external audit

The Auditor General or any other auditor designated by him/her will audit the accounts of the local governments.