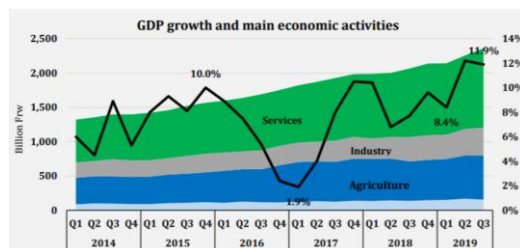


Investing in Children and Youth in Rwanda



Contents



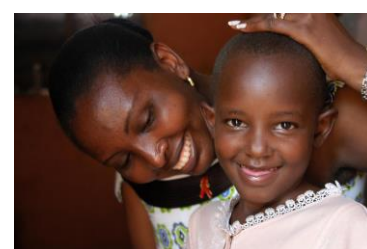
**Rwanda's economy
is expanding
and the fiscal space
for ALL sectors is
growing**



**Public
investments
in EDUCATION**



**Public
investments
in HEALTH**



**Public
Investments
SOCIAL
PROTECTION**

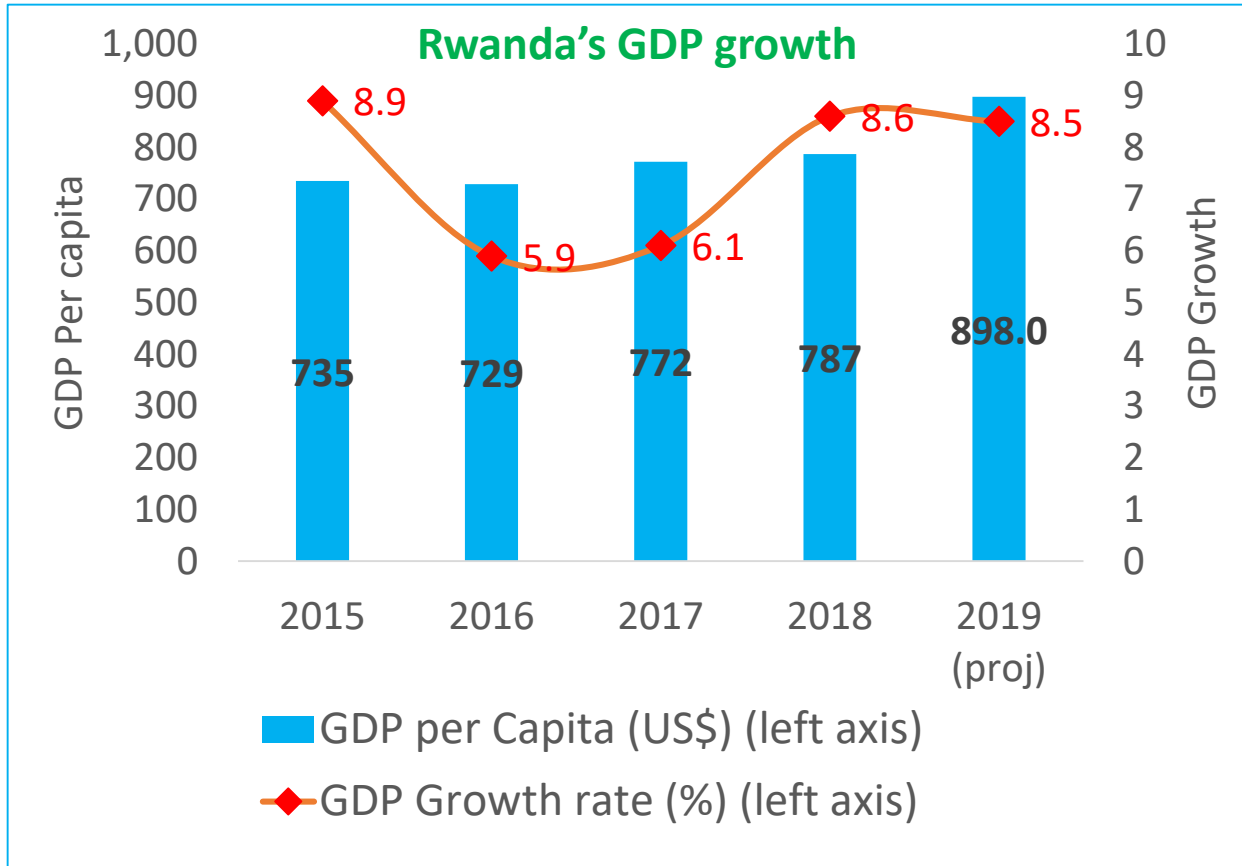


**Public
Investments
in WATER
HYGIENE
AND
SANITATION**



**Key
Messages**

- **Rwanda continues to make significant progress in socio-economic and inclusive development, which is essential for improving the well-being of children and young people**



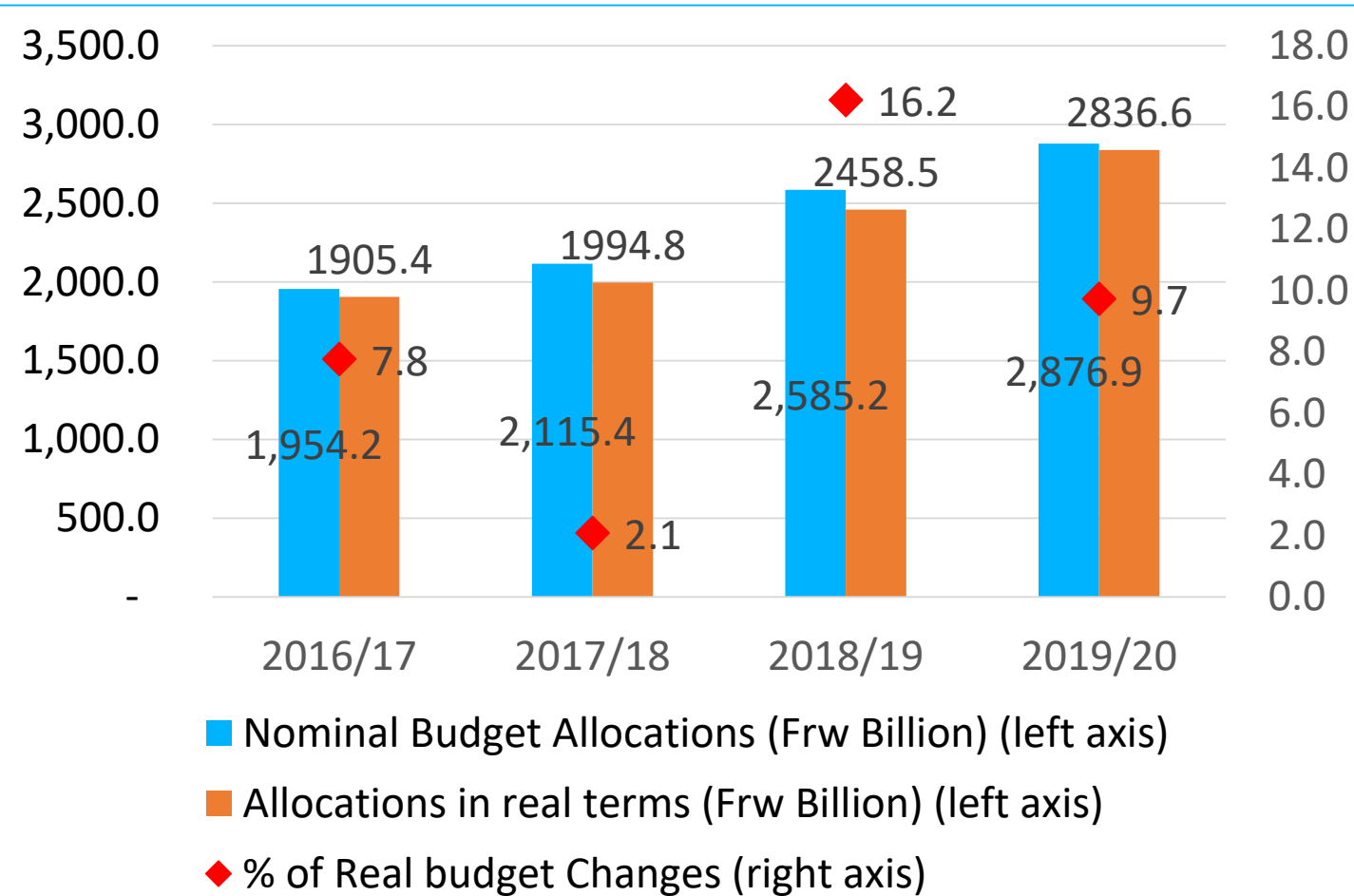
- For the past five years, Rwanda has registered good economic performance
- The 2019 economic projections have been revised upward to 8.5%
- The per capita GDP increased steadily from US\$ 735 in 2015 to US\$ 787 in 2018

Higher GDP growth has positive implications on widening the fiscal space for child and young people per capita spending

If Rwanda records average growth of 8% between FY2017/18 and FY2023/24, the government will be able to increase the spending in priority sectors for children and young people by around 57% by FY2023/24, while also lowering debt levels.

- The national budget is increasing in overall

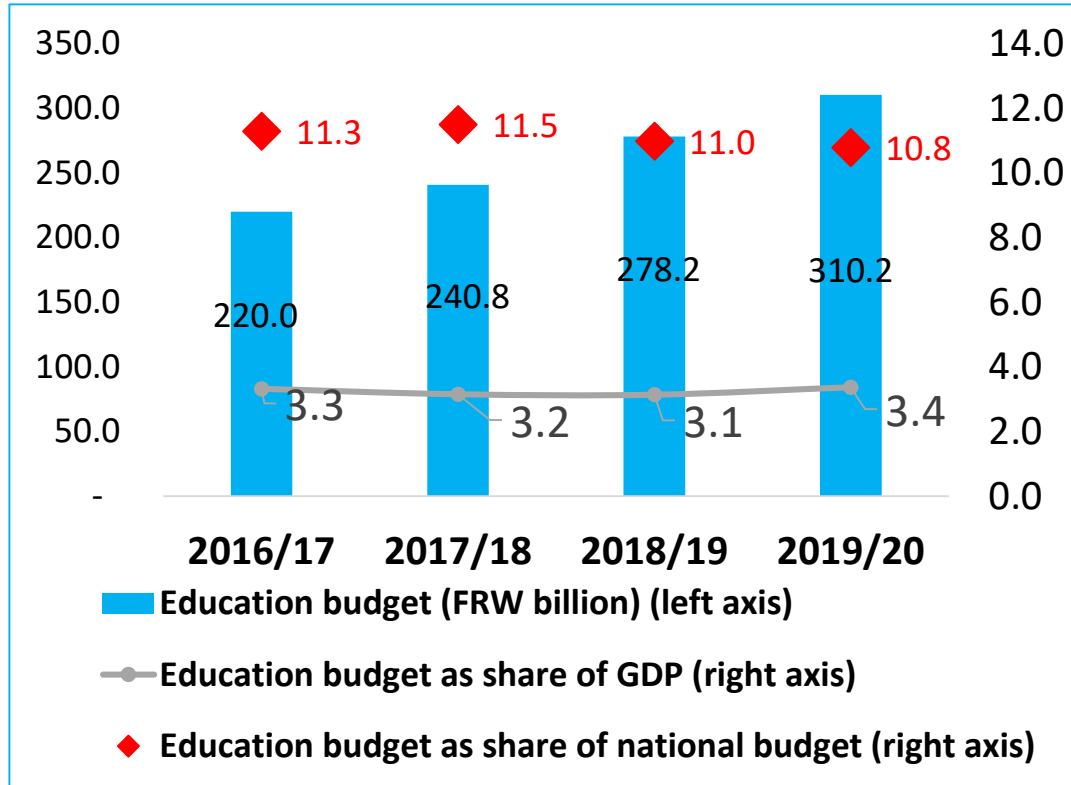
National budget trends



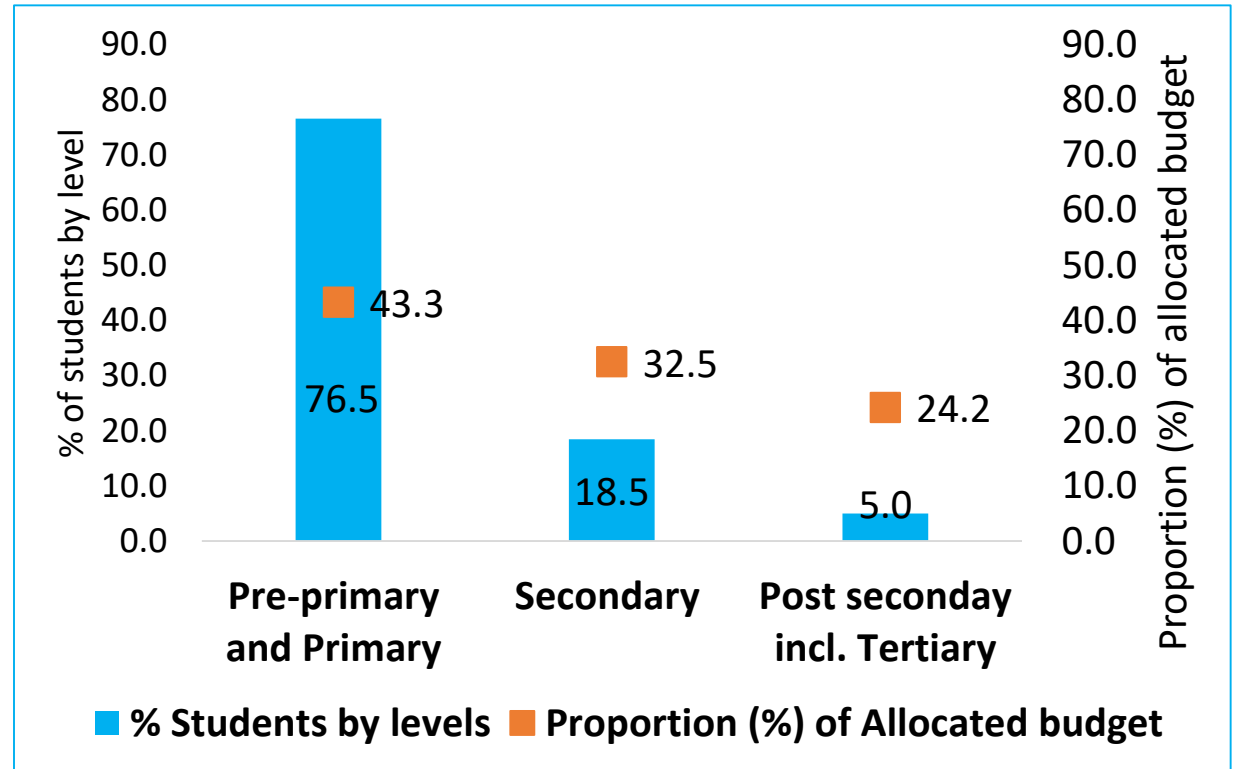
- For the past four years, the national budget has increased both in nominal and in real terms (adjusted with inflation)
- In 2019/20, the national budget registered an increase of 11.3%, or an 17.7% increase when compared to the initially approved budget of 2018/19

- The budget allocated to the Education sector (MINEDUC, Agencies and Districts) has shown a nominal increase over the past years

Education sector budget trends

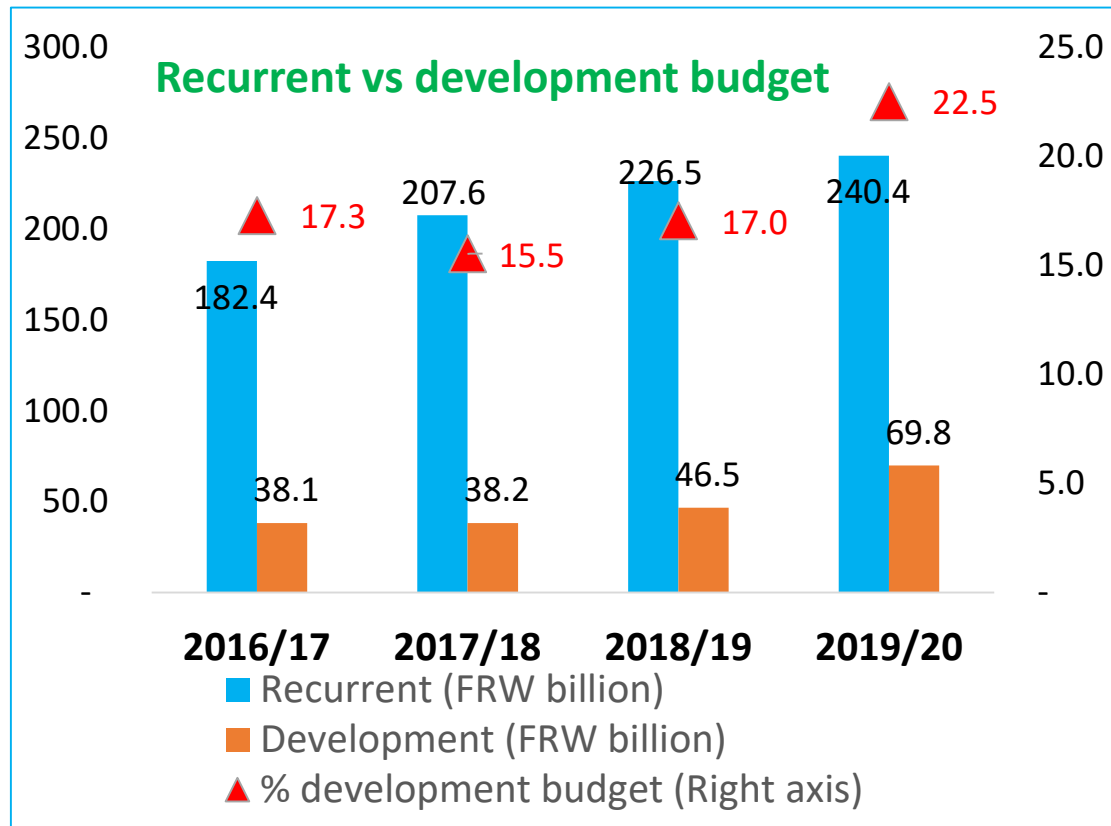


% share of budget allocations against % of students by levels

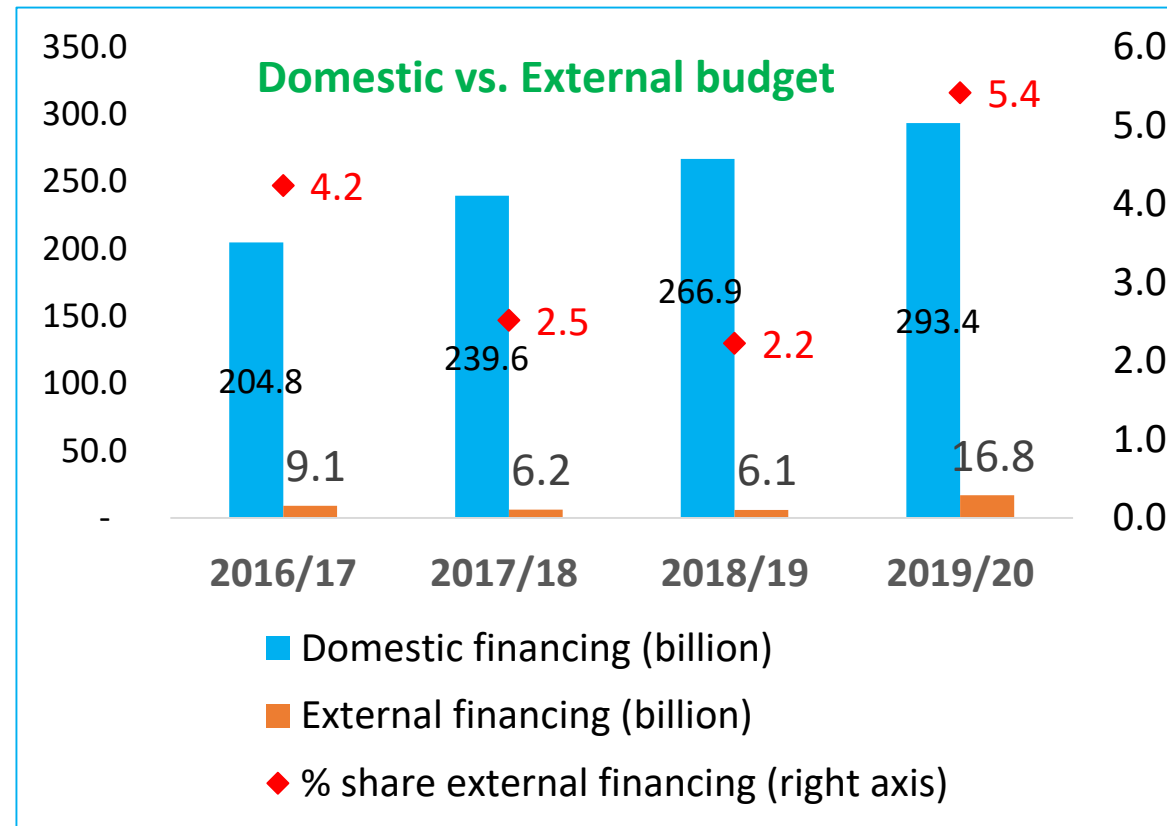


- The allocations to the education sector has been nominally increasing over the past four years but have slightly declined as % of GDP;
- There is a disproportion of education budgetary allocations by levels, with a high budget share allocated to higher education where there is a relatively low student population.

- The Education budget is mainly dedicated to cover recurrent expenditures, such as salaries and wages for teaching staff and the sector is mainly domestically financed



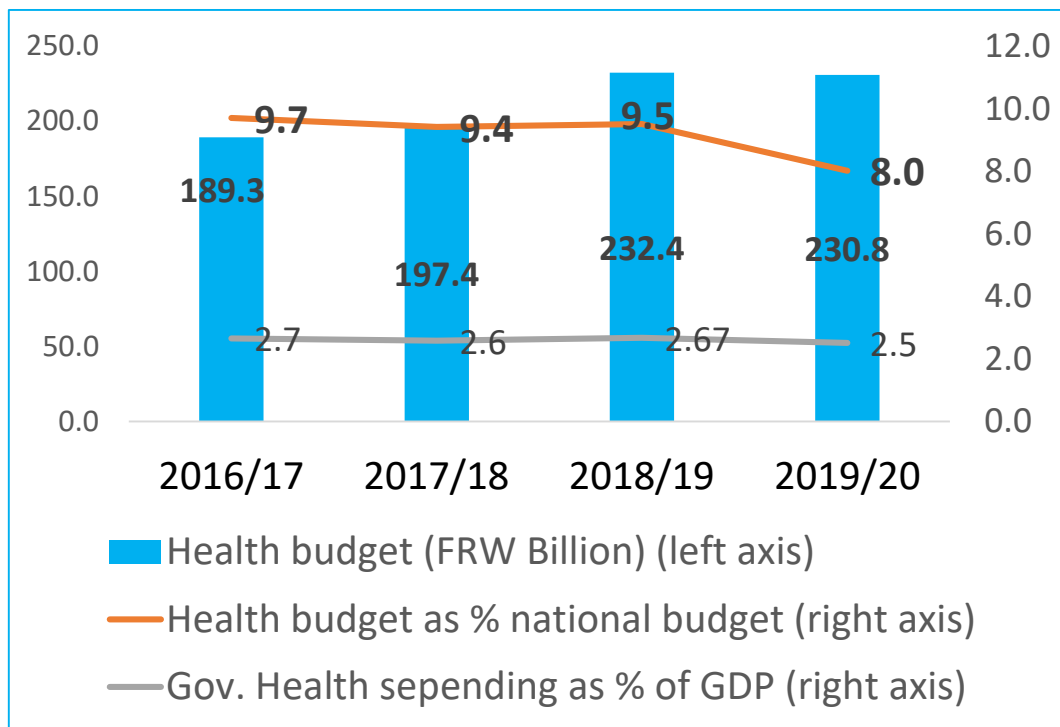
- The share of the **development budget** under the education sector budget has increased from 15.5 per cent in 2017/18 to 22.5 per cent in 2019/20.



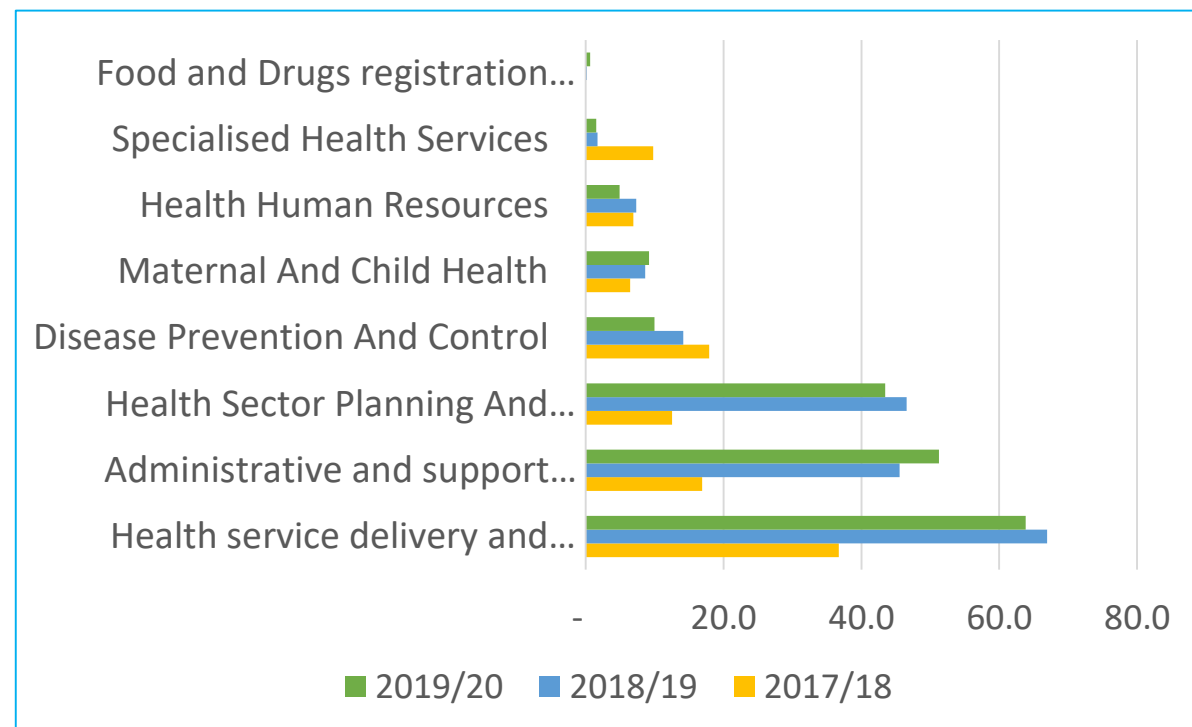
- The average share of external financing for education is 3.5% over the past four years, despite the recent surge driven by external loans and grants to finance the sector at different levels.

- The Health sector budget has nominally increased over the past years, despite a slight decline in 2019/20

Health sector budget trends



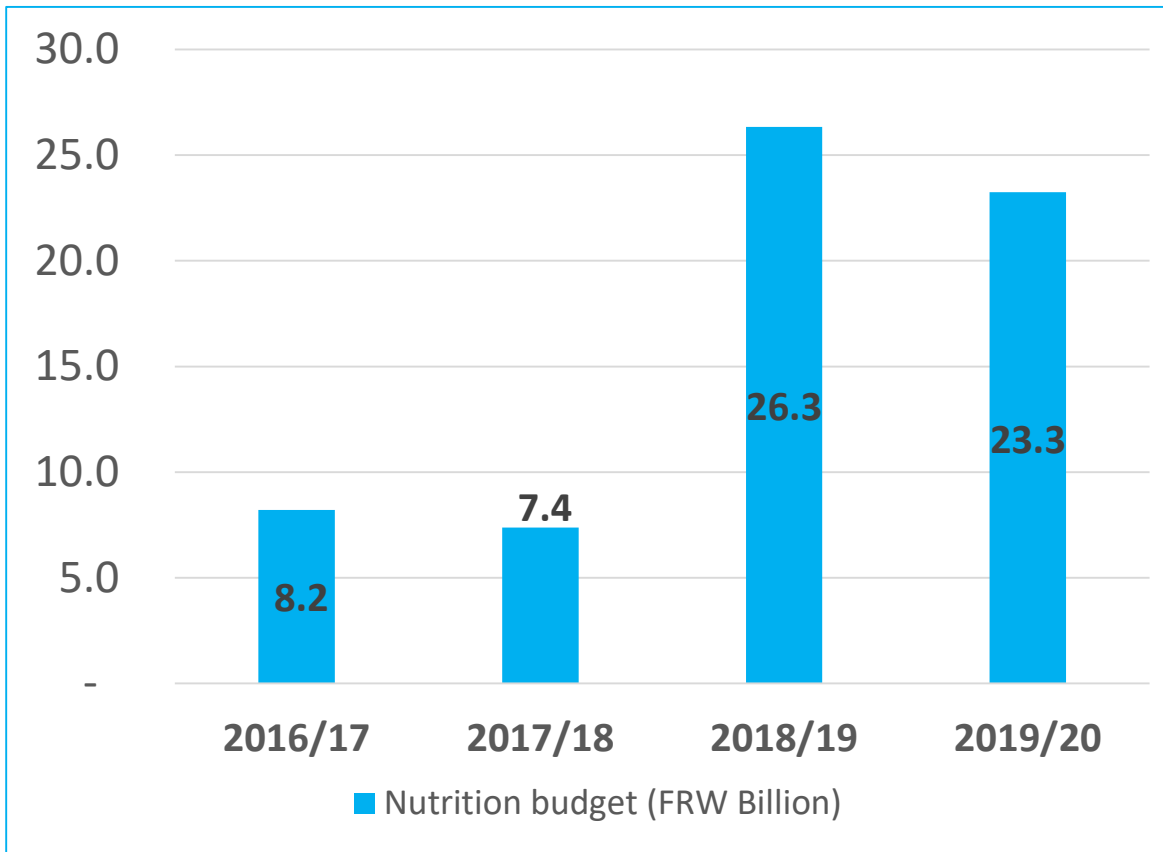
Health sector budget by programmes



- The Health sector budget increased from 2016/17 to 2018/19 but slightly decreased in 2019/20
- As a share of the total national budget, the health sector allocation has been declining over the past years from 9.7% in 2016/17 to 8% in 2019/20
- Health service delivery, Health sector governance (A&S) and Health sector planning and financing are major programmes for which consume a large share of budget

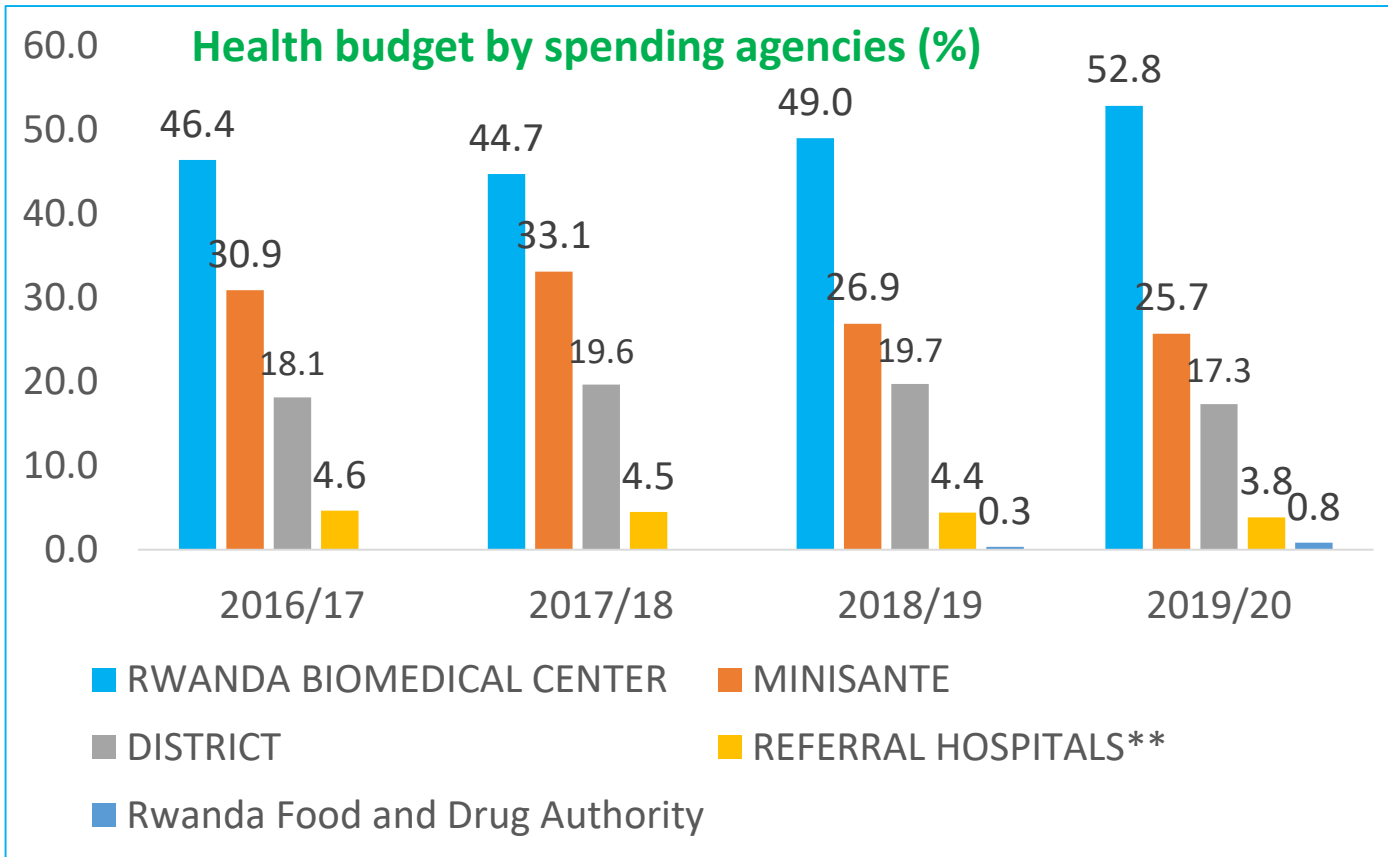
- The Government of Rwanda has significantly increased investments to tackle stunting reduction in recent years

Budget allocations for nutrition specific programmes



- Malnutrition and stunting remain public health challenges as **one in three** children under the age of five showed sign of stunting in 2014/15.
- The Government strengthened its commitment for stunting reduction by mobilising resources and increasing more than three-fold the budget for nutrition-specific interventions from FRW 8.2 billion in 2016/17 to FRW 26.3 billion in 2018/19, which later slightly decreased to FRW 23.3 billion in 2019/20.

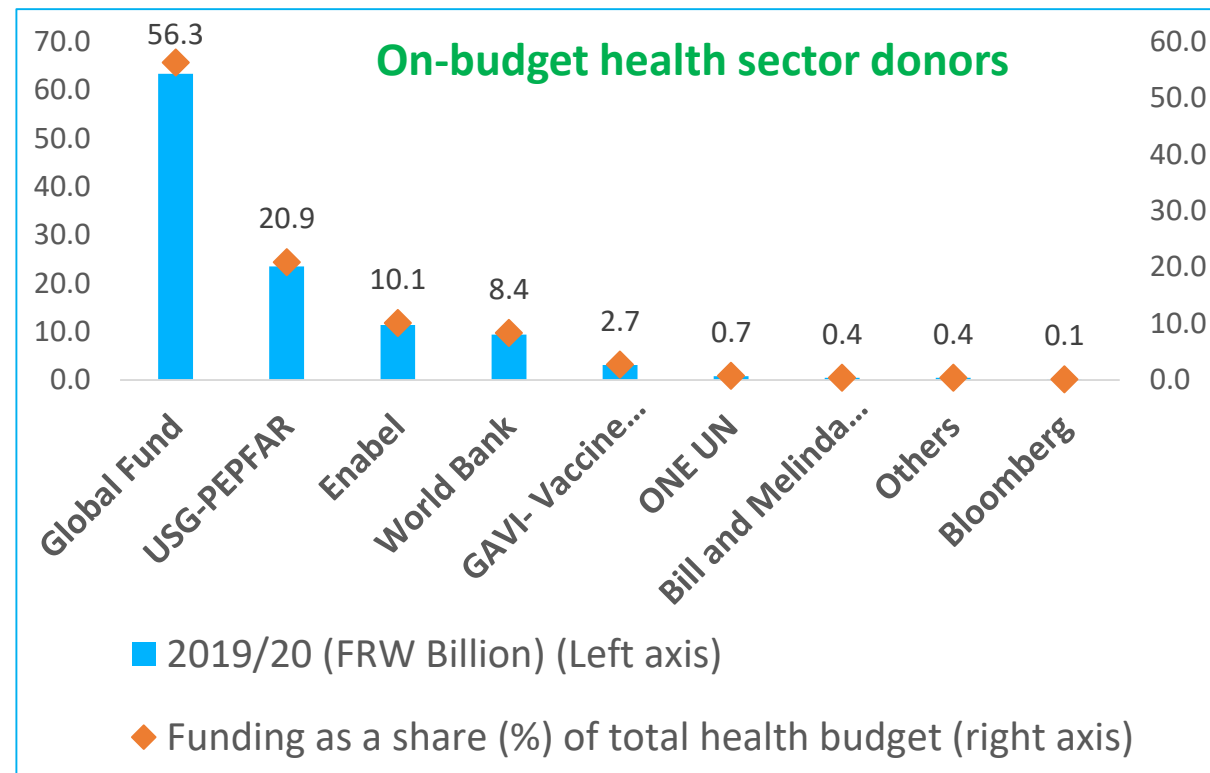
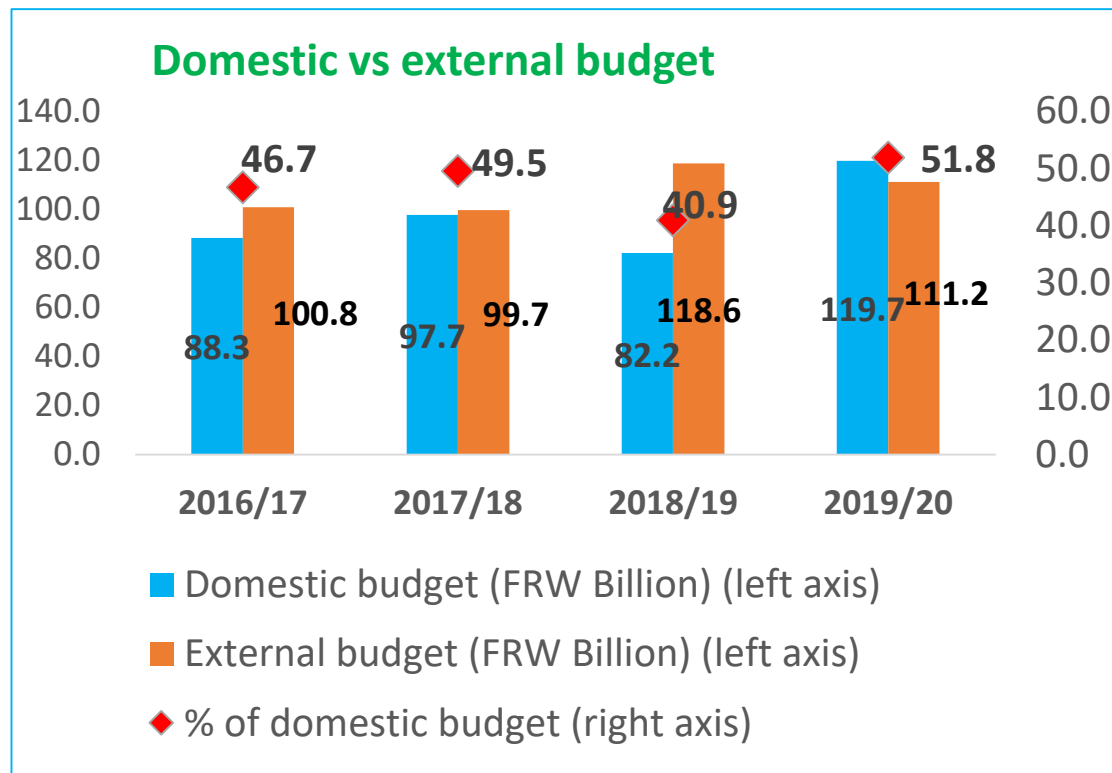
- RBC is the main spending agency under the health sector, and both recurrent and development health sector budget have increased over past years



- The allocation to RBC accounts for 52.8% of the total health sector budget in 2019/20 followed by the Ministry of Health.



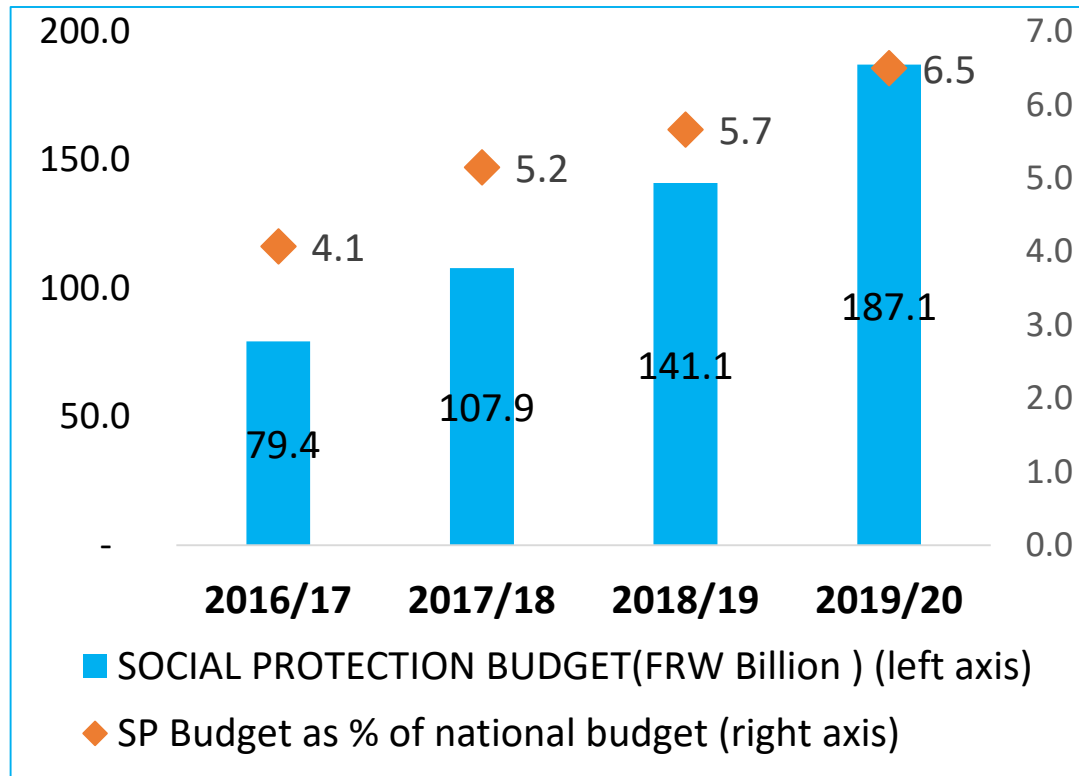
- The financing of the Health sector still relies heavily on external funds



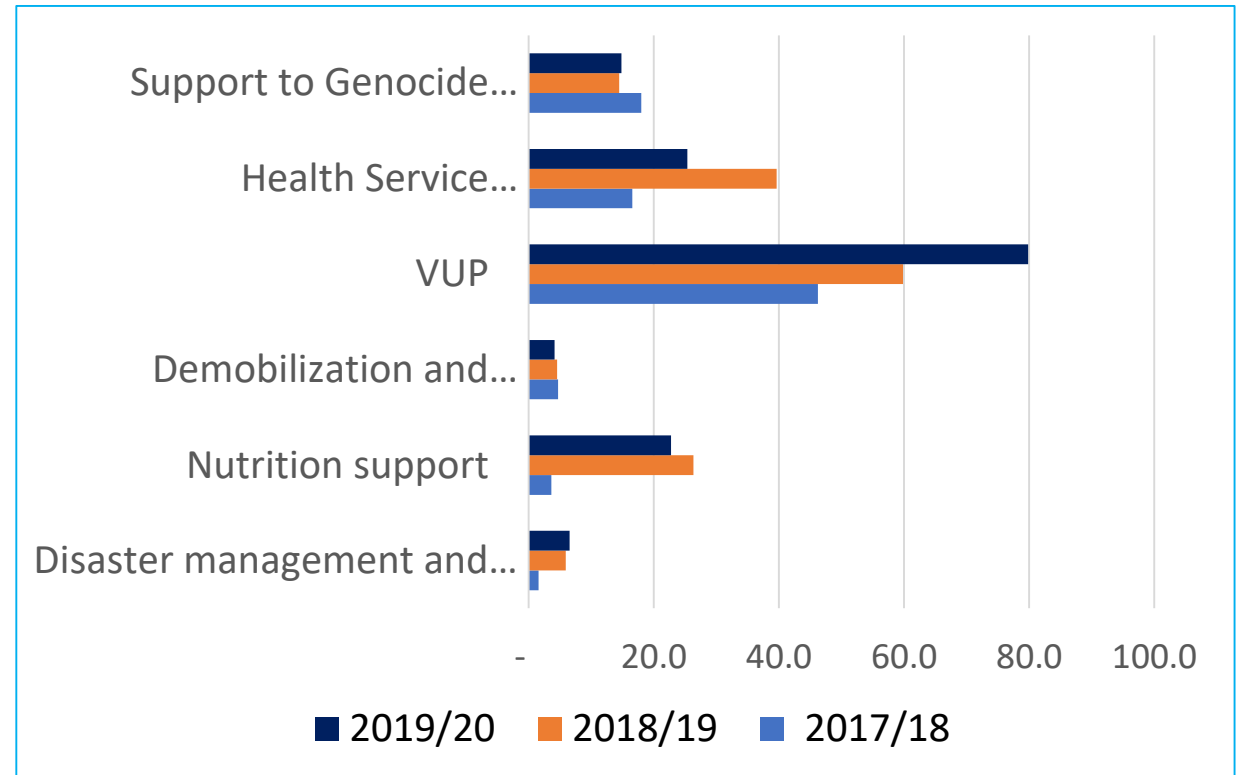
- The sources of health sector financing are changing from externally dominated to domestic.
- The reversing trend is partially explained by the gradual decline of the Global Fund support to the health sector.

- The allocations to the Social Protection sector have increased year on year over the past five years and VUP remains the major financed social protection programme

Social Protection budget trends



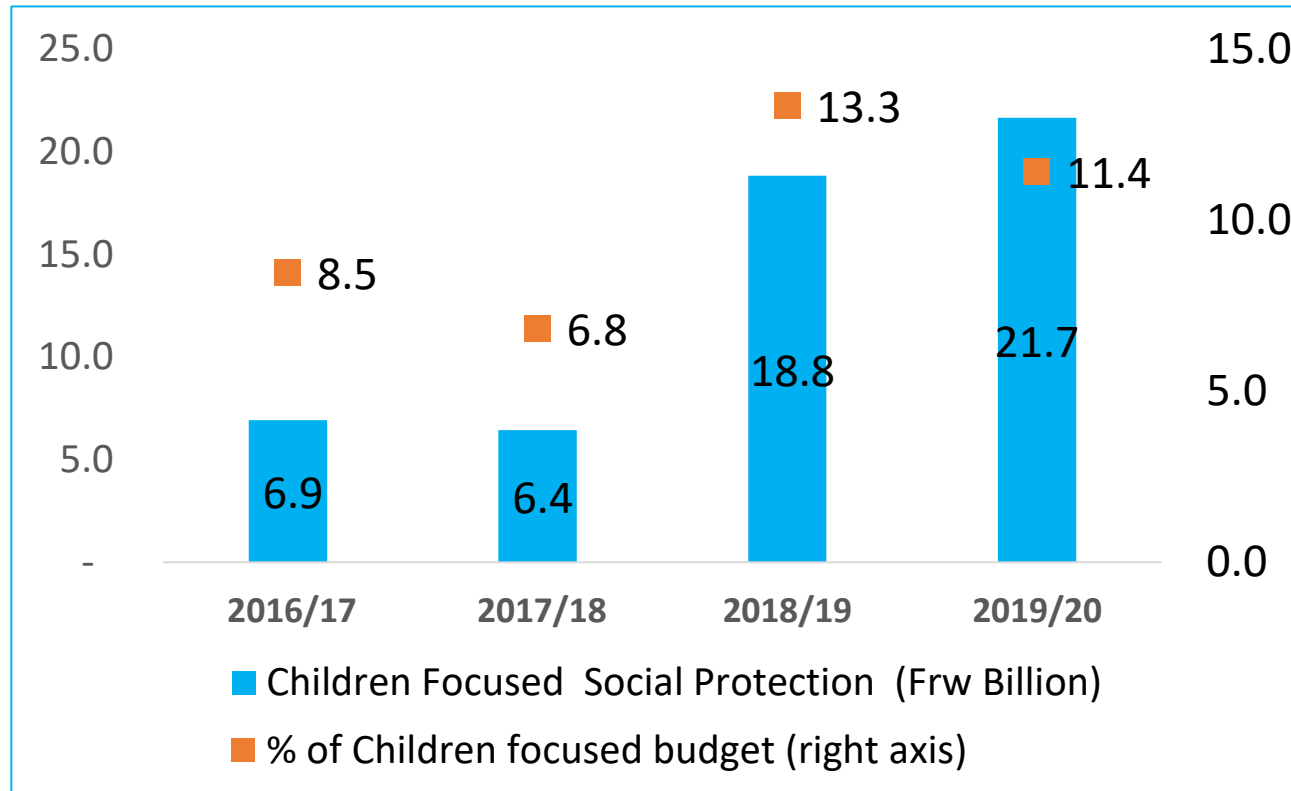
Social Protection budget allocations by programmes



- The GoR allocated FRW 187.1 billion to the social protection sector in 2019/20 reflecting a 33% increase
- The social protection budget as a share of the national budget increased from 5.7% in 2018/19 to 6.5% in 2019/20.
- VUP is the major SP programme financed through the national budget with increasing allocations over the past three years.

- The budget allocated to child-focused Social Protection programmes has increased over the past four years

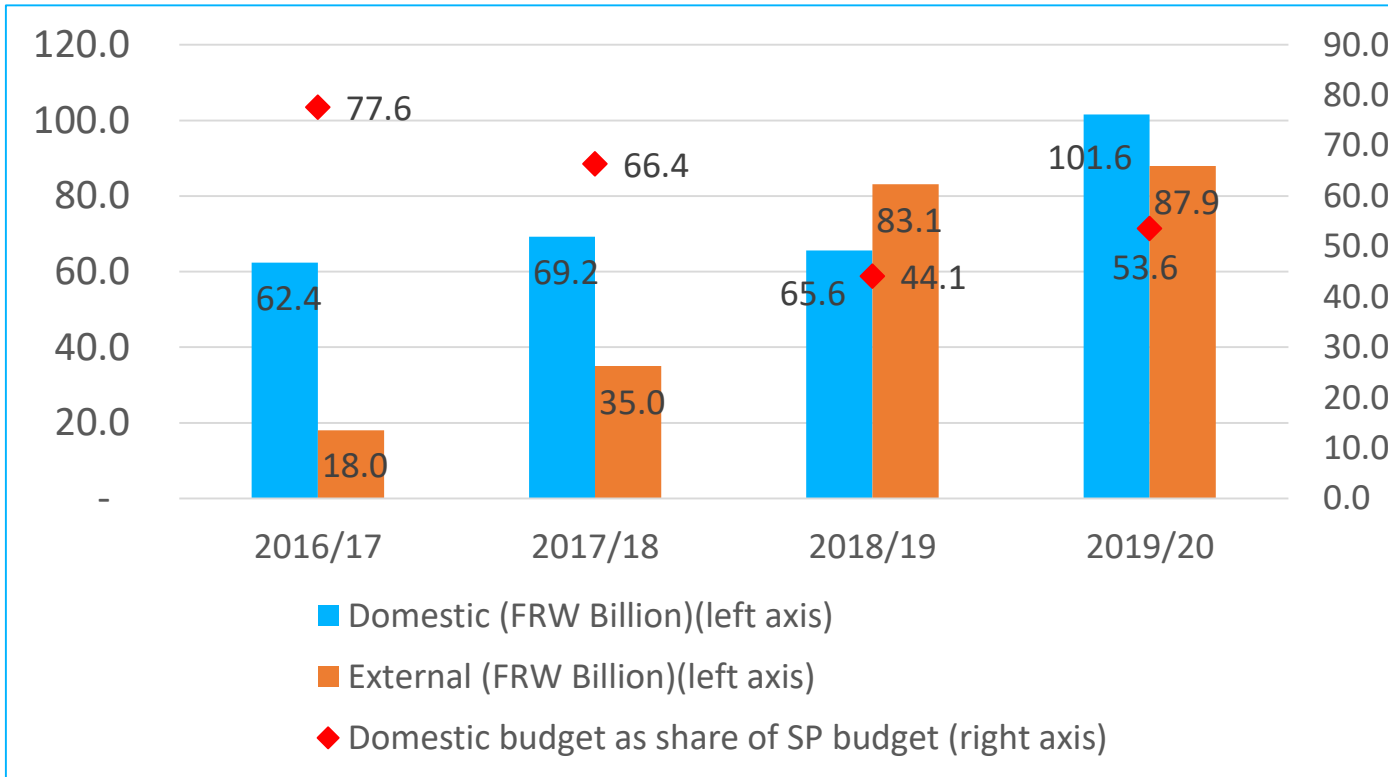
Child-focused social protection budget



- The allocation for child-focused social protection increased from FRW 6.9 billion in 2016/17 to FRW 21.7 billion in 2019/20

- The fiscal space for Social Protection has expanded over the past few years

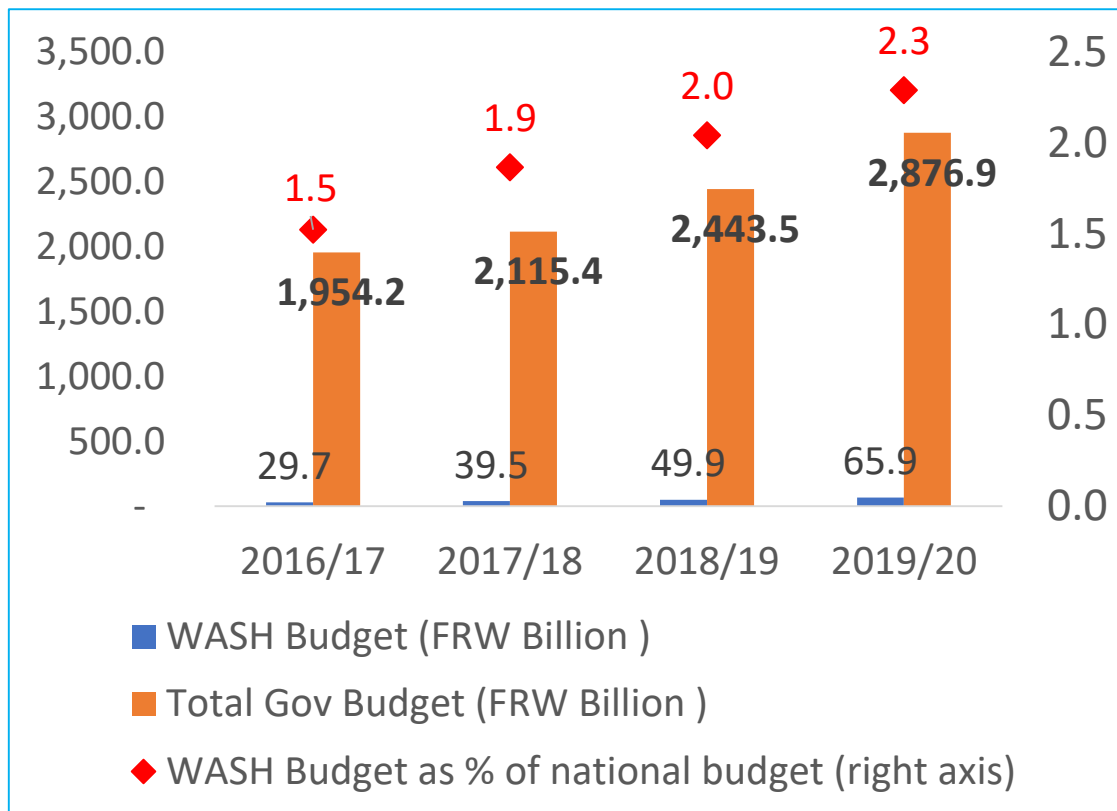
Social Protection financing



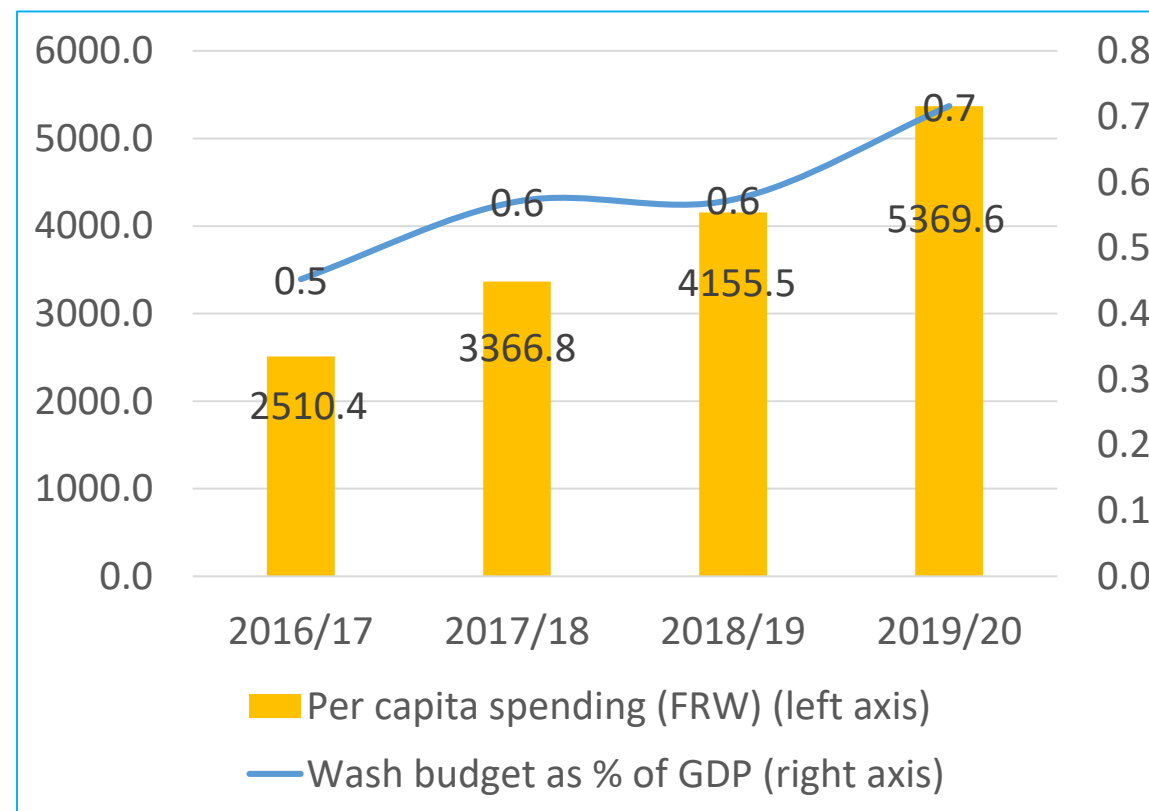
- The domestic budget for the social protection sector increased from FRW 65.6 billion in 2018/19 to FRW 101.6 billion in 2019/20, indicating government commitment to scaling up SP interventions

- The budget allocated to WASH interventions has increased in nominal terms over the past four years and also as a share of the total national budget

WASH budget trends



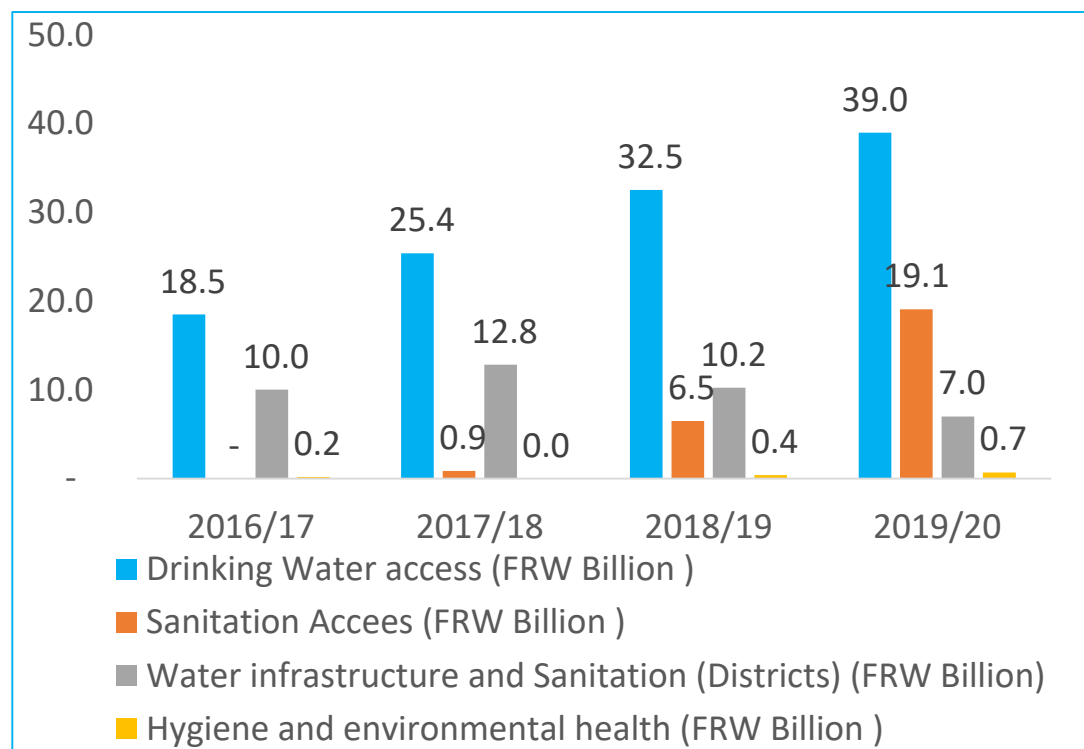
Per capital and % of GDP WASH budget trends



- WASH budget allocations increased from FRW 49.9 billion in 2018/19 to FRW 65.9 billion in 2019/20, reflecting a leap of 30.4 per cent in just one year.
- Per capita spending in WASH rose to FRW 5,369.6 in 2019/20 from FRW 4,155.5 in 2018/19, reflecting an increase of 29 per cent in nominal terms.

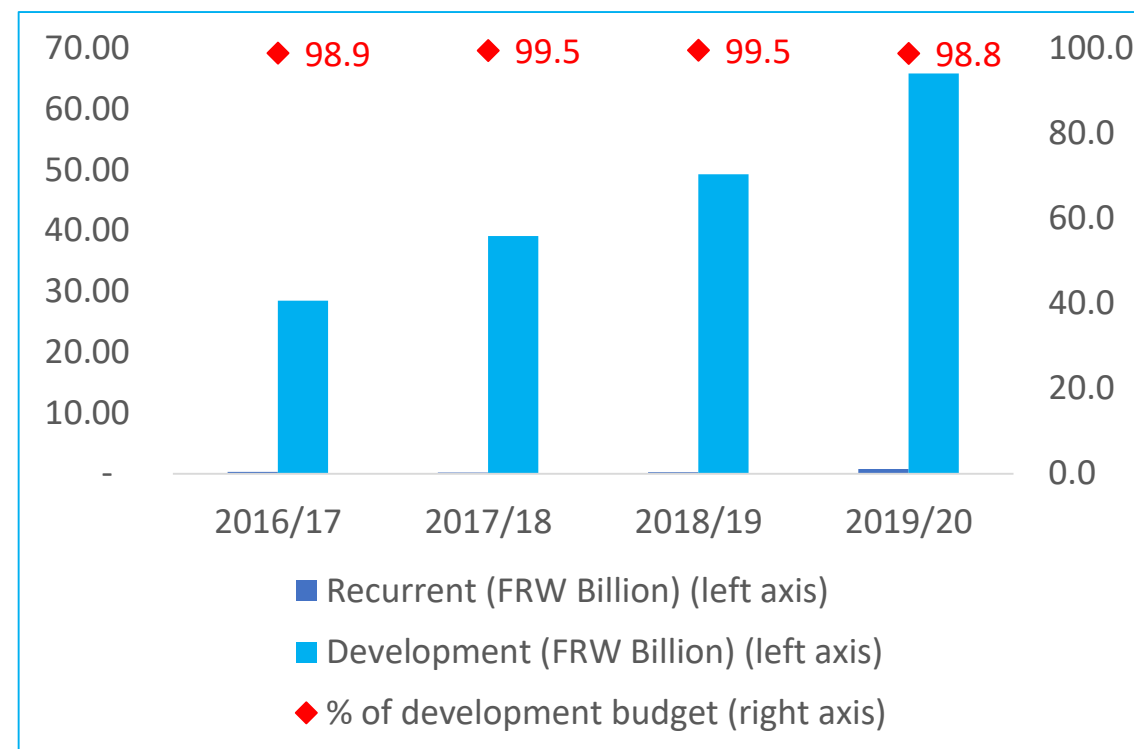
- More than half of sector resources go towards drinking water and 99 per cent of WASH sector budget allocations are for capital investments

WASH Budget by sub-programmes



- The three budgets allocated to the central level increased while the allocations to districts decreased in 2019/20.

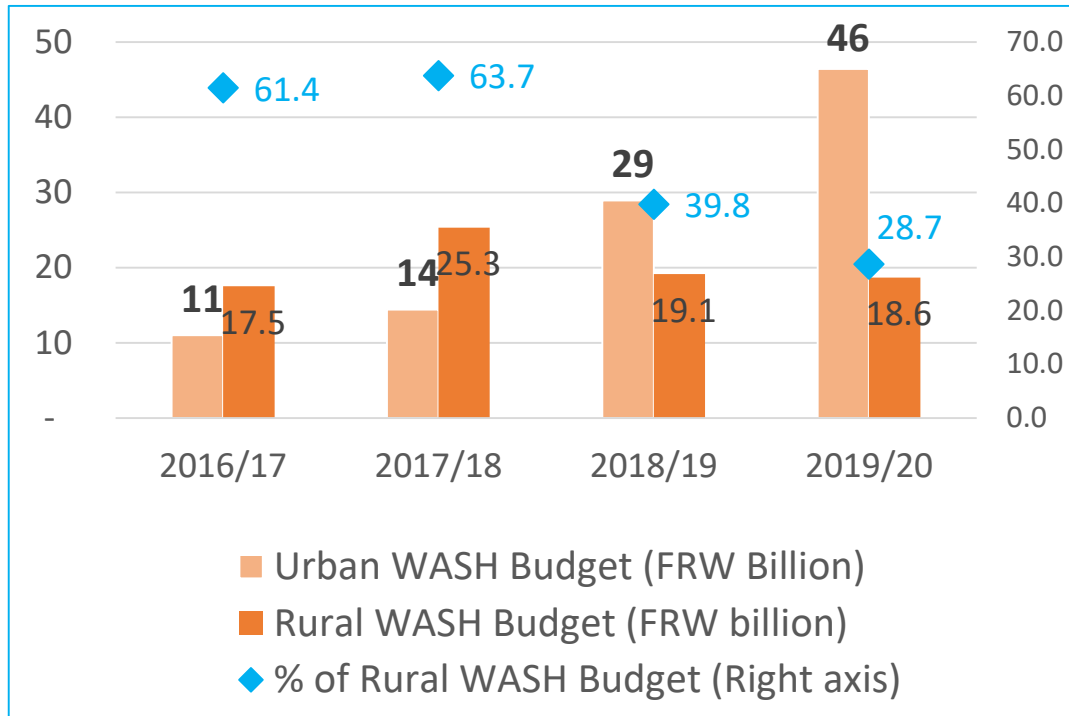
WASH Budget by development and recurrent categories



- There are minimal resources left to cover recurrent costs especially operations and maintenance of water and sanitation facilities.

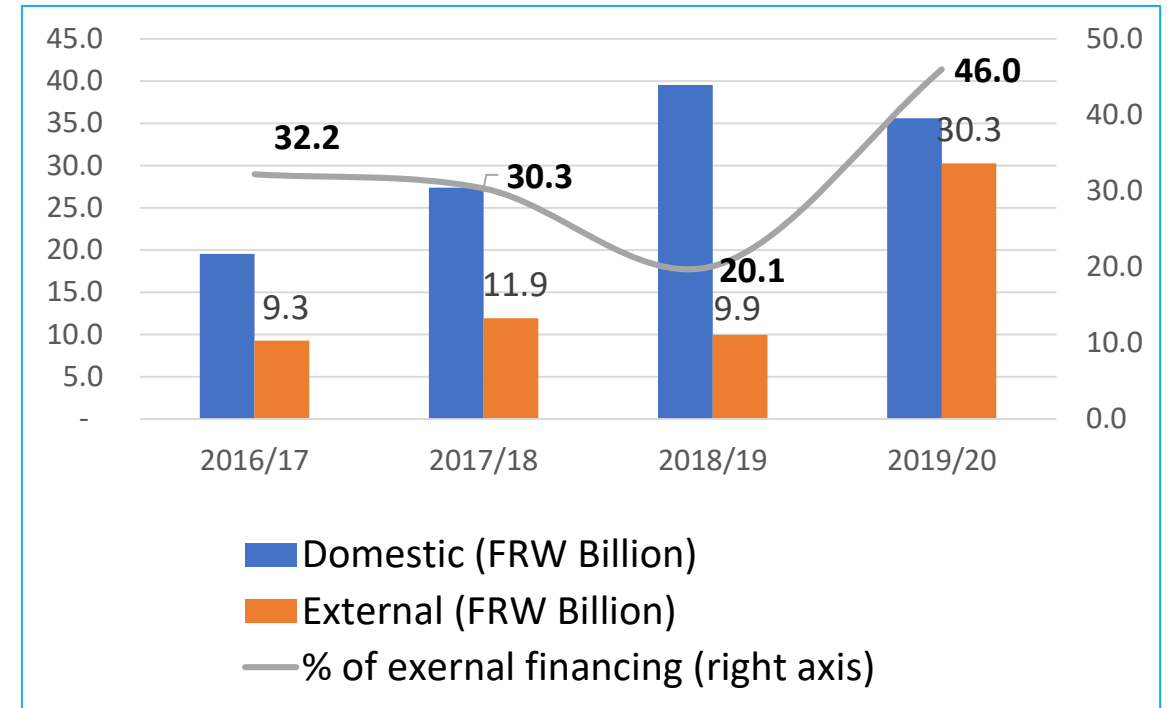
- The urban WASH budget is increasing while the rural WASH budget is decreasing and the WASH sector is primarily funded by domestic resources

WASH budget rural/urban classification



- Urban WASH budget allocations have significantly increased over the past four years while rural WASH budget allocations have decreased since 2017/18

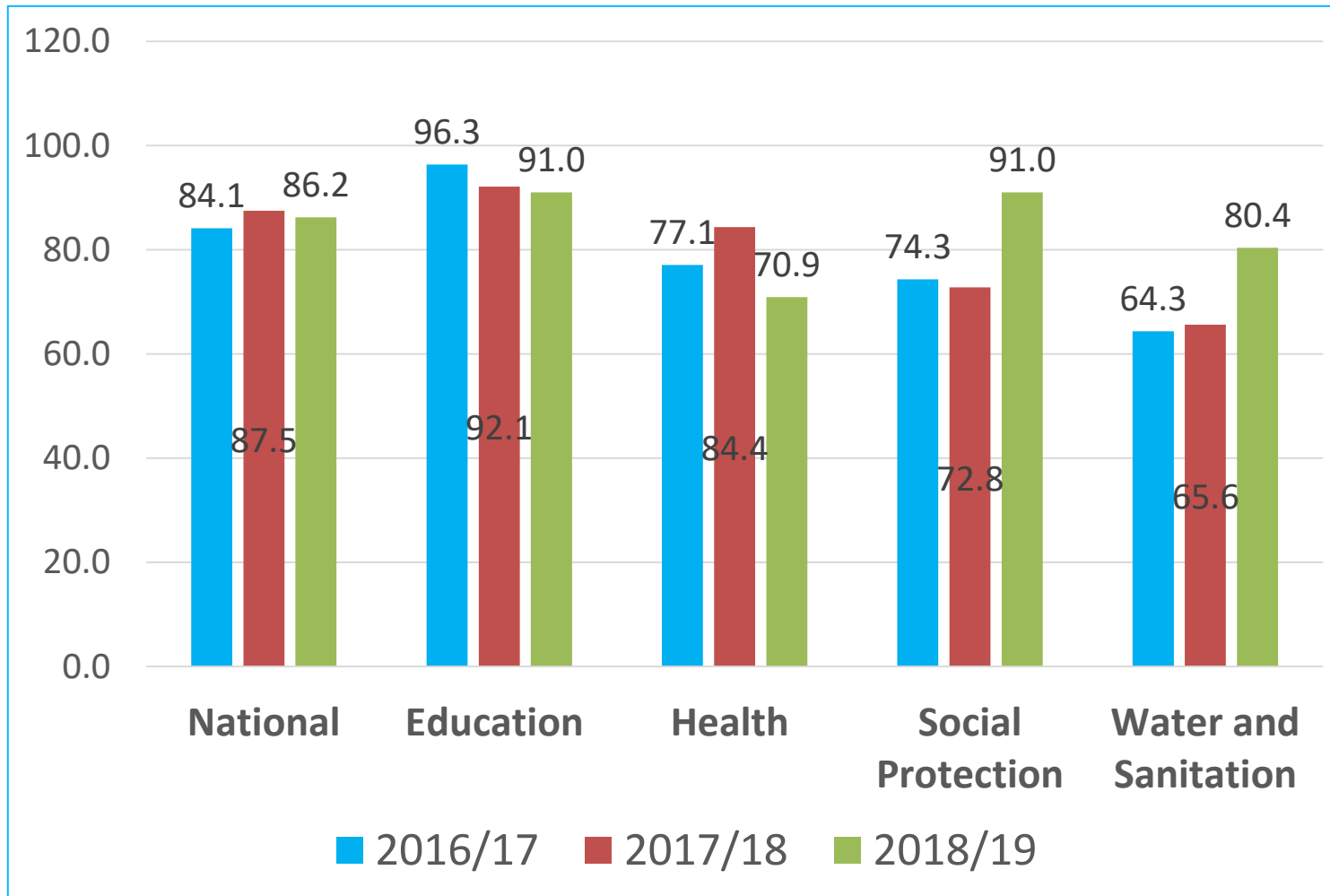
WASH sector financing



- While external financing dramatically increased in 2019/20, domestic resources remain the largest contributor of sector financing

- In the priority sectors for children budget execution is relatively low

Budget execution rates among the priority sectors for children



- The education and social protection sectors achieved higher budget execution rates of 91 per cent in 2018/19;
- The Water and Sanitation sector executed its budget at 80.4 per cent in 2018/19 while the health sector recorded a budget execution rate of 70.9 per cent

Key messages (1/2)

- **Education**

- Further re-prioritize allocation in the pre-primary and primary education sector to ensure a stronger foundation in learning;
- Increase resources for teacher training and professional development to enhance the quality of learning.

- **Health**

- Increase domestic resources for health to strengthen the sector capacity to scale up the provision of quality health services and to ensure sector financial sustainability;
- Increase allocations for infection diseases prevention to maintain the Rwanda health sector gains.

- **Social protection**

- Scale up the coverage of social protection interventions which will require in medium term increased budget for SP to meet the GoR ambition to graduate people from extreme poverty;
- Design a sustainable long-term social protection financing strategy to ensure budget adequacy.

Key messages (2/2)

- **Water, Sanitation and Hygiene**
 - Rebalance (*from urban dominant to rural dominant*) the WASH sector budget to improve WASH outcomes in rural areas;
 - Develop and strengthen WASH sector financing mechanisms (blended finance, revolving funds, guarantees etc.) to enhance efficiency and effectiveness
- **Address the issue of budget absorption capacity and efficiency to maximize the gains for public finances across different sectors.**

Murakoze Cyane !

Questions ?

unicef  for every child

