

EXECUTIVE SUMMARY

In July 2000, the current government in Rwanda, led by the Rwandan Patriotic Front (RPF), promised the people of Rwanda to transform their nation into a middle-income country driven by a knowledge-based economy by 2020. That plan was named Rwanda Vision 2020. The report: *“Rwanda Vision 2020 Development Programme scrutiny”* is in four parts and demonstrates that the current government in Rwanda will not deliver its Vision 2020 promises.

I. Vision 2020’s targets and indicators

Vision 2020 set a number of indicators with specific target levels to help assess whether the current government has met Vision 2020 objectives. **Some key indicators of the Vision 2020 development programme are yet to be met.** These include GDP per capita. This has increased over the course of Vision 2020, but is not expected to reach the target of US\$1,240. Moreover, investment levels were projected to reach 30% of GDP by 2020, with the private sector gradually taking a larger proportion of this. However, despite the public investment level increasing over the course of Vision 2020, it is yet to reach the set target. Nearly 60% of reached investment level has been financed by official development assistance (ODA) and the rest has been generated from other sources, including a minor contribution from private investment. Vision 2020 also aimed to increase the level of savings to 20% of GDP by 2020. Despite a 70% increase in per capita income, Rwanda’s savings remain very low.

Vision 2020 is yet to reach some of its key targets in many other areas such as trade, infrastructure, governance and education. **Even targets that the current government claims to have achieved can be challenged.** For instance, Vision 2020 set an average life expectancy target of 66 years. While that target has been met, inequality in Rwanda means that progress made in life expectancy is reduced by 20%. Vision 2020 promised to increase access to education. While the number of children attending primary and secondary schools

has indeed increased in Rwanda, this progress is challenged by lower completion rates in primary and secondary schools in comparison to middle-income countries. Quality of and inequality in education also remain critical challenges to any progress Rwanda might have made in educational development over the course of Vision 2020.

Official figures gathered from household surveys across Rwanda show poverty in Rwanda has decreased impressively since 2000 and is close to reaching the set target of reducing poverty rate to 20% by 2020. However, an independent study on Rwanda's poverty statistics argues that sole reliance on large-scale household surveys in order to assess the level of socio-economic progress can be misleading. This is because the results of such surveys have political significance to both the current government in Rwanda and international donors, whereby the poverty decrease justifies policy implementation for the former and aid effectiveness for the latter. **There have also been doubts over the social and economic statistics published by the Rwandan government.** Examples of statistics that were subject to manipulation covered in this report are unemployment rates, foreign direct investment and poverty rates.

The main reason for the poor performance of key economic indicators of Rwanda throughout the period of Vision 2020 include aid reduction and the current government's allocation of capital investment towards less productive sectors of the economy. This has been exacerbated by the political conflicts Rwanda has had with its neighbouring countries which have led to border closure, affecting food prices in the country and decelerating cross-border trade.

II. Review of Vision 2020 development programme's pillars

Rwanda Vision 2020 included six pillars, expressed as concrete objectives through which the Rwanda's economy was expected to transform. These pillars are:

- 1) good governance and an efficient state;
- 2) developing skilled human capital;
- 3) encouraging a vibrant private sector;
- 4) building world-class physical infrastructure;
- 5) developing modern agriculture and livestock practices; and
- 6) integrating Rwanda's economy on regional and international levels.

Evidence shows that the government is yet to reach the objectives set out in the Vision 2020 pillars.

The implementation of good governance and an efficient state has evolved differently to how it was envisioned in Vision 2020. Particularly, good governance is challenged by a lack of both citizen participation in policy making and public officials' accountability in the public projects delivery that aims to facilitate the achievement of other Vision 2020 pillars. This is exacerbated by persistent human right abuses and a lack of democratic structure and processes. The RPF's government has built its reputation worldwide on the basis that it has the largest number of women representatives in parliament. However, considering that the power still lies with the executive, this raises the question of whether the increase in the number of women in parliament is rather to legitimise and build the image of the Rwanda's government.

The promise of **skilled human capital development** made by the RPF in 2000 is yet to be realised. Rwanda scores 0.37 and ranks at 142 out of 157 on the World Bank's Human Capital Index (HCI). The country's HCI score is lower than the average for sub-Saharan Africa and slightly lower than the average for its income group. Rwanda also scores low in innovation and ICT adoption on the 2018 World Economic Forum Competitiveness index. High levels of

stunting among children under five years old, a persistent decrease in voluntary contributions to Rwanda's national community health insurance scheme and narrowing of the health system's finances have also been observed during Vision 2020.

The development of a vibrant private sector in Rwanda remains a challenge. Private sector contribution to the country's GDP has remained unchanged between 2000 and 2014. The main challenge to private sector development is that the RPF is also involved in commercial activities across the country's economy, discouraging some investors from entering the sectors in which RPF enterprises are operating. Among other barriers to private sector development are low levels of human capital, strict rules imposed by the government on informal small-scale private entrepreneurship and an inadequate supply of infrastructure. Despite the progress Rwanda has made on the ease of doing business index, the country continues to attract less foreign direct investment flow in comparison to its regional peers.

The development of infrastructure that would lower the cost of doing business in Rwanda is yet to be achieved. The infrastructure competitiveness of Rwanda has declined from a rank of 101st out of 139 economies in 2010 to a rank of 115th out of 140 economies in 2018. The quality of the country's roads is among the lowest in the region and the cost of electricity in Rwanda is the 10th highest in sub-Saharan Africa.

Dire issues linger in **the agriculture sector development** in Rwanda. This is because agricultural policies that were supposedly to lead towards transformation were developed without citizens' involvement. The government has been deciding the what, where and how of agriculture development. This approach has had negative effects on the overall social and economic well-being of many households, particularly in rural Rwanda.

On paper, the government in Rwanda recognises that **regional economic integration** is one of the crucial elements of achieving Vision 2020. However, the leadership of Rwanda has been

involved in intermittent disputes with regional partners, which threaten the implementation of regional economic integration. Furthermore, conflicts between Rwanda and other East African Community (EAC) members have had negative impacts on the implementation of EAC custom union and common market pillars. Increasing evidence that the economic statistics of Rwanda have been subject to manipulation affects the EAC monetary union pillar. Rwanda's human right abuses, freedom of speech repression and constitutional change for sole purpose of retaining political power dissuades other EAC members from the implementation of an EAC political union based on democratic principles.

It is evident that the objectives set in the pillars of the Vision 2020 development programme are yet to be achieved as anticipated. This is because the policies to facilitate the delivery of the development programme's objectives have been implemented without citizen participation and in a manner that lacked accountability and sensitivity towards Rwanda's citizens.

Alongside the six pillars, Vision 2020 established three cross-cutting areas. These are:

- 1) gender equality,
- 2) environmental sustainability and
- 3) information communication technology.

These also have pertinent challenges that are worth considering.

Despite progress made in Rwanda in **gender equality**, evidence shows that women still lag behind in education, employment and access to finance. Households headed by women are more likely to be poor. **The use of information communication technology** is challenged by the government's failure to invest in human capita development, as Rwanda ranks low on the Human Capita Index. The country's **environment** has been negatively affected by inappropriate agricultural practices, high dependency on biomass energy, poor management of solid waste and inadequate mining activities and practices.

III. New severe challenges to Rwanda's economic outlook

Rwanda's government has used its power to stifle any genuine political opposition, thus rejecting any critical judgement on its governance and development policies. As a result, new and severe social and economic challenges have materialised in Rwanda as the Vision 2020 objectives are pursued. These represent risk to the country's social and economic outlook. **Rwanda's debt** has soared from 24% of GDP in 2007 to 53% of GDP in 2018. The issue is that borrowed funds have been invested in less productive rather than productive sectors that alleviate pressing scarcities. Furthermore, Rwanda was classified among countries at most risk of government/public debts crisis in 2018. **Inequality** is another challenge to Rwanda's social and economic outlook. This can be noticed in the dimensions of Rwanda's human development index (HDI). Despite Rwanda having been praised worldwide for achieving remarkable HDI levels, the country lost 32% of its HDI due to inequality between 2010 and 2017. **Unemployed or underemployed youth** is another challenge to Rwanda's social and economic outlook. Half of Rwanda's population was aged between 15 and 34 years when Vision 2020 was launched in 2000. This is still the case today. The economy of Rwanda has not been able to deliver opportunities for employment creation for these youth. As the service sector has lagged in creating off-farm jobs in Rwanda due to poor private sector development, farm jobs have been fast growing in rural areas. However, these jobs are of poor quality and cannot reduce poverty. Rural youth are more likely to work as labourers on the land while urban youth, whether educated or not, are likely to become unemployed, especially since the government has imposed strict rules on informal small-scale private entrepreneurship. On one hand, the government claims that its policies have brought economic transformation to citizens. On the other, youth are confronting the realities of unemployment. This shows a disconnect between concerned youth and the government, which if not dealt with threatens the economic outlook of Rwanda. A **happiness deficit** has been observed in Rwanda over the course of Vision 2020. The United Nations Sustainable Development Solutions Network, which produces

the World Happiness Report, has consistently ranked Rwanda among the five least happy countries on the Happiness Index each year from 2012 to 2018. Equally concerning are **Rwanda's relationships with its neighbouring** countries, which have deteriorated at some point during the course of Vision 2020. The situation is disappointing, and contrary to the prerequisite of building partnerships to help Rwanda reach its sustainable development goals.

IV. Solutions

The government that took over the reins of power after the 1994 genocide against the Tutsi inherited a very difficult social, political and economic situation. Credit is due to the post-genocide government for putting the country back on its feet, with the generosity of the international community. Nonetheless, DALFA Umurinzi is concerned with the current Rwandan government's applied governance methods.

The RPF claims its governance is based on power-sharing consensus democracy, with the need to surmount ethnic divisions to prevent another genocide unfolding. This, they claim, will ensure stability while also accelerating development in Rwanda. However, under RPF governance, democratic structures and processes have not been respected, and human rights have been abused. This does not guarantee sustainable development in Rwanda in the short or long term.

DALFA Umurinzi believes there can be no sustainable development without democracy. Reaching sustainable development for Rwandan society will remain a dream if there is no democracy and respect for human rights. As a result, DALFA Umurinzi proposes to build strong pillars of democracy in Rwanda. These pillars are:

- 1) Freedom of expression;
- 2) Political freedoms;
- 3) Separation of power; and
- 4) Good governance and sovereignty.

Here is what the DALFA Umurinzi would like from the different stakeholders in the development of Rwanda to advance good governance for sustainable development in the country. **The current government in Rwanda** must accept to be criticised on its governance methods and development policies. It also must open political space. **Rwandan citizens** must exercise their constitutional rights guaranteed by the state in article 38 of Rwanda's constitution, and hold accountable the current government of Rwanda. **Persons whose services are incompatible with membership in political organisations** as defined in article 60 of the constitution of the Republic of Rwanda such as agents in security services, must remain committed to the oaths of safeguarding human rights and the interests of the Rwandan people, striving for national unity without being biased. **The international community** must reinforce their efforts towards promoting good governance based on democratic values in Rwanda. Only good governance can turn Rwanda into a model of development, on the African continent and beyond.