BETTER REGULATION FOR GROWTH
GOVERNANCE FRAMEWORKS AND TOOLS FOR EFFECTIVE REGULATORY REFORM

REGULATORY CAPACITY REVIEW OF RWANDA

INVESTMENT CLIMATE ADVISORY SERVICES
WORLD BANK GROUP
About the Investment Climate Advisory Services of the World Bank Group

The Investment Climate Advisory Services (IC) of the World Bank Group helps governments implement reforms to improve their business environment, and encourage and retain investment, thus fostering competitive markets, growth and job creation. Funding is provided by the World Bank Group (IFC, MIGA, and the World Bank) and over 15 donor partners working through the multi-donor FIAS platform.

The findings, interpretations and conclusions included in this note are those of the author and do not necessarily reflect the view of the Executive Directors of the World Bank Group or the governments they represent.

Better Regulation for Growth Program

The Better Regulation for Growth (BRG) Program was launched in 2007 by the Dutch Ministry of Foreign Affairs, the UK Department for International Development (DFID) and IC, the investment climate advisory services of the World Bank Group.

The objective of the BRG Program is to review and synthesize experiences with regulatory governance initiatives in developing countries, and to develop and disseminate practical tools and guidance that will help developing countries design and implement effective regulatory reform programs. Reports and other documentation developed under the BRG Program are available at: www.ifc.org/brg
# Table of Contents

Acknowledgment ........................................................................................ vi
Foreword ........................................................................................................ vii
Acronyms: Rwanda........................................................................................ viii
Executive Summary ...................................................................................... ix

## Regulatory Reform in a National Context.................................................. 1
- Economic development context ................................................................... 1
- Administrative and legal environment ....................................................... 3
- Recent regulatory reforms .......................................................................... 5

## National Policies and Institutions for Regulatory Reform .................... 9
- Regulatory reform principles and policies ................................................... 9
- Institutions and drivers to promote regulatory reform .............................. 10
- Coordination between levels of government ............................................. 13

## Administrative Capacities for Making High Quality Regulation ............ 15
- Administrative transparency and predictability .......................................... 15
- Provisions for transparency in making laws .............................................. 15
- Provisions for consultation ...................................................................... 16
- Communication of regulations ................................................................... 17
- Compliance and enforcement of regulations .............................................. 17
- Public redress and appeals ....................................................................... 18
- Policy instrument alternatives ................................................................... 18
- Use of RIA for understanding regulatory effects ....................................... 19
- Building administrative skills for regulatory reform ................................. 19

## Updating Regulations ............................................................................. 21
- Revisions of existing laws and regulations ................................................ 21
- Reducing administrative burdens .............................................................. 21
- Use of ICT to support regulatory reform .................................................. 22

## Roles of Donors ....................................................................................... 24

## Conclusions and Recommendations ...................................................... 25
- Assessment of strengths and weaknesses .................................................. 25
- Policy Options ......................................................................................... 26

## APPENDIX A. Principles of Good Regulation ........................................ 27

## APPENDIX B. DB Indicators, DB 2009 .................................................... 28
APPENDIX C. Judicial System in Rwanda ............................................ 29
The Supreme Court................................................................................... 29
The High Court........................................................................................... 29
The Provincial Court and Court of the City of Kigali .......................... 29
The District, Municipality and Town Court ........................................... 29
Specialized Courts ...................................................................................... 29
Military Courts ............................................................................................ 30

APPENDIX D. List of Business Licenses in Rwanda ............................... 31
List of Boxes

Box 1: Licensing Reform in Rwanda ................................................................. 8
Box 2: E-Government Project for the Cabinet ............................................... 12
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Regulatory reform has emerged as an important policy area in developing countries. For reforms to be beneficial, regulatory regimes need to be transparent, coherent, and comprehensive. They must establish appropriate institutional frameworks and liberalized business regulations; enforce competition policy and law; and open external and internal markets to trade and investment.

This report analyses the institutional set-up and use of regulatory policy instruments in Rwanda. It is one of five reports prepared on countries in East and Southern Africa (the others are on Kenya, Uganda, Tanzania and Zambia), and represents an attempt to apply assessment tools and the framework developed by the Organization for Economic Cooperation and Development (OECD) in its work on regulatory capacity and performance to developing countries.

The report is an input to the Investment Climate Advisory Services (IC AS) discussions aimed at helping governments improve regulatory quality—that is, reform regulations to foster competition, innovation, economic growth, and social objectives.
# ACRONYMS: RWANDA

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>BLRC</td>
<td>Business Licensing Reform Committee</td>
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<tr>
<td>CBEPS</td>
<td>Capacity-building and Employment Promotion Sector</td>
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<td>DFID</td>
<td>UK Department for International Development</td>
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<td>DIP</td>
<td>Decentralization Implementation Programme</td>
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<td>EAC</td>
<td>East African Community</td>
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<tr>
<td>EDPRS</td>
<td>Economic Development and Poverty Reduction Strategy</td>
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<td>HIDA</td>
<td>Human Resource and Institutional Capacity Development Agency</td>
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<td>IC AS</td>
<td>Investment Climate Advisory Services</td>
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<td>ICT</td>
<td>Information and Communication Technology</td>
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<td>IFC</td>
<td>International Finance Corporation</td>
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<td>LRC</td>
<td>Law Reform Commission</td>
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<tr>
<td>MDAs</td>
<td>Ministries, departments, and agencies</td>
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<td>MDG</td>
<td>Millennium Development Goals</td>
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<tr>
<td>MIFOTRA</td>
<td>Ministry of Labor, Capacity Building and Development Skills</td>
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<td>MINALOC</td>
<td>Ministry of Local Government, Community Development and Social Affairs</td>
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<tr>
<td>MINECOFIN</td>
<td>Ministry of Finance and Economic Planning</td>
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<tr>
<td>MTCI</td>
<td>Ministry of Trade, Commerce and Industry</td>
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<tr>
<td>M&amp;E</td>
<td>Monitoring and Evaluation</td>
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<td>NDIS</td>
<td>National Decentralization Implementation Secretariat</td>
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<td>NDSC</td>
<td>National Decentralization Steering Committee</td>
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<td>NICI</td>
<td>National Information and Communications Infrastructure</td>
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<td>Acronym</td>
<td>Full Form</td>
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<td>OECD</td>
<td>Organization for Economic Cooperation and Development</td>
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<td>ORTPN</td>
<td>Rwanda Office of Tourism and National Parks</td>
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<td>RCRSA</td>
<td>Rwanda Commercial Registration Service Agency</td>
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<td>RDB</td>
<td>Rwanda Development Board</td>
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<td>REMA</td>
<td>Rwanda Environment Management Agency</td>
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<td>RESC</td>
<td>Rwanda Economic and Social Council</td>
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<td>RIA</td>
<td>Regulatory Impact Analysis</td>
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<td>RIEPA</td>
<td>Rwanda Investment and Export Promotion Agency</td>
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<td>RITA</td>
<td>Rwanda Information and Technology Agency</td>
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<td>RRA</td>
<td>Rwanda Revenue Authority</td>
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<td>SME</td>
<td>Small and Medium Enterprises</td>
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EXECUTIVE SUMMARY

The 1994 genocide destroyed Rwanda’s fragile economic base, severely impoverished the population, and eroded the country’s ability to attract private and external investment. However, over the last 10 years, Rwanda has made significant progress in stabilizing and rehabilitating its economy. In the aftermath of the 1994 genocide, a broad economic reform agenda was initiated in Rwanda, which included macroeconomic stabilization, establishment of new economic and financial institutions, privatization of state enterprises, development of human resources, and re-building of infrastructure. By 1998, progress was made in achieving macroeconomic stabilization, and in the last half of the 1990s, the economy grew at more than 10 percent per annum, although from a very low base. With a per capita income of some $320 in 2007, Rwanda remains one of the poorest of the Least Developed Countries.

Starting in 2001, Rwanda embarked on “second generation” reforms aimed at facilitating private sector development based on a policy framework consistent with international best practice. This broad reform agenda required revision of the entire legal framework, rationalization of the tax code to eliminate discretion, and reform of the land system through legislation unifying land policy and creating a titling/cadastre system. This emphasis on the rule of law has been complemented by a strong policy against corruption, which has brought international recognition. The reform agenda has already included reform of business regulations across a broad range of issues, to the point that Rwanda was recognized by the World Bank’s Doing Business indicators as one of the leading reformers in 2004 and 2005.1 Rwanda has made significant improvements in a relatively short period, but, reflecting how poor the enabling environment was, these improvements still leave the economy far behind best practice internationally. In general, regulations and services provided by the government still fall short of what is needed for effective promotion of the private sector.

This report reviews the current state of regulatory capacity and performance in Rwanda, with a view to identifying weaknesses that must be overcome.

and existing strengths upon which the regulatory management system could be constructed. Much of the regulatory reform carried out to date has been directed to solving existing problems and weaknesses, but it is also essential that the capacity to make new regulations and to keep them up to date is strengthened. The report argues for building a regulatory management system by adopting a broad policy on regulatory reform that establishes short- and medium-term objectives and focuses on implementing better regulations and regulatory procedures.

Regulatory reform would benefit from a high-level champion. This role could be played by a newly created ministerial position or the head of the Rwanda Development Board. This institution should have high-level political access to ensure that regulatory reform receives the attention it needs. This role would also need technical support. This could come from a newly created regulatory reform unit or from staff at the Rwanda Development Board, which includes a Doing Business/Investment Climate Unit.
REGULATORY REFORM IN A NATIONAL CONTEXT

Economic development context

With a per capita income of some $320 in 2007, Rwanda is one of the poorest of the Least Developed Countries. Rwanda is densely populated, with about 90 percent of its 10 million population living in rural areas and engaged in agriculture and related activities. It is the most densely populated country in Africa. In addition, it is landlocked, has few natural resources, and minimal industry. Agricultural production, which generates the economy’s major exports of coffee and tea, is concentrated on small, increasingly fragmented semi-subsistence farms. The 1994 genocide destroyed Rwanda’s fragile economic base, severely impoverished the population, and eroded the country’s ability to attract private and external investment.

However, over the last 10 years, Rwanda has made significant progress in stabilizing and rehabilitating its economy. In the aftermath of the 1994 genocide, a broad economic reform agenda was initiated in Rwanda, which included macroeconomic stabilization, establishment of new economic and financial institutions, privatization of state enterprises, development of human resources, and re-building of infrastructure. By 1998, progress was made in achieving macroeconomic stabilization, and in the last half of the 1990s, the economy grew at more than 10 percent per annum, although from a very low base. However, while recovery in the informal sector was relatively rapid (particularly in services and agriculture), the growth of formal sector activity (agribusiness, domestic trade, manufacturing) was relatively weak.

Starting in 2001, Rwanda embarked on “second generation” reforms aimed at facilitating private
sector development based on a policy framework consistent with international best practice. This broad reform agenda required that the entire legal framework would be revised, including crucial business laws such as the income tax and customs laws, the Investment Promotion Act, the Land Law, and the Labor Law. The tax code was also revised and rationalized to eliminate discretion, and the land system was reformed through legislation unifying land policy and creating a titling/cadastre system. This emphasis on the rule of law has been complemented by a strong policy against corruption, which has brought international recognition.6

However, between 2001 and 2005,7 growth slowed, averaging 6.4 percent per annum, as the services sector replaced agriculture8 as the major contributor to increased production. Over the 10-year period, investment9 rose steadily as a share of GDP. The growth of per capita income has led to a reduction of poverty during the period, but it has been accompanied by rising inequality,10 and 60 percent of the population remains in absolute poverty. External assessments support the characterization of Rwanda as having made progress, but from a very low base, which leaves it with much to do.11

Increasing growth is a key challenge for the government, as is reducing the proportion of the population living in poverty. Rwanda’s Economic Development and Poverty Reduction Strategy (EDPRS12) sets out the country’s objectives, priorities, and major policies for the next five years (2008-2012), and provides “a medium-term framework for achieving the country’s long-term development aspirations as embodied in Rwanda Vision 2020, the seven-year GOR program and the Millennium Development Goals.”

As stated in the introduction, the EDPRS “advocates a different way of doing things in Rwanda. In particular, it makes the case for consolidating and extending the decentralization of public spending when accompanied by robust accountability mechanisms. The EDPRS also recognizes the key role of the private sector in accelerating growth to reduce poverty.” Three major programs are designed to implement the EDPRS strategy—Sustainable Growth for Jobs and Exports, Vision 2020 Umerenge, and Governance. Vision 2020 Umerenge is a decentralized rural development program designed to accelerate the reduction of rural poverty.

EDPRS’s highest priority is to increase the growth rate to create new jobs13 and generate exports, which is to be achieved through a large public investment program aimed at reducing the costs of doing business. It is expected that the public

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6 In 2006, the Heritage Foundation/Wall Street Journal Index of Economic Freedom recognized Rwanda as the most improved country in Africa over the past 10 years (and seventh most improved in the world) in terms of economic freedom.

7 This was the period covered by the government’s Poverty Reduction Strategy Paper, “elaborated in a post-conflict environment where the primary emphasis was on managing a transitional period of rehabilitation and reconstruction.” The reform program identified six broad areas: 1) rural development, and agricultural transformation; 2) human development; 3) economic infrastructure; 4) governance; 5) private sector development; and 6) institutional capacity-building.

8 Expansion of agriculture is constrained by various factors; land is scarce, titles are not secure, erosion is a continuing and worsening problem, infrastructure, especially roads, is deficient, the level of agricultural technology is low, and capital is in short supply.

9 The share of public investment fell for most of the period, before recovering in 2004 and 2005, while private investment’s share of total investment increased as a result of privatization and liberalization of the economy.

10 Rwanda’s Gini coefficient rose from 0.47 to 0.51 during the period 1996-2005. The level is high by international standards, with only Kenya in Eastern Africa having more inequality.

11 Rwanda’s ranking by the Institutional Investor rose from 155 in 2006 to 148 in 2008 (out of 173 and 174 countries respectively), with the score (on a scale of 0–100) rising from 11.7 to 18.7. Rwanda’s Index of Economic Freedom ranking rose from 126 to 116 (out of 157 countries) during the same period, with the score (also on a scale of 0–100) rising from 47.8 to 54.1. The World Bank’s Control of Corruption Indicator ranked Rwanda 82nd (out of 201 countries) in 2008 compared to 135th (out of 200 countries) in 2006.

12 See http://www.rwandagateway.org/article.php3?id_article=8523

13 With two-thirds of the population under age 25, the government is placing particular emphasis on creating jobs for the young.
investment program will generate incentives for increased private sector investment and activity.

The Governance program is intended to develop a regional comparative advantage in "soft infrastructure," such as well-defined property rights, efficient public administration, transparency, and accountability.

The EDPRS identifies a broad range of challenges facing the development of the economy and private sector. The major constraints are insufficient and poor quality infrastructure (notably transport, telecommunications, water, and energy), high costs of and poor access to finance, high tax rates, underdeveloped education and training at all levels, and inadequate and costly delivery of services by the public sector.\(^{14}\)

Compared with these basic constraints, regulations appear to be less significant inhibitors of development, although they are not insignificant. The World Bank’s Doing Business indicators, which provide detailed measures of regulations concerning the start-up and operation of business, tend to confirm the conclusion that regulatory barriers, even if ameliorating over time, remain serious, especially since Rwanda’s ranking is less favorable than its regional competitors.\(^{15}\)

Recent reforms placed Rwanda as the world’s top reformer in 2004, and among the top 10 in 2005, according to the Doing Business in 2006 report, and rankings have continued to improve since then. Compared to its ranking of 148th in 2006, the Doing Business in 2009 report ranks Rwanda as 139th globally in the “ease of doing business” synthetic indicator and 17th in Sub-Saharan Africa (see Annex B). These are significant improvements in a relatively short period, but far behind best practice internationally. Rwanda’s rankings are relatively good in the areas of “starting a business,” “employing workers,” “registering property,” and “enforcing contracts,” but poor in “protecting investors,” “trading across borders,” and “closing business.”

In general, regulations and services provided by the government still fall short of what is needed for effective promotion of the private sector. One indicator of this is the large share of GDP generated in the informal sector and its continuing growth: the informal economy has been estimated at about 42 percent of GDP in Rwanda (World Bank Doing Business Database 2005), with some 90,000 firms in the informal sector,\(^{16}\) which employ about 320,000 people (mainly in retail trade, basic agricultural processing, and handicrafts).

### Administrative and legal environment

While it was a Belgian colony, Rwanda was subject to the civil and criminal codes of the then-Belgian Congo.\(^{17}\) The legal system of Rwanda derives historically from the French/Belgian civil law tradition. Since July 1994, there has been a gradual introduction of the Anglo-Saxon common law system. Rwanda’s current system is thus a hybrid that combines both civil and common law features. Customary law is also in effect to the extent that it does not conflict with statutory law (Article 201 of the Constitution).

Rwanda’s legal system is now undergoing a transformation from purely civil law to a merger between civil law and common law. A number of laws have been revised since Rwanda embarked on legal reform process after the 1994 Genocide.

\(^{14}\) Data from the World Bank’s Enterprise Survey, last produced in 2006 for Rwanda, generally support the EDPRS’s listing of major constraints. See http://www.enterprisesurveys.org/ExploreEconomies/economyid-1608/year-2006

\(^{15}\) Rankings in Africa for Rwanda’s regional competitors were 5th for Kenya, 7th for Zambia, 10th for Uganda, 20th for Madagascar, 42nd for Burundi, and 46th for DRC.

\(^{16}\) This dwarfs the registered formal small enterprises, which mainly comprise micro and small firms, and account for about 3,000 firms. Of these, only 150 operate in the secondary sector, account for 18 percent of GDP, and employ about 3,000 people. In comparison, there are only about 400 large firms.

\(^{17}\) Criminal law had universal application, but written civil laws were applied only to whites, while customary law was applied to the Hutu and Tutsi population.
These include: laws relating to the code of criminal procedure; a law determining the organization, powers, and functioning of the superior council of the judiciary; a law relating to the responsibilities of judges and court personnel; laws relating to the organization, functioning, and jurisdiction of the courts; and the law establishing the organization, functioning, and jurisdiction of the Supreme Court. In addition, over the past decade, there has been a widespread reform of commercial laws, which is continuing.

In terms of the hierarchy of legal, administrative, and regulatory instruments, the Constitution is the supreme law in Rwanda, and any law or custom in conflict with it is null and void to the extent of its inconsistency (Article 201). Rwanda adopted a new Constitution on May 26, 2003. The second tier of the hierarchy is statute law or acts, which are published in the Official Gazette. The Constitution (Article 93) specifies the areas for which “organic acts” are required to provide the framework for activities; passage of such acts requires a more substantial majority than normal legislation.\textsuperscript{18} The third source of law is decree law.\textsuperscript{19} The fourth source is case law, comprising judgments from the Supreme Court, the High Court, Court of Appeal, which serve as precedents for lower courts. The fifth source of law is customary law. Finally, international treaties and conventions are a source of domestic law as long as they have been ratified by Parliament.

The central government of the Republic of Rwanda has three organs: Legislature (established under Title IV, chapter 2), the Executive (established under Title IV, chapter 3) and Judiciary (established under Title IV, chapter 5), whose functions and powers are laid out in the 2003 Constitution. The Constitution provides for legislative supremacy of Parliament and independence of the Judiciary.

The Republic of Rwanda is a unitary state headed by a president. The executive consists of the president and the Cabinet. The president, who may serve for two terms of seven years each (Article 101), is elected by universal suffrage through a secret ballot, and can be elected by a simple majority of votes cast (Article 100). The Cabinet consists of the prime minister, ministers, ministers of state and other members “who may be determined, if necessary, by the President” (Article 116). The prime minister is nominated, appointed, and removed from office by the president, and other members of Cabinet are appointed and removed from office by the president after a proposal from the prime minister.

Members of Cabinet are selected from political organizations on the basis of the organizations’ seats in the Chamber of Deputies, with a further possibility that people who do not belong to political organizations can be appointed. Article 68 precludes a member of Cabinet from simultaneously being a Member of Parliament. Finally, any political organization holding a majority of seats in the Chamber of Deputies may not supply more than 50 percent of Cabinet members.

The Constitution provides the framework for local government and decentralization structures. Article 167 provides for decentralization in accordance with provisions laid out by law. Decentralized bodies, which consist of districts, municipalities, towns, and the city of Kigali, fall under the central ministry that has local government functions—currently the Ministry of Local Government, Community Development and Social Affairs (MINALOC). Article 168 establishes a “National Council of Dialogue,” chaired by the president and consisting of five representatives of each district, town, and municipality council, along with

\textsuperscript{18} Article 93 states: “Organic laws govern all matters reserved for them by this Constitution as well as matters the laws in respect of which require related special laws...An organic law may not contradict the Constitution. Neither may an ordinary law or decree law contradict an organic law and a decree may not contradict an ordinary law. In voting upon a bill, there must be a separate vote on each article as well as a vote on the entire bill. Organic laws shall be passed by a majority vote of three fifths of the members present in each Chamber.”

\textsuperscript{19} Decrees may be issued under the name of the president, but have to be submitted to Parliament for ratification at its next session. The decree lapses if it is not ratified (Article 63).
Cabinet members, members of Parliament, prefects of provinces, and the mayor of Kigali. Meeting at least once a year, the Council is established to discuss and make recommendations on the state of the nation and the state of local government.

The legislature in Rwanda is bicameral, consisting of the Chamber of Deputies and the Senate. Parliament is the principal legislative body in Rwanda, and has the power to oversee executive actions. While the Constitution authorizes the Chamber and the Senate to adopt organic laws establishing their internal procedures (Article 73), it also establishes certain specific rules. Each house requires three-fifths of its members to be quorate, and sittings are public (Article 66). Article 71 stipulates that the Chamber of Deputies and the Senate shall hold three sessions annually, of two months each, the first commencing on Feb. 5th, the second on June 5th, and the third on Oct. 5th.

The Chamber of Deputies is composed of 80 members, elected for a five-year term: 53 are elected by the population using a system of proportional representation (Article 77); 24 women are elected, with two from each province and Kigali; two elected by the National Youth Council; and one elected by the Federation of the Associations of the Disabled.

The Senate is composed of 26 members serving an 8-year term (not renewable). Twelve members represent the provinces and Kigali, elected through secret ballot by members of the Executive Committees of sectors and district, municipality, town and city councils of each province and Kigali. Eight members are appointed by the President; four members are designated by the Forum of Political Organizations. One member is a university lecturer or researcher elected by faculties of public universities; and one member is a lecturer elected by faculties of private universities.

The judiciary in Rwanda comprises various institutions concerned with the provision of legal services, enforcement of laws and administration of justice. The organization, jurisdiction, and functioning of courts is governed by an organic law (Article 143). The main institutions include the Supreme Court; the High Court; Provincial Courts (one for each province) and a Court of Kigali; district, municipality, and town courts (all of which are referred to as ordinary courts); and specialized courts, which include Gacaca courts and military courts. All of these courts are specified in Chapter 5 of the Constitution. (For further details, see Annex C).

Within the Executive, the Ministry of Justice and Constitutional Affairs has jurisdiction over legal matters, including the Law Reform Commission (LRC) and the Business Law Reform Commission (BLRC). The BLRC was established in 2005 to oversee the reform of commercial law, including the drafting of new laws, and the review and improvement of existing laws. Members of the commission were both from the public and private sector. A total of 14 major business laws were reviewed.

Recent regulatory reforms

Rwanda has been engaged in economic reforms since the late 1990s as part of an overall program of political, social, and economic change, as was outlined in section 1.1. Legal, regulatory, and administrative reforms have been an extensive part of the overall reform program, and together constitute a broad effort to construct pluralistic,

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20 Subject to the provision that the political organization receives at least 5 percent of the national votes.
21 Elected by a joint assembly composed of members of the district, municipality, town and Kigali councils and members of the executive committees of women’s organizations at the province, Kigali, district, municipality, town and sector levels.
22 To ensure representation of “historically marginalized communities,” and these are the last to be appointed.
23 The Constitution also has provision for former heads of state to be appointed to the Senate, and Article 82 requires at least 30 percent of the Senate to be female.
24 These are responsible for trial and judgment in cases brought against persons accused of genocide.
democratic, political, and economic structures that implement the principles outlined in the Constitution.\textsuperscript{25}

A business law reform commission was established in 2005 to draft major business laws.\textsuperscript{26} These are the major legal changes introduced in recent years:

i) New Company Law in 2008, replacing the 1988 law. The new law makes provision for new corporate forms, includes provisions for protection of minority shareholders, requires disclosure of company dealings, and contains provisions covering closure of a company due to bankruptcy. As a result, the time for incorporation of a business has been reduced significantly.

ii) Revised Labor Code in 2000 to eliminate gender discrimination, restrictions on the mobility of labor, and wage controls.\textsuperscript{27} In 2004, Rwanda carried out further labor market reforms. Overall, these changes have increased labor market flexibility.

iii) New Investment Law on investment and export promotion and facilitation. The law, which came into force in March 2006, provides the framework for the Rwanda Investment and Export Promotion Agency (RIEPA) to help investors obtain licenses and provide them with other types of assistance and incentives. A one-stop center was established at RIEPA, composed of officials from the Rwanda Revenue Authority, the Ministry of Justice, the Ministry of Labor, and the Department of Immigration and Emigration, among others.\textsuperscript{28} The law also specified performance standards for RIEPA’s responses to investors,\textsuperscript{29} and helped establish free economic zones of three kinds: export-processing zones, single enterprise export-processing zones and free trade zones, and provides for incentives to be given to investors.\textsuperscript{30}

iv) Law on customs. Rwanda facilitated trade by extending the opening hours of the customs border offices, implementing an electronic data interchange system, and introducing risk-based inspections. Together with growth in the transport sector, this reduced the time to export by five days and the time to import by 27 days, a 40 percent reduction.

v) A law on tax. In 2005, customs duties were streamlined; pre-shipment inspection were abolished, and electronic declarations were introduced.

\textsuperscript{28} In the performance of their duties, these officials are to be answerable to RIEPA management.

\textsuperscript{29} The new laws being prepared under the auspices of the Business Law Reform Commission include: law on intellectual property rights; law on the accountancy profession; law on cooperatives; law establishing the Rwanda Registration Services Agency; Companies law; Organic Law for commercial Courts; law on competition and consumer protection; law on bankruptcy; law on contracts; law on condominiums; law on privately funded infrastructure; law on secured transactions; labor law; law on trade licensing; law on negotiable instruments; law on electronic commerce.

\textsuperscript{29} RIEPA is required to make and communicate its decision regarding an investment certificate within 10 working days after receiving a complete application. Should RIEPA fail to act within 10 days, the investor may complain to the Minister of Commerce who is in turn required to investigate the matter and communicate his/her decision within five working days.

\textsuperscript{30} The law provides a definition of “foreign investor” and “local investor,” and specifies that the former shall qualify for an investment certificate with an investment of $250,000 and the latter $100,000. The law provides special non-fiscal incentives for investors who invest $500,000 in one step. These include permanent residence, citizenship, and access to land. The provision for fiscal incentives has been moved to the new law on customs and the new law on income tax, but maintained as annexes to the investment law for ease of reference.
vi) Passage of legislation to permit the creation of commercial courts, which replaced the commercial chambers that did not work very well, given the difficulty of finding assessors. In 2007, commercial courts were created in Kigali and the Northern and Southern Provinces to make it easier to enforce contracts and free up the regular courts. According to Benedict Gakwaya Gatete, the vice president of the commercial high court, there were in 2008 some 2,700 cases waiting to be heard, with the Kigali commercial court scheduled to deal with more than 2,000 disputes. The Huye court in Southern Province and Musanze in Western Province are set to hear 450 and 240 cases respectively. The commercial high court was faced with a backlog of more than 700 commercial cases. However, private sector sources report that the courts have not been functioning efficiently because of difficulties in finding and appointing assessors. As a result, a new backlog of cases may be emerging. A Law on Arbitration and Conciliation is now being drafted to provide a legal framework for improving arbitration and alternative dispute resolution in general.

Within the existing laws, the government has introduced in the last several years regulatory and administrative reforms designed to reduce red tape and the cost of doing business. A draft law establishing a Rwanda Registration Service Agency has been passed, and the agency was established early in 2008. The law is intended to simplify procedures for obtaining trade permits and licenses. In September 2008, the Rwanda Development Board (RDB) was established to fast track development projects and facilitate new investment. RDB consolidates several government agencies previously involved in promoting investment, including RIEPA, the Rwanda Commercial Registration Service Agency (RCRSA), the Human Resource and Institutional Capacity Development Agency (HIDA), the Rwanda Information and Technology Agency (RITA) and the Rwanda Office of Tourism and National Parks (ORTPN). The establishment of RDB builds on the investment law of March 2006, which helps investors obtain necessary licenses, visas, work permits, and tax incentives (See para 1.2).

Construction permitting was streamlined over a two-year period by combining applications for location clearance and a building permit in a single form and introducing a single application form for water, sewerage, and electricity connections. This reduced both the number of procedures and the time required for dealing with construction permits. The time and cost to register a property also fell. A new fixed registration fee was introduced, and centralization of the tax service reduced the time to obtain a certificate of good standing. In addition, there have been cases of improved coordination between agencies. For example, land title issuance, which involves several agencies, has benefitted from improved coordination through the creation of the Land title Commission. Different agencies involved in inspections have begun to work together.

In 2008, Rwanda started to implement a licensing reform program (see Box 1), with the objective of introducing institutional procedures for future broader reform of business regulations. Initially concentrating on reform of business licenses, the reform program will also design and introduce procedures for assessing the impact of future regulations.

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31 Under these new commercial courts, disputes were to be heard by a Judge and two lay assessors knowledgeable in commercial issues. Assessors are used due to the lack of specialized skills to deal with commercial dispute resolution among judges.
Box 1: Licensing Reform in Rwanda

The licensing reform program has the following components:

- Identification and mapping of all business licenses.
- Review of laws, regulations, and other legal instruments relating to licenses.
- Review of licenses, permits and certifications, and justification of continuation.
- Quantification of administrative burdens and other impacts imposed on businesses.
- Review of licenses using simple business-friendly criteria consistent with international good practice.
- Establishment of a quantitative burden reduction target.
- Establishment of an electronic registry of all valid licenses.
- Establishment of screening mechanism to review all new business licenses, including a “light” RIA system.
- Development of a medium-term regulatory strategy, identifying priorities and targets.
- Capacity-building for regulatory reform activities in public and private sectors.

Regulatory reform principles and policies

Governments should be clear about why they are pursuing private sector development and reforming regulation, and about the principles and objectives of reform and the responsibilities of the groups involved in reform. The most effective way to do this is to establish an explicit regulatory reform policy, based on internationally accepted principles of good regulation (See Annex A).

As indicated in the previous sections, Rwanda has pursued numerous policy reforms that have regulatory implications and consequences. However, to date, Rwanda has not adopted an explicit policy on systemic regulatory reform or quality at the highest level of government. Nonetheless, the government has formulated, within the 2008–2012 EDPRS, a governance strategy (one of three cross-cutting programs), which is intended to build on Rwanda’s reputation as a country with a low incidence of corruption and a regional comparative advantage in “soft infrastructure.” The governance program puts emphasis on supporting the development of “soft infrastructure” for the business community through implementing the commercial justice, business and land registration programs, improving economic freedom, improving the regulatory and licensing environment for doing business, and promoting principles of modern corporate governance.

The EDPRS indicates, that, whereas Rwanda enjoys a reasonable incentive environment (including tax) for business and a low incidence of corruption, it suffers from i) poor records in regulatory; ii) tax, enforcement, excessive bureaucratic hurdles; and iii) poor understanding of business requirements in the lower levels of public administration. The EDPRS prioritizes a wide range of public sector reforms, which include:

- expanding decentralization and enhancing accountability at all levels of government;
- enhancing public sector capacity;
- strengthening public financial management and improving procurement; and
implementing performance-based budgeting and increasing the transparency and predictability of policy making.

In addition, the program puts emphasis on supporting the development of soft infrastructure for the private sector through implementing the commercial justice, business, and land registration program, improving economic freedoms, reforming the regulatory and licensing environment for doing business; and promoting principles of modern corporate governance.

Institutions and drivers to promote regulatory reform

Procedures spelling out explicit responsibilities and authorities for managing and tracking reform inside the administration are needed to keep reform on track and on schedule, and to ensure regulatory quality standards continue to improve. It is often difficult for ministries to reform themselves, given countervailing pressures. Initiating and taking up a reform agenda, maintaining its consistency and pursuing systematic approaches across the entire administration is necessary if reform is to be broad-based. This requires the allocation of specific responsibilities and powers to agencies at the center of government. Considerable experience across the OECD has shown that central oversight units are most effective if they have the following characteristics:

- independence from regulators (i.e. they are not closely tied to specific regulatory missions);
- operation in accordance with a clear regulatory policy, endorsed at the political level;
- horizontal operation (i.e. they cut across government);
- expert staffing (i.e. they have the information and capacity to exercise independent judgment); and
- links to existing centers of administrative and budgetary authority (centers of government, finance ministries).

There are established mechanisms within the Rwandan government for making policies and laws. According to Article 97 of the Constitution, executive power is vested in the president and the Cabinet, which is responsible for implementing national policies agreed upon by the president and the Cabinet. In practice, most policy decisions are implemented following a decision by Cabinet, and its approval of a draft bill signifies adoption of a government position to be presented to the Parliament. In Rwanda, the principle of collective responsibility is followed through countersignatures of decisions by the president, prime minister, and minister whose portfolio includes the issue/decision in question.

In Rwanda, as in most countries, the Cabinet paper is the basic decision document for consideration by government, and preparations for new policy, legislation, or regulations are usually initiated by the ministry that carries policy responsibility. This author has not been able to locate written instructions or guidelines for preparation of Cabinet papers and draft legislation, but interviews with public sector lawyers revealed that there is a standard procedure. The first step is the preparation of a policy paper, which is submitted to Cabinet following consultations with other ministries and, in some cases, non-government stakeholders. Once the Cabinet has approved the policy recommendation, the ministry responsible for policy implementation will, if necessary, draft legislation, using in-house lawyers or consultants. The draft bill is subjected to further consultation with all stakeholders, and the amended draft bill is then

32 Article 117 of the Constitution, which also stipulates that Cabinet is accountable to the president and to Parliament.
33 In addition to consultations with affected line ministries, the Ministry of Finance and Economic Planning (MINECOFIN) has to be consulted on any proposal that has budgetary implications. The Ministry of Public Service, Skills Development, Vocational Training and Labor has to be consulted for proposals that have implications for the civil service and the human resources needed for implementation.
submitted to the Cabinet Secretariat/Ministry of Cabinet Affairs, which organizes a “pre-Cabinet” meeting of the Inter-ministerial Coordination Committee (ICC) to vet the bill before submission to Cabinet. After Cabinet takes a decision on the draft bill, it is submitted to the Ministry of Justice’s Legislation Department, which examines it for consistency and conformity.

Once submitted to Parliament, the bill is presented by the prime minister or the responsible minister for its first hearing, after which bills with economic and financial implications are forwarded to the Economic Committee. This committee carries out an article-by-article scrutiny and may receive testimony from experts in the field. Subsequently, the bill is presented for its second reading by the chairman of the Economic Committee. Following debate on the floor of the Parliament, the bill is voted, and sent to the president for assent.

An effort is underway to improve the legislative and policymaking process in response to criticism about its quality and speed. On Jan. 28, 2008, through a Presidential Decree, the Cabinet created a Secretariat to the Cabinet, with responsibilities for preparing Cabinet meetings and ensuring that all working documents are of high quality and prepared according to established procedures and standards. The Secretariat has also been given responsibility for monitoring and reporting on implementation of Cabinet decisions, with an explicit view to reducing the workload of the president and the prime minister. The Secretariat has three departments – Economics, Social, and Governance and Legal Affairs, be staffed by technical and professional officers. The Secretariat, along with the Official Gazette, comprises the Ministry of Cabinet Affairs, which is headed by a Minister of State in the Office of the Prime Minister.

One of the innovations being introduced by the Ministry of Cabinet Affairs is an e-Cabinet system (see Box 2), designed to replace the paper-based document system still in use. Currently the Cabinet process is mainly paper-based, requiring large volumes of paper to be processed. One of the handicaps of this system is that it lacks a systematic and technology-based monitoring system that not only focuses on the agenda formulation and deliberation process but also on monitoring the implementation of Cabinet decisions. This is a barrier to assuring that Cabinet decisions are being implemented in an effective and efficient manner.

Other improvements in the policy-making process are also being considered. There is an intention to introduce more formal arrangements for structuring policy submissions, along the lines of the British government, which uses the concept of “green papers” and “white papers.” Moreover, discussions have been held concerning the legal delays that have held up preparation of legislation. The country has enough lawyers and drafters in line ministries, the Ministry of Justice’s Legislation department and the Parliamentary Drafting Office, but that there is a growing need for better skills and training.

There are other mechanisms within the government that are relevant to regulatory processes and reforms. The EDPRS emphasizes that improving horizontal coordination within the public sector is a strategic priority of all the flagship programs

34 In charge of matters from ministries with economic-related activities in their mandate, including: trade, finance, investment promotion, planning, rural development, environment, labour, information and communication technology, infrastructure.
35 In charge of matters from ministries with social-related activities in their mandate, including: health, education, sport, social security, youth, culture, gender.
36 In charge of matters from ministries with governance and legal-related activities in their mandate, including: governance, justice, foreign affairs and cooperation, public service, civil society, security.

37 The government of Rwanda has received a grant from the World Bank to implement its e-Government strategy. This Grant has been provided under the e-Rwanda project, which is being implemented by the Rwanda Information Technology Authority (RITA)
38 This was a recommendation made by Tony Blair, who has served as an advisor to the president in the last couple of years.
in the EDPRS. In the development of the EDPRS, 19 sector working groups (SWGs) and Cross-Cutting Issues (CCIs) teams were involved, comprising stakeholders from central and local government, donors, civil society organizations, and the private sector. They were organized around four clusters (Growth, Rural Development, Human Development and Governance). These clusters remain as an implementation mechanism during the 2008–2012 period to improve cross-sectoral coordination and cooperation in delivering systemic and cross-cutting programs. The Governance cluster provides a vehicle that could be used to monitor and promote implementation of regulatory reform efforts that cut across ministries and even levels of government.

The government has also introduced an incentive and performance contracting system within the EDPRS. All line ministries and public agencies have been required to sign formal public service agreements (central government imihigo), based on EDPRS sector priorities, which state the time-bound outputs that will be delivered in return for their budgetary allocation. In addition, in those cases where inter-sectoral coordination is particularly crucial to ensure a successful outcome, the participating line ministries and other public agencies will be encouraged to sign a local level coordination agreement. Again, these incentive mechanisms and coordination devices could be used within a broad regulatory reform program.

Currently, the government has not established an organization to coordinate overall regulatory reform. However, in May 2008, the government did establish a Business Licensing Reform Committee (BLRC), which received formal approval by a Cabinet Decision of Nov. 13, 2008, and was given the mandate to guide, oversee, and champion implementation of a business licensing reform program. The commission consisted of 16 members drawn from relevant ministries and agencies, and chaired by the permanent secretary in the Ministry of Trade and Industry. The mandate of the BLRC was to produce an inventory of all licenses and to recommend specific reforms by January 2009. The goal was to reduce the number of unnecessary licensing requirements and to make licensing regimes simpler, transparent, and restricted to legitimate regulatory purposes. For

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Box 2: E-Government Project for the Cabinet

The objectives of the project are:

- elimination of the need for each government ministry to send hard copies of every memorandum to the Ministry of Cabinet Affairs;
- elimination of the need for the Ministry of Cabinet Affairs to send, by hand, to every Cabinet member, copies of memoranda, agendas, decisions etc;
- Electronic capture of all records relating to the Cabinet processes. This will result in a comprehensive electronic archive and in possibilities for the creation of new information resources;
- an improved, electronic means of tracking progress with implementing Cabinet decisions;
- automation (or semi-automation) of key aspects of Cabinet processes and improved supports for the cabinet business process generally;
- improved communication with ministries and other government institutions;
- improved efficiency and effectiveness of the Cabinet processes; and
- development of an interactive and dynamic Web site for the Ministry of Cabinet Affairs.

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39 Each SWG is chaired by a lead government institution and co-chaired by a lead donor.
the moment, the BLRC is the focus of cross-cutting regulatory reform activities.

Coordination between levels of government

It is good practice for governments to support reform at all levels. This difficult task is increasingly important as regulatory responsibilities are shared among many levels of government, including supranational, international, national, and sub-national levels. High quality regulation at one level can be undermined by poor regulatory policies and practices at other levels, while, conversely, coordination can vastly expand the benefits of reform. The policies and mechanisms for coordination between levels of administration are thus becoming increasingly important for the development and maintenance of an effective regulatory framework.

Chapter VI of the Constitution (Article 167) makes provision for decentralization of public administration to local governments. As of 2005, Rwanda has four provinces, the City of Kigali, and 30 districts. There are three further levels of administration: 416 sectors (imirenge), 2,150 cells (akagari) and 14,975 villages (imidugudu).

In May 2000, the government embarked upon an ambitious decentralization and devolution policy aimed at empowering the whole population to participate in the political, economic, and social transformation of the country. Decentralization is an integral part of the national development strategy as expressed in Vision 2020, the PSRP and the National Program for Strengthening Good Governance for Poverty Reduction. One important and unusual feature of the Rwanda approach to decentralization was the attempt to blend modern approaches to public administration with traditional concepts of cooperation and community.\(^ {40} \)

The strategy for decentralization was laid out in a three-year Decentralization Implementation Programme (DIP), which was launched in January 2001. An “Appraisal of the Decentralization Process in Rwanda” was conducted between June and September 2003 to establish the extent of progress and to define a second DIP for a further five years (2004 - 2008). The appraisal\(^ {41} \) identified progress in:

- creating the policy and legal framework, and establishing institutions for promoting democratic local governance;
- building local administrative capacity of communities and leaders; transferring fiscal responsibilities and financial resources to decentralized units; and
- mainstreaming gender in governance and poverty reduction activities.\(^ {42} \)

But the appraisal also identified a number of deficiencies:

- inadequate capacity and low levels of competency at all levels;
- inadequate utilities and economic infrastructure in decentralized units;
- limited and unpredictable funding.\(^ {43} \)

\(^ {40} \) Rwandan traditions include umugandu (voluntary work on public projects); ubudehe (collective action for community development); gaceca (communal resolution of disputes); and somuuzo (contributions to the needy or a social goal).\(^ {41} \) “Appraisal of the Decentralization Process in Rwanda,” VNG International, September 2003.\(^ {42} \) This last area is of great importance in Rwanda, because a high proportion of households are headed by women, many widowed as a result of the genocide.\(^ {43} \) Over 90 percent of district government revenues come from central government transfers (the exception is the City of Kigali which raises around one third of its revenues from municipal taxes and fees). Some transfers from central government are not earmarked for particular expenditures. The Community Development Fund (CDF) commits 10 percent of central government revenue to financing investment projects selected by the districts. CDF resources have recently been made available to districts to identify suitable projects to the CDF committee. Another source of non-earmarked funds is the Local Authority Budget Support Fund (LABSF) which commits 5 percent of central government revenue to the districts. In practice,
weak institutional coordination at all levels;
limited decentralization of functions below district level units; and
limited appreciation of the principles and values of decentralization.

The second DIP had five major components: institutional development and capacity building; fiscal and financial decentralization; planning machinery; sectoral decentralization; and monitoring and evaluation. The emphasis in the institutional development and capacity building component was to:

- strengthen the capacities of each institution involved in decentralization;
- develop linkages between institutions;
- develop a local government staff with job descriptions and decision-making procedures; and
- establish a civil service structure from local to central government.

For fiscal decentralization, the emphasis was on financial management and accountability, and generation and effective utilization of local revenue. For the planning machinery component, the key objective was to provide skills to elected and technical staff in participatory planning techniques and to establish coordination and harmonization mechanisms at all levels, with a view to having all local authorities prepare their own development plans. The sectoral decentralization component aimed to push delivery responsibilities for provision of public services in health, education, agriculture, and investment down to the local level, and to promote increased economic activity through enterprise and employment creation activities.

The monitoring and evaluation component envisaged the development and implementation of a review system, monitoring instruments and data collection tools. Throughout the DIP, the emphasis was placed on a consultative and participatory approach and a gradual and incremental approach to the decentralization process itself.

The DIP also instituted a National Decentralization Steering Committee (NDSC) and a National Decentralization Implementation Secretariat (NDIS) to coordinate all decentralization activities. NDIS was established in MINALOC, and replaced the Decentralization Management Unit (DMU) that had overseen and supported the first DIP. NDIS reports to a Secretary General in MINALOC, and up to the minister, and has reporting relationships also with the Minister of State for Good Governance and the Minister of State for Community Development and Social Affairs. This umbrella organizational structure provides for the central ministries to participate in the evolution of policy and programs at the local level, and to provide technical support to each level of the local administration.

Insofar as business regulation and its reform are responsibilities that are shared by central and local government organizations, the planning, coordination and management framework described above will probably provide the context within which specific regulatory reform activities will have to be developed.

most LABSF resources are used to pay local staff. All other transfers from central government are earmarked for particular types of spending at local level. These earmarked funds accounted for around 87 percent of central government transfers to districts in 2007. Some of these funds are paid in ways which encourage local providers to improve service delivery.

NDSC meetings are held at least annually. There are a number of forums that also tie into the coordination framework for decentralization: Secretary Generals Forum; Prefects Forum; Focal Points Forum; Donors Forum; Civil Society Forum. There is also a Rwanda Association of Local Government Authorities (RALGA).
Administrative transparency and predictability

A transparent regulatory system is essential to establishing a stable and accessible regulatory environment that promotes competition, trade, and investment, and helps prevent undue influences from special interests. It reinforces the legitimacy and fairness of regulatory processes, but it is not easy to establish in practice. Transparency involves a wide range of practices, including standardized processes for making and changing regulations; consultation with interested parties; plain language in drafting; and publication, codification, and other ways of making rules easy to find and understand. Transparency also involves implementation and appeal processes that are predictable and consistent.

Since 1994 the government of Rwanda has adopted a specific policy of more transparent, open, and consultative procedures for making policy reforms in general. These procedures have been viewed as essential components of the process of building a united country and citizenry.

At the same time, there are continued constraints that hinder openness and participation by the public in Rwandan regulatory development.

Provisions for transparency in making laws

Transparent and consistent processes for making and implementing laws and regulations are fundamental to ensuring public confidence in the rulemaking process.

It appears that Rwanda does not have specific laws, regulations, or guidance documents setting out rulemaking requirements. Interestingly, although it stresses the need for dialogue and consultation in broad terms, the Constitution is silent on the frameworks for and process of policymaking.

There appears to be considerable inconsistency across regulatory procedures in terms of clarity and consistency of approach to rulemaking. In some cases, the processes are not written at all, or practice deviates from what is provided for formally.
Provisions for consultation

Consultation is a systematic attempt to discover the opinions of groups affected by regulation and to obtain data useful in regulatory development and analysis. It may be general (e.g. advertisement for comment) or specifically targeted (e.g. focus groups, working parties). Consultation can contribute to regulatory quality by:

- bringing new ideas, perspectives, and data to the attention of regulators;
- helping to balance opposing interests and reduce the risk of capture;
- identifying unintended effects and practical problems;
- gathering information on compliance issues; and
- providing a quality check on the administration’s assessment of costs and benefit.

Consultation can also enhance voluntary compliance by creating a sense of “ownership” of the resulting regulations, reducing reliance on enforcement and sanctions.

Article 9 of the Constitution establishes the basis for consultation within government and between government and the citizens by referring to the “constant quest for solutions through dialogue and consensus.” Furthermore, Article 45 guarantees the right of all citizens to participate in the government of the country, whether directly or through elected representatives.

Consultation within government: To date, there is no evidence that the Constitution requires ministries proposing policies and laws to consult with affected parties or other ministries. There does seem to be an implicit requirement for the originating ministry to seek advice from the Ministry of Finance in cases where policy proposals have a budgetary impact, and the Ministry of Justice has to provide its endorsement for any new or revised law proposed by the sponsoring ministry.

Public Consultations: Public consultation has been introduced in the process of preparing the government’s major strategy documents, including the EDPRS Strategy. The consultation procedures adopted for these documents have evolved over time, and appear to have been viewed widely as inclusive and thorough.

Under the Public Sector Reform Project, the government is undertaking an information, education, and communication program to ensure citizen awareness of, and feedback to, the MSCBP. The IEC strategy will be based on stakeholder groupings and information needs identified through a social assessment (including a stakeholder analysis and a Knowledge, Attitudes, and Perception Survey-KAP Survey) early in project implementation. In support of the new public sector reform strategy (PSRS), this component assists the Ministry of Labor, Capacity Building and Development Skills (MIFOTRA) in developing a framework, policy, guidelines, and implementation scheme for public-private-civil society partnerships for service delivery.

The former Chamber of Commerce was replaced by the Rwanda Private Sector Federation (FRSP in French), with 14 primary associations serving as a basis for dialogue between the public (government authorities) and the private sector, and as the basis for involvement of investors to the decision-making process. Recently, a Rwanda Economic and Social Council (RESC) was established to provide a basis for private sector and government stakeholders to discuss issues relating to the business environment and the economy. It appears that this organization has not yet had a powerful effect upon consultations within Rwanda.
Communication of regulations

Another dimension of transparency is the need for the government to effectively communicate the existence and content of all regulations to the public. This means that the regulations are available to the public at reasonable cost, in a language that can be easily understood. Communication is also essential to achieving effective compliance.

According to an assessment carried out by the World Bank in 2006, general information on government policies is easily accessible. Even without specific and formal communications strategies, dissemination of the PSRP, which was drafted in English and French with a summary version translated into Kinyarwanda, has been strong; a clear communication strategy was adopted as part of the EDPRS process, and it has been disseminated, translated into the three official languages. All documents related to the EDPRS and harmonization, including tables that indicate the status of deliverables, have been posted on donors’ Web sites. Fiscal data on the government budget is also published on the MINECOFIN Web site.

Laws and regulations, once approved, are published in the *Official Gazette*, which is published twice monthly. The Office of the Prime Minister also maintains the *Official Gazette* Web site, and another site that provides all Cabinet decisions made during the previous year. In addition, the Ministry of Justice maintains a Web site that contains the full text of laws and regulations in three languages. All three of these sites contain full texts and are up to date.

Compliance and enforcement of regulations

The adoption and communication of a law or regulation is only part of the regulatory process. The law can achieve its intended objective only if it is adequately implemented, applied, complied with and enforced. A low level of regulatory compliance threatens the effectiveness of regulations, public policies, and ultimately the capacities and credibility of governments in taking action. Compliance and enforcement issues can be considered in terms of processes and practices as well as institutional structures.

Rwanda faces significant weaknesses in the enforcement of regulation, largely as a result of inadequate capacity and manpower in regulatory agencies. The general problem has been recognized by government, which is establishing an Inter-Ministerial Task Force to review the state of implementation of standards and codes, and promote and sustain existing efforts to raise awareness of corporate governance issues in public and private spheres. It will ensure that the relevant regulatory and enforcement bodies are actively enforcing the laws, including the Rwanda Revenue Authority (RRA), Rwanda Environment Management Agency (REMA), Rwanda Bureau of Standards and the National Tender Board.

Under the World Bank-funded Public Sector Reform Program, one of the components is designed to develop a national monitoring and evaluation (M&E) system to track progress in eradicating poverty, achieving the MDGs, and other key priorities on the government’s development agenda. This national system would draw on existing data and M&E systems in various sectors, build new ones where needed, and aggregate relevant data at the national level. It would improve or put in place a basic M&E system at the national level and in ministries, departments, and agencies (MDAs) for financial, physical, output, and impact indicators. MDAs would expand their monitoring efforts to include performance monitoring of their strategic plans.

This national M&E system should provide the framework for monitoring regulatory reforms. Developing the M&E system could help institute a performance-oriented management culture where evaluation of progress feeds back into project, program, and policy design.
Public redress and appeals

Mechanisms to redress regulatory abuse must also be in place, not only as a fair and democratic safeguard in a rule-based society, but also as a feedback mechanism to improve regulations. The first stage of seeking redress is to complain directly to the government agency that has taken the decision. The second stage is to seek review by the courts. There may be other institutions for redress, such as arbitration, mediation or an ombudsman.

Rwanda established an ombudsman’s office in 2004 that monitors transparency and compliance with regulations in all governmental sectors. The Rwanda Utility Regulation Agency, the Auditor General’s Office, the Anticorruption Division in the Rwanda Revenue Authority, the National Bureau of Standards, and the National Tender Board are all in place to enforce regulations as well. The press exposed instances of bad debts and malfeasance in 2007 involving private citizens and government officials. Government investigation and public exposure has led to some arrests and resignations within the government. Rwanda continues to vigorously fight corruption.

A key component of the government’s regulatory system is the Auditor General’s Office, established in 1999 to audit government adherence to fiscal controls. The Auditor General’s report for 2007 cited many accounting irregularities. The prosecutor general and the police are using the report to examine official conduct of government business in several dozen institutions.

Through the Rwanda Private Sector Federation, the business community has been able to lobby the government of Rwanda and to provide feedback on government policy and execution.

In 1998, an Arbitration Center was created to settle commercial disputes. The Rwandan government’s policy is to encourage the formation of more arbitration centers. A Law on Arbitration and Conciliation is being drafted to provide a legal framework for improving arbitration and alternative dispute resolution in general.45

No consumer protection associations exist in Rwanda.

Policy instrument alternatives

A core administrative capacity for good regulation is the ability to choose the most efficient and effective policy tool, whether regulatory or non-regulatory. In the OECD, the range of policy tools and their use are expanding as experimentation occurs, learning is diffused, and understanding of the markets increases. Increasingly, guidelines for regulators in OECD countries require ministries and agencies to consider whether “command and control” regulation is likely to be the most effective policy instrument or whether other options might succeed in achieving policy goals at lower cost. But the use of regulatory alternatives in OECD countries, while increasing, is still at a relatively low level.

At the same time, administrators, rulemakers and regulators often face risks in using relatively untried tools. A clear leading role – supportive of innovation and policy learning – must be taken by reform authorities if alternatives to traditional regulations are to make serious headway into the policy system.

Government intervention should be based on clear evidence that a problem exists and that government action is needed. This should include assessments of the size of the problem, of likely government effectiveness and of the likely costs of government intervention. Good practice is this area is increasingly seen as requiring consideration of both regulation and alternative policy tools.

In the absence of any policy guidelines, ministries that are responsible for regulatory processes are not required to consider alternatives to regulation.

45 http://www.rwandainvest.com/spip.php?article81
of the traditional “command and control” type. To the extent that the purpose of regulatory reform in Rwanda has been clearly stated by the government in its various strategies, there is clearly scope for ministries to take innovative approaches. However, there is little documentation of such approaches, and the author of this report has been unable to find examples of alternatives to regulation being used in Rwanda.

Use of RIA for understanding regulatory effects

Regulatory impact analysis (RIA) provides a systematic basis for choosing the best regulatory (or non-regulatory) alternative to respond to a problem. A range of different approaches to RIA exist, depending on policy preferences and administrative capacities. At the core of any RIA system, however, are the following:

- an assessment of selected types of impact of specific types of regulation;
- assessment methodology according to predefined standards and procedures; and
- process of quality control by an independent government agency/unit.

The basis for the Rwandan government’s adoption of some form of assessment of regulatory impact is established by Article 91 of the Constitution. The article requires that “bills and statutory amendments which have the potential to reduce Government revenue or increase State expenditure must indicate proposals for raising the required revenue or making savings equivalent to the anticipated expenditure.” However, this requirement is narrower than the standard interpretation of RIA, insofar as it calls for an assessment of only financial implications of a proposal. Nonetheless, it does require the government to estimate the cost and revenue impact of the law or regulation, and demonstrate the net as well as the gross impacts.

In establishing the Business Licensing Reform Committee and defining its objectives for the future, the government has accepted the principle of introducing RIA into the development of policies and laws in Rwanda. Exactly what shape the RIA will take is not yet determined, but it is probable that it will, at least initially, be a “light” version, somewhere short of a full cost-benefit analysis. In 2008, an initial attempt was made to measure the administrative burdens of business regulation through application of the Standard Cost Model.\(^6\) The report identified various difficulties, mostly centered on data availability, in assessing costs at both the individual license level and the aggregate level, and was able to provide an estimate of costs only by making heroic assumptions.

Building administrative skills for regulatory reform

A skilled and well-trained civil service recruited on the basis of merit is a prerequisite for developing and maintaining high-quality regulations and regulatory policies.

Since 1994, the government of Rwanda has been engaged in ambitious reform programs to re-establish state institutions and reorganize the public administration for better service delivery. Rwanda has initiated reforms to improve justice and governance and to empower the population through decentralization and democratization. Much progress has been made in implementing sound economic policies, initiating reforms in the civil service and public administration as well as establishing viable institutions.

However, implementation of reforms and the functioning and performance of public sector institutions are still far from satisfactory, due largely to the severe lack of capacity. The PSRS foresees

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the restructuring of central ministries, transforming the role of central government agents from deliverers of services to overseers and facilitators. This transformation process needs to be accompanied by institutional assessments and reforms, new processes and training of civil servants.

The government of Rwanda has defined an MSCBP to facilitate efforts to strengthen institutional capacities, design and implement priority programs and related policies outlined in the PSRP, and manage financial and human resources. Capacity building activities under the MSCBP are embedded in priority sector programs included in the PSRP, reflected in program budgets and the MTEF for all priority sectors, and coordinated with the implementation of public sector reforms. The program is broad, and includes short-, medium- and long-term measures to develop human resources, and improve the capacity of institutions through training, policy development, strategic planning, and institutional restructuring. The program also provides support for reforms aimed at improving conditions in the public service, creating an attractive and affordable incentive system, and improving human resource management systems.

The introduction of annual local government performance contracts is the most recent initiative to increase the accountability of local governments. The local government performance contract is an implementation device for the District Development Plan (DDP), which includes a mix of national and local priorities. Each contract is signed by a district mayor and the president of Rwanda. Line ministries offer districts a choice of performance indicators for inclusion in District Performance Contracts (imihigo) and allow districts to set their own targets. In practice, many districts select indicators that are not on the list, and are, therefore, not closely linked to earmarked spending allocations. Work is currently underway to achieve a closer alignment of DDP indicators with the pattern of local spending, so as to improve the monitoring of the EDPRS.
Revisions of existing laws and regulations

Assessment of new regulation is not enough to ensure a high quality regulatory structure. As technology, the economy, and society change, existing regulations often become less relevant and effective. Regulatory management should involve periodic reevaluation of existing regulations to determine if they still offer the best available solution to the problems they seek to address. A systematic approach is required to ensure that all regulations are regularly subjected to this reassessment.

There has been, and continues to be a broad program of reconsideration of laws in Rwanda.

There are no provisions for “sunset provisions” to be introduced into regulatory processes.

Reducing administrative burdens

Regulatory paperwork and government formalities can be unnecessarily burdensome on regulated groups if coordination between regulators is lacking, new technologies are not used to assist in information gathering, and unnecessary information is sought by regulators. Governments worldwide are adopting programs to reduce the administrative burdens associated with regulatory requirements.

As indicated in earlier sections, the focus of Rwanda’s regulatory reform program is very strongly fixed on reducing administrative burdens and costs of regulation to the business community, especially small and medium enterprises (SMEs). The reason for a focus on reducing the regulatory burden on small businesses is not because they are regulated more onerously or differently than larger firms, but because the impact on them is disproportionately high because they have smaller scale, capacity, and resources over which to spread regulatory burdens.

Efforts have been made throughout the government in the past several years to reform various regulations and administrative procedures to reduce the costs and inconveniences to business.
Although driven by an overall perspective, these efforts have been ad-hoc and specific. One important facet of these efforts is the Capacity-building and Employment Promotion Sector (CBEPS), which aims to strengthen the capacity of the public sector to provide effective and efficient service delivery.

Unlike these efforts, the reform of the business licensing system that is being implemented under the Business Licensing Reform Program is used as a vehicle for introducing systemic regulatory reform and for creating infrastructure for better regulatory practices that can be adopted across all business regulation and eventually all regulation. In its first phase, the program is oriented to reducing the administrative burden of licensing requirements and making the licensing regime simpler, more transparent, and focused on legitimate regulatory purposes.

A BLRC was established on May 15th, 2008 under the auspices of the Ministry of Trade, Commerce and Industry (MTCI) to carry out a review of all business licenses and to recommend specific reforms by January 2009. The BLRC’s work started with construction of a complete inventory of all business licenses that exist in Rwanda. The inventory exercise identified 189 business licenses issued by 31 agencies. The first phase of reform focused on a review of all business licenses identified as potential “quick wins,” and proposals for their reform. The criteria for selecting licenses as a “quick wins” were: redundancy, illegality, and lack of any regulatory purpose. The BLRC identified 18 licenses for inclusion in the list of “quick wins,” and submitted a draft report on its recommendations for what to do with these licenses in November 2008. Consultations with affected ministries are continuing, as of the time of writing this report.

Use of ICT to support regulatory reform

Once government procedures have been streamlined and redesigned as part of regulatory reforms, use of computerized databases and registries can lead to further improvements in regulatory performance, particularly for enterprises that are a long distance away from the agencies with which they have to deal. Information and communication technology (ICT) can be used to provide information to the users of government procedures, and can also enable users and applicants to submit requests for services in a structured and consistent fashion. Moreover, use of ICT for regulatory and administrative tasks within the public sector is increasingly seen as an important way of combating corruption.

As reflected in Vision 2020’s goal of transforming Rwanda into a knowledge-based and service-oriented economy, ICT has been identified as an integral part of Rwanda’s growth strategy. The principal policy instrument for this focus is the National Information and Communications Infrastructure (NICI) Plan, which is supplemented with a comprehensive blueprint based on an eight-pillar set of strategies with a series of specific initiatives.

The government of Rwanda is committed to using ICTs to support the operations and activities of the civil and public services at all levels of the administration. This commitment is part of the government’s effort to modernize civil and public services to reduce administrative costs and promote efficiency in the delivery of government services. In the short- to medium- term, the Rwanda e-government program is focused on systems that enhance internal capabilities and information dissemination. The main implementations are office automation, e-mail, Web access, data communications and management support.

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47 It was formally established by the Cabinet decision of Nov. 13, 2008. The committee has 16 members drawn from relevant ministries and chaired by the permanent secretary, MCTI.
48 It is not clear whether the inventory is complete. If it is, then Rwanda has far fewer business licenses than its neighboring countries, which may suggest that there is a need for more regulations as well as more efficient licenses.
Currently, the government is supporting the construction of a technical infrastructure that will provide a shared and secure government-wide system, which will integrate the many processes and information flows that are currently being implemented in isolation of each other. (See previous section on RRA’s initiatives.)

Most ministries have their own autonomous Web sites capable of delivering information and interaction with the public through e-mail and access to applications. Most of these are informational sites, generally listing the ministries functions and officials, national events, public service information, tenders, tax information, national assembly deliberations, and laws and regulations. Most ministries have local area networks, some spanning entire buildings and others connected to wide area networks. Many of these are pilot projects, but some are expected to scale up as they mature and additional resources become available.

However, the new system is in its infancy, and basic steps to underpin the developments are still to be completed. For example, there are not yet any laws governing use of ICT, there are severe shortages of technical and professional skills, etc.

The Rwanda Revenue Authority has embarked on an initiative to introduce e-filing, which will enable businesses in the future to submit returns online. To cater for businesses without online facilities, RRA plans to introduce Internet kiosks around the country that can be easily accessed and used by businesses for a fee. RRA also plans to introduce a facility for online validation of Tax Clearance Certificates so that there is no need for companies to copy and notarize such certificates when they submit multiple tenders. These initiatives are in their early stages, some even in concept stage, but when fully operational they will go a long way in reducing administrative burdens on businesses.
ROLES OF DONORS

In economies where public revenue is scarce, donors have often stepped in to finance the costs of regulatory reform programs. The financing horizon of donors has been variable: some donor-assisted programs have been relatively short, focused on achieving “quick wins.” Others have been geared to capacity building and creation of a new approach to developing policies, laws, and regulations that require a long-term commitment. Irrespective of the donor time horizon, the issue of an exit strategy and the transfer of program costs to the host government remain important. In addition, there is often an issue of donor coordination and dialogue. Increasingly, donors are introducing jointly financed programs (often through donor pools) with “harmonized” procurement and financing arrangements.

Current Situation Aspects of regulatory reform have been supported in Rwanda through several programs supported by variety of donors. These donor-funded programs have been directed to solving problems in specific areas and have not focused on creating machinery within government for managing regulatory reform in a systemic way.

As indicated in earlier sections, the government of Rwanda has taken responsibility for ensuring that its development plans and priorities are carried out by adopting coordination and M&E mechanisms. It appears that these mechanisms are the primary reporting vehicle used by government, and reporting to donors is cast within that broader mechanism.
CONCLUSIONS AND RECOMMENDATIONS

Assessment of strengths and weaknesses

There is increasing pressure within Rwanda for more extensive economic reforms. There is pressure from the population at large, which wants a better standard of living and better public services, and from the business community, which wants a policy framework that reduces the cost of doing business and provides positive incentives for creation and expansion of business opportunities. The impetus for reform stems fundamentally from a government that is caught up in an urgent effort to re-create a viable democratic state and an economy that can provide for all groups.

The alternative to success in this effort has already been seen in the 1990s, and that alternative is not acceptable to the current government. The government also sees a viable and successful Rwandan economy that is bound up with its neighbors in the East African Community (EAC). In the future, additional pressures for regulatory reform are likely to stem from the development of the EAC as policy harmonization across the member countries in the areas of trade and investment is placed on the agenda.

The impetus for better regulation originates from the widespread legal reform carried out by the government over the past decade. The impetus has been translated into a number of programs and projects that have been funded by the donor community. These projects often embody facets of good regulatory practice, particularly in the area of consultation, but less so in the area of policy analysis and options. To date, good regulatory practice has been applied in an ad-hoc and partial fashion, and these projects have not been a vehicle for promoting systemic changes in the approach towards regulation.

The government’s performance on consultation still varies considerably. Including stakeholders remains a problem, whether it is because government selects who it wishes to consult or because the private sector and civic society have difficulties in representing their own members’ views.

The government has a best practice system of communicating laws and regulations to the population
and the business community. Its e-government programs and broader ICT initiatives are some of the most ambitious in Africa. The key issue seems to be whether the capacity to implement the program can be mobilized.

Finally, the government is implementing an ambitious decentralization program. The framework for implementation is comprehensive, and provides a vehicle for also implementing regulatory reform across the government and for dealing with some of the issues that other East African governments have found difficulty in addressing. These include the degree of differentiation in regulatory policies across different local government units and the extent to which regulations are allowed to become revenue-raising rather than regulatory in nature.

Policy Options

This section makes some recommendations for future actions by government that would support the development of a high-quality regulatory regime in Rwanda.

a. Establish an overarching regulatory policy that provides clear objectives and frameworks.

b. Establish a senior, perhaps Cabinet-level position, to promote regulatory reform and coordinate regulatory reform efforts.

c. Establish a permanent technical unit to support the minister who is made responsible for regulatory reform and coordination.

d. Determine a number of areas that should make use of RIA over the medium-term as demonstration projects for introducing benefit/cost calculations.

e. Define mandatory consultation procedures to be followed for all business-related policies, laws, and regulations.

The implications of the above recommendations are that the government needs to take an incrementalist approach to regulatory reform, which is a position that is consistent with other policies, such as decentralization. A wholesale introduction of good regulatory practices should be the underlying objective, but the resource implications of regulatory reform across the board are extensive, and the attempts in other countries to adopt a “big bang” approach have not been successful, in part because of the difficulty in creating institutional and human resource capacity.

49 An indication of Rwanda's ambitions is shown by the fact that the third annual African e-government forum was held in Rwanda in March 2009. Commonwealth Telecommunications Organization (CTO), an international development partnership between Commonwealth and non-Commonwealth governments, business, and civil society, organized the event. The forum attracted Ministers of Technology, heads of e-government projects, civil society leaders and representatives from IT organizations, including mobile operators, infrastructure providers, foundations, development and donor agencies to discuss current issues and success stories on e-government in Africa.
APPENDIX A. PRINCIPLES OF GOOD REGULATION

The 1997 OECD Report on Regulatory Reform includes a coordinated set of strategies for improving regulatory quality, many of which were based on the 1995 Recommendation of the OECD Council on Improving the Quality of Government Regulation. These were:

A. BUILDING A REGULATORY MANAGEMENT SYSTEM
   1. Adopt regulatory reform policy at the highest political levels
   2. Establish explicit standards for regulatory quality and principles of regulatory decision-making
   3. Build regulatory management capacities

B. IMPROVING THE QUALITY OF NEW REGULATIONS
   1. Regulatory Impact Analysis
   2. Systematic public consultation procedures with affected interests
   3. Using alternatives to regulation
   4. Improving regulatory coordination

C. UPGRADING THE QUALITY OF EXISTING REGULATIONS
   1. Reviewing and updating existing regulations
   2. Reducing red tape and government formalities

The OECD report recommended adoption of a set of regulatory quality standards based on the OECD principles as follows:

“Establish principles of “good regulation” to guide reform, drawing on the 1995 Recommendation on Improving the Quality of Government Regulation. Good regulation should: (i) be needed to serve clearly identified policy goals and effective in achieving those goals; (ii) have a sound legal basis; (iii) produce benefits that justify costs, considering the distribution of effects across society; (iv) minimize costs and market distortions; (v) promote innovation through market incentives and goal-based approaches; (vi) be clear, simple, and practical for users; (vii) be consistent with other regulations and policies; and (viii) be compatible as far as possible with competition, trade and investment-facilitating principles at domestic and international levels.”
## APPENDIX B. DB INDICATORS, DB 2009

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<th>Economy</th>
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<th>Trade across borders</th>
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APPENDIX C. JUDICIAL SYSTEM IN RWANDA

The hierarchy of the judicial branch is as follows: the Supreme Court, high courts of the Republic, provincial courts, districts courts, and mediation committees.

The Supreme Court

The Supreme Court is the highest court in the country. The decisions of the Supreme Court are not subject to appeal, except in terms of petitions for the exercise of the prerogative of mercy or revision of a judicial decision. Its decisions are binding on all parties concerned whether organs of the State, public officials, civilians, military, judicial officers, or private individuals.

The High Court

The High Court has jurisdiction to try in the first instance certain serious offenses committed in Rwanda, as well as some offenses committed outside Rwanda as specified by the law.

The Provincial Court and Court of the City of Kigali

There is a Provincial Court in each province of the country and a Court of the City of Kigali.

The District, Municipality and Town Court

There is a District, Town and Municipality Court, respectively, in each district, town and municipality in the country.

Specialized Courts

These include the Gacaca Courts responsible for the trial and judgment of cases against persons accused of genocide and crimes against humanity committed between Oct. 1, 1990, and Dec. 31, 1994. There is also in each sector a Mediation Committee, which is responsible for mediating between parties before the filing of a legal case (Article 159). In addition, there are commercial courts, which replaced the commercial chambers.
Military Courts

Military courts consist of the Military Tribunal and the Military High Court. The Military Court tries in the first instance all offenses committed by military personnel irrespective of their rank. The Military High Court shall try, in the first instance, all offenses that constitute a threat to national security, and murder committed by soldiers irrespective of rank. The Military High Court is an appellate court in respect of decisions rendered by the Military Tribunal.

Article 157 of the Constitution also established a Supreme Council of the Judiciary, whose responsibilities extend to: advising on the functioning of the justice system in Rwanda; taking decisions on the appointment, promotion, or removal of judges (except for judges in military courts and the president and vice-president of the Supreme Court); and advising on all proposals relating to the establishment of new courts or bills relating to the status of judges and other judicial personnel.

Article 182 establishes the Office of the Ombudsman.

The new Constitution in Rwanda also ushered in reforms in the judiciary, such as new legislation, new courts, procedures, structures, and standards including academic and professional qualifications as well as regulatory and administrative frameworks. At this point it is also important to note that after the genocide, Rwanda faced a very special situation and needed special interventions to try genocide perpetrators. One of its innovations was the establishment of Gacaca Courts to try genocide cases. Gacaca Courts exact different penalties including compensation, but most importantly emphasize two aspects of confession and forgiveness as a way to heal the wounds.

One can access Rwandan judgments and laws on the Web site of the Supreme Court of Rwanda. The judgments are in Kinyarwanda, and the website is in Kinyarwanda and French. The English parts are under construction.
APPENDIX D. LIST OF BUSINESS LICENSES IN RWANDA

I. Office of the President
   1. Insurance Company License
   2. Mining Concession

II. Supreme Court
   3. Trade License/Certificate of Incorporation (Clerk, Tribunal of High Instance)

III. Office of the Prime Minister
   4. Incorporation/Publication in the Official Gazette of the Republic of Rwanda

IV. Ministry in the Office of the Prime Minister in charge of Information (MININFOR)
   5. Radio License
   6. TV license

V. Ministry of Infrastructure
   7. Accreditation Card
   8. Press Card
   9. Authorization to run a Newspaper
   10. Sea Worthiness Certificate
   11. Registration certificate
   12. Gauging certificate
   13. Gas Concession License
   14. Gas Storage Permit
   15. Gas Supply Permit
   16. Individual Telecommunication License
   17. Standard Telecommunication License
18. Frequency Allocation License
19. Authorization to Utilize Private Land for Telecommunication Mast
20. License to Transfer a Telecommunication License
21. Sailing License
22. Electricity Distribution License
23. Electricity Generation License

VI. MINISTERE (Ministry of Lands, Environment, Forestry, Water and Mines)
24. Special Permit for Research and Exploration of Mining Substances
25. Temporary Exploitation Permit for Artisans
26. Commercial Quarry Exploitation Permit
27. Research and Exploitation Permit for Nuclear Substances
28. Land Title
29. Transfer of Land Title
30. Mortgage registration
31. Mortgage deregistration

VII. Ministry of Health (MINISANTE)
32. Authorization to practice pharmaceutical act
33. Authorization to open a wholesale pharmacy
34. Authorization to open or transfer a retail pharmacy
35. Authorization to open a drug shop (comptoir pharmaceutique)
36. Authorization to manufacture pharmaceutical drugs
37. Authorization to open a drugs control laboratory
38. Import Visa for drugs and other pharmaceutical products
39. Import license for drugs and other pharmaceutical products
40. License for private medical practice- Medical Practice
41. License for private medical practice- Laboratory
42. License for private medical practice- Dispensary
43. License for private medical practice- Maternity
44. License for private medical practice- Clinic, Gynecological Obstetrical Clinic, Dentistry
45. License for private medical practice- Polyclinic
46. License for private medical practice- Hospital Paramedical Professions
47. Physiotherapist License
48. Dental Technician's Clinical
49. Medical Scanning Clinic
50. Veterinary Doctor's License
VIII. Ministry of Internal Security (MININTER)

51. License to import weapons
52. License to run a security company
53. Driving License (National Police, Traffic Police)
54. Temporary Driving License (National Police, Traffic Police)
55. Authorization to change a foreign driving license (National Police, Traffic Police)

IX. Ministry of Commerce, Industry, Investment Promotion, Tourism and Cooperatives (MINICOM)

56. Certificate of Origin
57. Import License
58. Authorization for Foreign Companies to Incorporate in Rwanda
59. Authorization to process and sell Minerals
60. Industry Exploitation License
61. Cooperative Registration Certificate

X. Ministry of Education (MINEDUC)

62. Agreement to open a Primary School
63. Agreement to open a Secondary School
64. Agreement to open a Technical School
65. Agreement to open a Higher Learning Institution

XI. Ministry of Labor, Capacity Building and Development Skills (MIFOTRA)

66. Work Permit
67. Authorization to hire a foreigner

XII. Ministry of Justice (MINIJUST)

68. Bailiff’s License

XIII. National Bank of Rwanda

69. Banking License
70. Microfinance License
71. Discount House License
72. Authorization to change the Directors of a Microfinance Institution
73. Authorization to change the activities of a Microfinance Institution
74. Authorization to change Discount House incorporation details
75. Authorization to change Bank's initial conditions of agreement
76. Authorization for a Microfinance take over and/or merger
77. Authorization to run a FOREX bureau
78. Property Valuer’s License
79. License for External Auditors of Financial Institutions

80. Approval of Directors and Managers of Financial Institutions

81. Authorization to open branches, agencies and desks

82. Credit and Savings cooperative License

83. Authorization to make any significant change in Credits and savings’ cooperative activities

84. Authorization to transfer any of a credit and savings’ cooperative

85. Authorization to change board members of a Credits and savings’ Cooperative

XIV. National Insurance Commission

86. Insurance Broker’s License

XV. Rwanda Investment and Export Promotion Agency (RIEPA)

87. Investment Registration License

88. Exemption Permit

89. Free Zone License

XVI. Rwanda Utilities Regulatory Agency

90. Power Distribution Permit

91. Power Generation Permit

92. Management Permit

93. Waste Water and Sewerage Permit

94. Water Resource Exploitation Permit

95. Water Resource Supply and Distribution Permit

96. License for Provision of Internet Services

97. License for Radio Frequency Allocation

98. Authorization to Transport Passengers

XVII. Rwanda Revenue Authority (RRA)

99. VAT certificate

100. IN certificate

101. Clearance certificate

102. Customs Clearing Agents license

103. Vehicle Registration license (Yellow Card)

104. Authorization to Transfer Ownership

105. Certificate of origin

106. Clearance certificate for home use

107. Private bonded warehouse

108. Inward processing license

109. Temporary admission of goods

110. Public bonded warehouse

111. Quitus license

112. Vehicle deregistration license
XVIII. Rwanda Environmental Management Agency (REMA)

113. Certificate of Compliance with Environmental Laws (Environment Impact Assessment)

XIX. National Security Service (NSS)

114. Tourist Visa or visitor Visa
115. Permanent Establishment Visa
116. Transit Visa
117. Resident Visa
118. Single Entry Visa
119. Entry Facility

XX. Rwanda Bureau of Standard (RBS)

120. Sanitary and Phytosanitary Certificate (Plants & Animal products)
121. Food safety Certificate
122. Quality Control Certificate
123. Quality mark Certificate

XXI. Civil Aviation Authority

124. Air Transport License
125. Civil Aviation Personnel License
126. Aircraft registration license
127. Aeronautical Radio Station Operating License
128. Aircraft Maintenance Mechanist Restricted License
129. Airline Pilot License

130. First category Aircraft Maintenance Mechanist License
131. First category Radiotelegrapher Certificate
132. Professional Helicopter Pilot License
133. Helicopter’s Pilot License
134. Helicopter’s Airline Pilot License
135. Helicopter’s Professional Pilot License
136. Private Pilot License
137. Professional Pilot License
138. Radiotelephonist Air Operating License
139. Radiotelephonist Special Certificate
140. Second Class Radiotelegrapher Certificate
141. Technical Exploitation Controller License
142. Air Traffic Controller License
143. Aircraft Radio Maintenance License
144. Crew member certificate
145. First class Professional Pilot License
146. Flight Engineer License
147. Radiotelephonist License
148. Second Category Aircraft Maintenance Mechanic License
149. Student Pilot License
150. Air Operator Certificate
151. Clearance certificate: authorization to Take Off
152. Clearance certificate: authorization to Land an Airplane
153. Authorization to Park an Airplane
154. Authorization to fly over the territory

XXII. Rwanda Tour Operators Association
155. Tour Operators License
156. Travel Agency License

XXIII. Rwanda Tourism and Parks Authority (ORTPN)
157. Hotel, Restaurant, Pub license
158. Hunting License
159. Park visit Permit
160. Research Permit in Parks
161. Certificate of Adoption/ Gorilla naming

XXIV. Bar Association
162. Law Practice License

XXV. District Authorities
163. Land Regularization Certificate
164. Deed Plan
165. Rental Permit
166. Building Permit
167. Building Renovation Permit
168. Land merger certificate
169. Land Parceling certificate
170. Authorization to cut and sell wood
171. Authorization to transport charcoal
172. Authorization to sell charcoal
173. Occupation Permit
174. Authorization to transport wood
175. Authorization to sell wood
176. Authorization to transport cattle
177. Authorization to purchase coffee
178. Authorization to display banners

XXVI. Social Security Fund of Rwanda
179. Employer Registration
180. Employee Registration

XXVII. OCIR Café (The Coffee Board)
181. Coffee Certificate of Origin
182. Coffee Certificate of Quality

XXVIII. Rwanda Agriculture Development Authority (RADA)
183. Seed Certificate
184. Import permit for agricultural inputs (pesticides, fertilizers)
185. Import permit for new planting material

XXIX. Rwanda Animal Resources Development Authority (RARDA)

186. Import license for livestock

187. Authorization to put in consumption

XXX. CMAC (Capital Markets Advisory Council)

188. Stock broker license

XXXI. ONATRACOM (Office National des Transports en Commun)

189. Road Worthiness Certificate