



**COLLEGE OF BUSINESS AND ECONOMICS**

**SCHOOL OF BUSINESS**

**MASTER OF BUSINESS ADMINISTRATION (MBA)**

**THE ROLE OF CITIZENS' PARTICIPATION IN PLANNING AND BUDGETING PROCESS IN RWANDA; *A Case Study of Kicukiro District***

*A Thesis submitted in partial fulfilment of the requirements for the award of the degree of Master in Business Administration (MBA)*

*By*

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**June, 2016**

## DECLARATION

I, ZACHEE IYAKAREMYE, a student of the University of Rwanda, College of Business and Economics, hereby declare that the thesis titled “**Citizens’ Participation in Planning and Budgeting Process in Rwanda. A case study of Kicukiro district**”; a thesis submitted in partial fulfilment of the requirements for the award of the degree of Master in Business Administration at the University of Rwanda, College of Business and Economics is my original work.

The content of this Thesis, in full or in parts has not been submitted in any form to any Institute or University for the award of a degree.

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## **DEDICATION**

All the Glory, thanks and praise be to the Almighty God for whatever He does for me at no cost!

This work is dedicated to my lovely wife for her accompany during the studies and the course of the research. I also dedicate it to all my family members for their contributions in all the kinds

To my classmates for their cooperation and team spirit, I dedicate this work

To my lecturers for their contribution to my studies, I dedicate this book.

## TABLE OF CONTENTS

|                                                            |             |
|------------------------------------------------------------|-------------|
| <b>DECLARATION .....</b>                                   | <b>i</b>    |
| <b>ACKNOWLEDGEMENT.....</b>                                | <b>ii</b>   |
| <b>DEDICATION.....</b>                                     | <b>iii</b>  |
| <b>TABLE OF CONTENTS .....</b>                             | <b>iv</b>   |
| <b>LIST OF TABLES .....</b>                                | <b>vii</b>  |
| <b>LIST OF FIGURES .....</b>                               | <b>viii</b> |
| <b>ABBREVIATIONS/ ACCRONYMS .....</b>                      | <b>ix</b>   |
| <b>ABSTRACT.....</b>                                       | <b>xi</b>   |
| <b>CHAPTER ONE .....</b>                                   | <b>1</b>    |
| <b>GENERAL INTRODUCTION.....</b>                           | <b>1</b>    |
| 1.1. BACKGROUND OF THE STUDY .....                         | 1           |
| 1.2. STATEMENT OF THE PROBLEM .....                        | 3           |
| 1.3. OBJECTIVES OF THE STUDY .....                         | 4           |
| 1.3.1. General Objective .....                             | 4           |
| 1.3.2. Specific Objectives .....                           | 4           |
| 1.4. RESEARCH QUESTIONS.....                               | 5           |
| 1.5. SCOPE OF THE STUDY .....                              | 5           |
| 1.6. SIGNIFICANCE OF THE STUDY.....                        | 5           |
| 1.7. CONCEPTUAL FRAMEWORK .....                            | 6           |
| 1.8. WORKING DEFINITION OF KEY CONCEPTS .....              | 7           |
| 1.8.1. Citizens' Participation.....                        | 7           |
| 1.8.2. Planning and Budgeting Process.....                 | 7           |
| 1.8.3. Forums for Citizens' Participation.....             | 8           |
| 1.9. PROFILE OF KICUKIRO DISTRICT .....                    | 8           |
| 1.10. STRUCTURE OF THE THESIS .....                        | 9           |
| <b>CHAPTER TWO .....</b>                                   | <b>10</b>   |
| <b>LITERATURE REVIEW .....</b>                             | <b>10</b>   |
| 2.1. OVERVIEW OF PLANNING AND BUDGETING .....              | 10          |
| 2.1.1. National Planning .....                             | 10          |
| 2.1.1.1. National Development Plans.....                   | 10          |
| 2.1.1.2. Rwanda Planning Instruments.....                  | 11          |
| 2.2. BUDGETING CONCEPTS .....                              | 17          |
| 2.2.1. Budget Classification and Structure in Rwanda ..... | 17          |

|                                               |                                                       |           |
|-----------------------------------------------|-------------------------------------------------------|-----------|
| 2.2.2.                                        | Objectives of Annual Budget Preparation .....         | 18        |
| 2.2.3.                                        | Stages in the Annual Budgeting Cycle in Rwanda .....  | 19        |
| 2.3.                                          | GLOBAL OVERVIEW OF DECENTRALIZATION .....             | 24        |
| 2.3.1.                                        | Decentralization Background.....                      | 24        |
| 2.3.2.                                        | Reasons for Decentralization .....                    | 25        |
| 2.3.3.                                        | Dimensions of Decentralization.....                   | 27        |
| 2.3.3.1.                                      | Administrative Decentralization.....                  | 27        |
| 2.3.3.2.                                      | Political Decentralization .....                      | 28        |
| 2.3.3.3.                                      | Fiscal Decentralization .....                         | 29        |
| 2.3.4.                                        | Decentralization in Rwanda.....                       | 29        |
| 2.4.                                          | CITIZENS' PARTICIPATION .....                         | 31        |
| 2.4.1.                                        | Definition and Origin of Citizens' Participation..... | 31        |
| 2.4.2.                                        | Conditions for Effective Citizens' Participation..... | 31        |
| 2.4.2.1.                                      | Low-Cost Indicators .....                             | 31        |
| 2.4.2.2.                                      | High-Benefit Indicators .....                         | 32        |
| 2.4.3.                                        | Pros and Cons of Citizens' Participation .....        | 32        |
| 2.4.3.1.                                      | Advantages of Citizens' Participation .....           | 32        |
| 2.4.3.2.                                      | Disadvantages of Citizens' Participation.....         | 33        |
| <b>CHAPTER THREE .....</b>                    |                                                       | <b>36</b> |
| <b>RESEARCH METHODOLOGY .....</b>             |                                                       | <b>36</b> |
| 3.1.                                          | RESEARCH DESIGN .....                                 | 36        |
| 3.2.                                          | Population and Sampling Techniques .....              | 37        |
| 3.2.1.                                        | Population.....                                       | 37        |
| 3.2.2.                                        | Sampling Techniques and Size Determination.....       | 37        |
| 3.3.                                          | DATA COLLECTION.....                                  | 39        |
| 3.4.                                          | DATA ANALYSIS AND INTERPRETATION .....                | 40        |
| 3.5.                                          | LIMITATIONS .....                                     | 40        |
| <b>CHAPTER FOUR.....</b>                      |                                                       | <b>42</b> |
| <b>PRESENTATION OF RESEARCH FINDINGS.....</b> |                                                       | <b>42</b> |
| 4.1.                                          | PRESENTATION OF THE RESULTS.....                      | 43        |
| 4.1.1.                                        | Respondent Identification.....                        | 43        |
| 4.1.1.1.                                      | Respondents by Sex .....                              | 43        |
| 4.1.1.2.                                      | Age of Respondents .....                              | 44        |
| 4.1.1.3.                                      | Respondents' Education Level.....                     | 45        |

|                                                                                          |           |
|------------------------------------------------------------------------------------------|-----------|
| 3.1.1.4. Marital Status of Respondents.....                                              | 46        |
| 4.1.1.5. Occupation of Respondents.....                                                  | 47        |
| 4.1.2. Participation in Planning and Budgeting Process.....                              | 48        |
| 4.1.2.1. Citizens Awareness of Planning and Budgeting Process .....                      | 48        |
| 4.1.2.2. Channels for Citizens Awareness.....                                            | 49        |
| 4.1.2.3. Citizens’ Participation in Identification of Priorities .....                   | 50        |
| 4.1.2.4. Forums for Citizens Participation in Priority Identification.....               | 51        |
| 4.1.2.5. Implementation of Identified Priorities .....                                   | 53        |
| 4.1.2.6. Feedback on Inclusion or exclusion of Identified Priorities .....               | 54        |
| 4.1.3. Citizens Participation and its Impact on District Revenue .....                   | 55        |
| 4.1.3.1. Impact on District Revenue Collection .....                                     | 55        |
| 4.1.3.2. Impact on Revenue Efficiency .....                                              | 56        |
| 4.1.4. Citizens Participation and its Impact on Local Government Performance Contracts . | 58        |
| 4.1.4.1. Impact on Performance Contracts Formulation .....                               | 58        |
| 4.1.4.2. Impact on Performance Contracts Implementation.....                             | 60        |
| 4.1.4.3. Impact on Performance Contracts Monitoring and Evaluation.....                  | 61        |
| <b>CHAPTER FIVE .....</b>                                                                | <b>64</b> |
| <b>SUMMARY, CONCLUSION AND RECOMMENDATIONS .....</b>                                     | <b>64</b> |
| 5.1. GENERAL SUMMARY .....                                                               | 64        |
| 5.2. SUMMARY OF FINDINGS .....                                                           | 65        |
| 5.2.1. Citizens’ Participation in Planning Process and Budgeting Process .....           | 65        |
| 5.2.2. Impact of Citizens Participation on District Revenue Performance.....             | 66        |
| 5.2.3. Impact of Citizens Participation on Local Government Performance Contracts .....  | 67        |
| 5.3. CONCLUSION .....                                                                    | 67        |
| 5.4.1. Recommendations .....                                                             | 68        |
| 5.4.2. Areas for future Research .....                                                   | 69        |
| <b>REFERENCES.....</b>                                                                   | <b>70</b> |
| <b>ANNEXES .....</b>                                                                     | <b>73</b> |
| <b>APPANDICES.....</b>                                                                   | <b>79</b> |

## LIST OF TABLES

|                                                                                        |    |
|----------------------------------------------------------------------------------------|----|
| Table 1: Distribution of Kicukiro District Resident Population by Sector and Sex ..... | 8  |
| Table 2: Distribution of Kicukiro District Resident population by Age and Sex .....    | 9  |
| Table 3: Distribution of Kicukiro District Resident Population Aged 16 and Above ..... | 37 |
| Table 4: Calculation of Sample size by Sector .....                                    | 39 |
| Table 5: Respondents by Sex .....                                                      | 43 |
| Table 6: Respondents' Education .....                                                  | 45 |
| Table 7: Marital Status of Respondents .....                                           | 46 |
| Table 8: Respondents by Economic Activity.....                                         | 47 |
| Table 9: Channels for Citizens Awareness .....                                         | 49 |
| Table 10: Forums for Citizens Participation in Priority Identification .....           | 51 |
| Table 11: Implementation of Identified Priorities .....                                | 53 |



## LIST OF FIGURES

|                                                                                  |    |
|----------------------------------------------------------------------------------|----|
| Figure 1: Transformation of Economic Activity 2011 – 2020 .....                  | 12 |
| Figure 2: The Link between Planning Tools and Budget .....                       | 16 |
| Figure 3: Respondents Sex.....                                                   | 43 |
| Figure 4: Age of Respondents.....                                                | 44 |
| Figure 5: Respondents’ Education Level .....                                     | 46 |
| Figure 6: Marital Status of Respondents.....                                     | 47 |
| Figure 7: Respondents by Economic Activity .....                                 | 48 |
| Figure 8: Citizens Awareness of Planning and Budgeting Process .....             | 49 |
| Figure 10: Citizens Participation in Priority Identification.....                | 51 |
| Figure 11: Forums for Citizens Participation in Priority Identification.....     | 52 |
| Figure 13: Feedback on Inclusion or exclusion of Identified Priorities.....      | 54 |
| Figure 14: Impact on District Revenue Collection .....                           | 55 |
| Figure 15: Impact on District Revenue Use.....                                   | 57 |
| Figure 16: Contribution on Performance Contracts Formulation .....               | 59 |
| Figure 17: Contribution on Performance Contracts Implementation .....            | 60 |
| Figure 18: Contribution on Performance Contracts Monitoring and Evaluation ..... | 62 |

## ABBREVIATIONS/ ACCRONYMS

**%:** Percent

**CLADHO:** Collectif des Ligues et Associations de défense des Droits de l'Homme au Rwanda

**EAC:** East African Community

**EDPRS:** Economic Development and Poverty Reduction strategy

**GDP:** Gross Domestic Product

**GFS:** Government Finance Statistics

**GoR:** Government of Rwanda

**ICT:** Information Communication Technology

**IMF:** International Monetary Fund

**JBR:** Joint Budget Review

**Km<sup>2</sup>:** Kilometer Square

**MBA:** Master in Business administration

**MINALOC:** Ministry of Local Government

**MINECOFIN:** Ministry of Finance and Economic Planning

**MTEF:** Medium Term Expenditure Framework

**NGO:** Non-Government Organization

**NISR:** National Institute of Statistics of Rwanda

**OECD:** Organization for Economic Cooperation and Development

**PHD:** Doctor of Philosophy

**PRSP:** Poverty Reduction Strategy

**RGB:** Rwanda Governance Board

|               |                                                |
|---------------|------------------------------------------------|
| <b>RRA:</b>   | Rwanda Revenue Authority                       |
| <b>RSSB:</b>  | Rwanda Social Security Board                   |
| <b>TVET:</b>  | Technical and Vocational Education Training    |
| <b>UN:</b>    | United Nations                                 |
| <b>UNPEI:</b> | United Nations' Poverty-Environment Initiative |
| <b>USA:</b>   | United States of America                       |
| <b>VAT:</b>   | Value added Tax                                |
| <b>VUP:</b>   | Vision Umurenge Program                        |

## **ABSTRACT**

The government of Rwanda has invested much effort in promoting citizens' participation in planning and budgeting process and to that end, the government put in place various to ensure a participatory planning and budget process. There is a quite good number of literature in the field of citizens' participation. Most studied and surveys in Rwanda have focused on accessing the level of citizens' awareness and participation. However, no particular study done to ascertain the importance and relevance of promoting citizens' participation in planning and budgeting process in Rwandan context and social–economic environment.

In this study on citizens' participation in planning and budgeting process, we have used Kicukiro district as a case study given its outstanding performance in local government performance contracts evaluation for three successive years. We evaluated the efficiency of existing channels for citizens' participation and analyzed the relevance of promoting citizens' participation from a citizen's perspective. We administered a questionnaire to the population in Kicukiro district that focused on collecting citizens' views on whether their participation would have an impact on district revenue performance on one hand and on local government performance contracts on the other hand.

The results from the study have concurred that effective citizens' participation in planning is relevant to the country. Its relevance was established by the potential increase in revenue collection and efficiency and its impact on performance contracts preparation, implementation as well as monitoring and evaluation. The study also revealed a disconnection between different administrative levels in their communication that is a hindrance for effective citizens' participation.

In this research, we have made a review of different literatures, based on the theories therein, we made an analysis of the collected data, presented them in various forms and from the findings of the study, we formulated our recommendations and draw conclusions.

# **CHAPTER ONE**

## **GENERAL INTRODUCTION**

### **1.1.BACKGROUND OF THE STUDY**

Sources of funds are limited in nature and are not mobilized at free cost. On the other hand, public demands and needs to be satisfied by the resources are unlimited and thus cannot be satisfied at once but according to their priority. Limited revenues available to governments should be used effectively and efficiently in order to meet development objectives. This requires the planning and budgeting process to focus more on key priorities which allows saving of resources from non-priority areas.

Governments have to plan what they would like to achieve, deal with the challenges of limited resources and ensure a realistic budget is prepared to implement the plans. Budget is an important tool through which governments achieve their plans. This is reflected in one of the popular quotes "don't tell me what you value. Show me your budget and I will tell you what you value" (Joe, 2013). Through the budget, we get to know what the priorities for the country are. It is important for every country to have a plan for its revenues and expenditures especially in a developing country like Rwanda where there are not enough funds to meet all the government expenditures. This is done through planning and budgeting process. Budget itself is the result of a complex process where citizens, local and central government should actively participate.

The government of Rwanda has made tremendous achievements in decentralization and promoting citizens participation. Nonetheless, based on the findings from different studies, a lot need yet to be done especially in the area of citizens' participation in planning and budgeting process (RGB, 2011).

The Government of Rwanda has recognized the importance of citizens' participation in planning and budgeting process; there is a clear legal framework to ensure citizens' participation. Rwanda Ministry of Finance and Economic Planning that is in charge of planning and budgeting process

coordination provides detailed guidelines on how the ordinary people contribute to ensure that the available revenues are spent on projects of common interests and of high priority.

Rwanda has been implementing a decentralization policy since 2000. This has much contributed to the promotion of good governance, service delivery and national development.

The government of Rwanda is adopted a participatory approach towards improving the wellbeing of its citizens. To this end, all plans from Village to national level should aim to develop the citizens (MINALOC, 2014).

The government has implemented different development programs including Vision 2020 Umurenge Program (VUP) and Ubudehe using a participatory approach where citizens in a village decide themselves on what to prioritize and the people who are most in need for assistance. The approach has proven to yield positive results and sustainability of the programs through ownership.

The Government of Rwanda is committed to ensure that local and national planning become more integrated, and the inter-governmental planning processes have strong, legally-backed linkages, through joint performance contracts and other performance management systems (MINALOC, 2014).

Furthermore, “EDPRS 2 will focus on increased citizens’ participation as a way of ensuring ownership of programs and policies as well as encouraging feedback for efficiency and sustainability” (GoR, 2012).

Recent study by (CLADHO, 2014) revealed that 34% of Rwandans do not have any knowledge about planning and budgeting process, while only 36% of the respondents who affirmed to have knowledge of planning and budgeting process had participated and only 27% had participated in identification of budget priorities at the village level. The same study revealed that radio communication is the main source where people get information on planning and budgeting process.

On the other hand, the percentage of the population that confirmed their satisfaction and confidence with decentralized governance has increased from 65% in 2006 to 74.2% in 2010/11 (RGB, 2011). The confidence by the citizens has been contributing to increasing their active participation in key programs of their daily lives (MINALOC, 2013).

Furthermore, the Government of Rwanda is well aware that in some areas, challenges related to promoting citizens' involvement still exist. This is the example of areas related to formulation of district development plans and participatory budgeting processes at district level where in 2011, citizens' participation was 11.7% and 11.2% respectively (RGB, 2011). The revised decentralization policy aims at promoting an integrated, participatory, evidence-based planning and budgeting process that focuses on addressing the priority needs of citizens as a way of achieving development objectives (MINALOC, 2013).

## **1.2. STATEMENT OF THE PROBLEM**

Planning and budgeting process is the collection of all activities through which government identifies priority interventions, prioritizes among the computing priorities, mobilizes the required resources, provides budget allocation and monitors the implementation to ensure achievement of target objectives. Citizens' participation on the other hand is "the process in which ordinary people take part – whether on a voluntary or obligatory basis and whether acting alone or as part of a group – with the goal of influencing a decision involving significant choices that will affect their community" (André, 2012).

Government plans should benefit the public; government money is public money. Government gets funds from collection of taxes and non-tax revenues paid by citizens. Other sources of government revenue are grants and loans from foreign governments and international organizations. All the revenues are used by the government to provide public services aimed at promoting citizens' wellbeing.

Effective planning, budgeting and sustainability of government policies require plans and resource allocation to be in the will of the citizens. Without effective planning and budgeting, limited resources available to the government would be allocated to non-priority areas and this will in turn impede the development of the country.

However, in Rwanda during both colonial and post-colonial period, decision-making was highly centralized and concentrated in hands of one person. After the 1994 genocide against Tutsi, the government recognized the need for change and citizens' participation through elected organs

started being a concern (MINALOC, 2005). Nonetheless, with all government initiatives to promote citizens' participation, research revealed that citizens' participation budgeting processes at district level is still low at 11.2% (RGB, 2011)

Studies by (CLADHO, 2014) and (RGB, 2011) have focused more on accessing the degree of citizens' involvement in government development programs including planning and budgeting process. However, there is no particular and well-articulated study done on the role and contribution of citizens' participation in planning and budgeting process in Rwanda. In this research, the researcher intends to explore the role of promoting citizens' participation and its impact on the planning and budgeting process and fill the knowledge gap.

### **1.3. OBJECTIVES OF THE STUDY**

Research objectives help the researcher to keep focused and ensuring that the research meets its intended purpose. In this research, the researcher the following general and specific objectives will be tracked.

#### **1.3.1. General Objective**

The main objective of the study is to examine the role of promoting citizens' participation and its impact in planning and budgeting process.

#### **1.3.2. Specific Objectives**

- i. To assess the extent to which citizens have access to existing forums for citizens' participation in planning and budgeting process.
- ii. To explore the role of citizens' participation in planning and budgeting process on district revenue collection and use.
- iii. To explore the role of citizens' participation in planning and budgeting process in local government performance contracts.



#### **1.4. RESEARCH QUESTIONS**

- i. To what extent does the citizens of Rwanda participate in planning and budgeting process?
- ii. What is the role of citizens' participation in planning and budgeting process on district revenue collection and use?
- iii. What is the role of citizens' participation in planning and budgeting process in local government performance contracts?

#### **1.5. SCOPE OF THE STUDY**

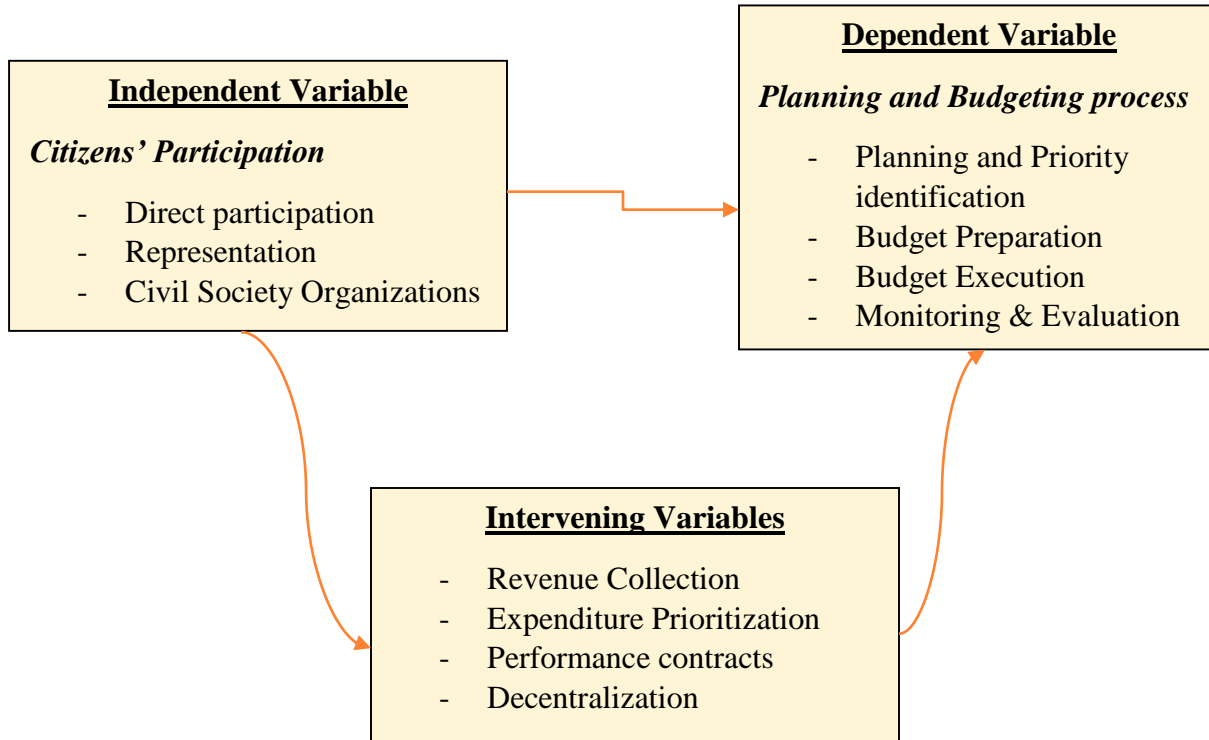
This study will draw from the area of fiscal policy management and cover planning and budgeting process as the entire road map through which the government determines the needs, identifies priorities and allocates the available resources to computing priorities. The focus will be on citizens' participation in the process with more emphasis on examining the relevance of getting citizens involved. Kicukiro district that has been ranked the first in local government performance valuation report for three consecutive years (2009/2010, 2010/2011 and 2011/2012) (MINALOC, 2012) will be used as a case study.

#### **1.6. SIGNIFICANCE OF THE STUDY**

The study on citizens' participation in planning and budgeting process will focus more on identifying the benefits of involving citizens. This study will not only benefit the researcher, but also the entire community. Different people have diverse opinions on whether citizens' participation in planning and budgeting process being promoted has a substantial impact on the development of the country or not. This study will point out the benefits brought. The study will also benefit government officials and decision makers on how best the policy can be implemented. Sometimes, citizens do not take part in the planning and budgeting process because they don't know clearly the benefits of their participation. Through the findings of this study, citizens will be cognizant of their role and thus participate willingly.

## 1.7. CONCEPTUAL FRAMEWORK

Conceptual framework is a theoretical presentation of the ideas in a way that is easy to remember order to ensure the research objectives are met (Shields, Patricia and Rangarjan, 2013).



Source: designed by the researcher

In the conceptual framework, the researcher has separated between independent, dependent and intervening variables. For this study, the independent variable is citizens 'participation; citizens can either have a direct participation, participate through their elected representatives or civil society organizations.

On the other hand, the dependent variable is planning and budgeting process where by citizens should participate in its entirety; from planning and priority identification through budget preparation to budget execution up to monitoring and evaluation.

The independent variable has an influence on the dependent variable and this can be seen by analyzing the intervening variables: district revenue collection, expenditure prioritization, local government performance contract and decentralization. Through the intervening variables, we can determine the role of citizens' participation in planning and budgeting process.

## **1.8. WORKING DEFINITION OF KEY CONCEPTS**

In the review literature, we thoroughly define and discuss terms and concepts related to the topic.. However, it is important that we provide our working definitions of key terms in the subject under study.

### **1.8.1. Citizens' Participation**

This will mean the process where by citizens willingly, either directly or through their representatives influence planning and budgeting policy decisions. It is the existent to which the voice and choice of the citizens are reflected in plans and budget of the government. Citizens can participate directly by direct contact with policy makers or through their elected representatives like member of the parliament, local council or through members of civil society organizations.

### **1.8.2. Planning and Budgeting Process**

It is the process through which, the government identifies priorities, and sets long, medium and short term plans to achieve them. To achieve the priorities, government has to plan for its income and expenditure and administer the spending towards the achievement of the set objectives. During and after spending, the government has to monitor and report on its expenditure. The collection of all these activities is not a one-day job. It is done throughout the year and year on year.

The entire process from priority identification to expenditure monitoring and reporting through budgeting will be referred to in this study as planning and budgeting process. It is a process in a sense that it happens thought the year and year on year. It never stops as the accomplishment of one activity calls for the start of the next.

### 1.8.3. Forums for Citizens' Participation

Throughout this study, this will mean all the channels through which citizens get information on national planning and budgeting process as well as all the opportunities that the government put in place to allow citizens to either directly or indirectly influence the process. These will include but not limited to Radio and Television talks, meetings after community works, and conferences on planning and budgeting, Joint Action Development Forum, visits by member of executive organs, civil society organizations, member of the Parliament, and member of local council.

## 1.9. PROFILE OF KICUKIRO DISTRICT

Kicukiro district is one of the three districts in Kigali City. According to (National Institute of statistics of Rwanda, 2012), 318,564 citizens of which 163,445 males and 155,119 females inhabit the district. The district covers 28.4 percent of the total Rwandan population and is composed of seven sectors; Gahanga, Gatenga, Gikondo, Kagarama, Kicukiro, Kigarama and Niboye. The district has made many achievements and ranked the first in local government performance contracts evaluation for three successive years (MINALOC, 2012).

**Table 1: Distribution of Kicukiro District Resident Population by Sector and Sex**

| Sector       | Both sexes     | Male           | Female         | % Female    | Population share (% of the total population) | Density (Inhabitants / Km <sup>2</sup> ) |
|--------------|----------------|----------------|----------------|-------------|----------------------------------------------|------------------------------------------|
| <b>TOTAL</b> | <b>318,564</b> | <b>163,445</b> | <b>155,119</b> | <b>48.7</b> | <b>100</b>                                   | <b>1,911</b>                             |
| Gahanga      | 27,808         | 13,853         | 13,955         | 50.2        | 8.7                                          | 756                                      |
| Gatenga      | 48,640         | 25,027         | 23,613         | 48.5        | 15.3                                         | 3,911                                    |
| Gikondo      | 17,146         | 9,211          | 7,935          | 46.3        | 5.4                                          | 5,065                                    |
| Kagarama     | 14,385         | 7,601          | 6,784          | 47.2        | 4.5                                          | 1,800                                    |
| Kanombe      | 44,426         | 22,499         | 21,927         | 49.4        | 13.9                                         | 1,932                                    |
| Kicukiro     | 16,450         | 8,642          | 7,808          | 47.5        | 5.2                                          | 8,033                                    |
| Kigarama     | 43,907         | 22,635         | 21,272         | 48.4        | 13.8                                         | 5,212                                    |
| Masaka       | 39,548         | 19,536         | 20,012         | 50.6        | 12.4                                         | 750                                      |
| Niboye       | 26,197         | 13,481         | 12,716         | 48.5        | 8.2                                          | 5,212                                    |
| Nyarugunga   | 40,057         | 20,960         | 19,097         | 47.7        | 12.6                                         | 2,622                                    |

Source: Rwanda 4th Population and Housing Census, 2012 (NISR)

**Table 2: Distribution of Kicukiro District Resident population by Age and Sex**

| Five-year age groups | Count          |                |               | %          |            |            |
|----------------------|----------------|----------------|---------------|------------|------------|------------|
|                      | Both sexes     | Male           | Female        | Both sexes | Male       | Female     |
| <b>TOTAL</b>         | <b>318,564</b> | <b>163,445</b> | <b>55,119</b> | <b>100</b> | <b>100</b> | <b>100</b> |
| 0-4                  | <b>41,144</b>  | 20,551         | 20,593        | 12.9       | 12.6       | 13.3       |
| 5-9                  | <b>34,325</b>  | 17,104         | 17,221        | 10.8       | 10.5       | 11.1       |
| 10-14                | <b>29,732</b>  | 14,680         | 15,052        | 9.3        | 9          | 9.7        |
| 15-19                | <b>35,100</b>  | 15,807         | 19,293        | 11         | 9.7        | 12.4       |
| 20-24                | <b>45,057</b>  | 23,094         | 21,963        | 14.1       | 14.1       | 14.2       |
| 25-29                | <b>42,061</b>  | 22,936         | 19,125        | 13.2       | 14         | 12.3       |
| 30-34                | <b>31,830</b>  | 17,819         | 14,011        | 10         | 10.9       | 9          |
| 35-39                | <b>19,680</b>  | 10,794         | 8,886         | 6.2        | 6.6        | 5.7        |
| 40-44                | <b>13,502</b>  | 7,604          | 5,898         | 4.2        | 4.7        | 3.8        |
| 45-49                | <b>8,670</b>   | 4,771          | 3,899         | 2.7        | 2.9        | 2.5        |
| 50-54                | <b>6,456</b>   | 3,440          | 3,016         | 2          | 2.1        | 1.9        |
| 55-59                | <b>3,768</b>   | 1,939          | 1,829         | 1.2        | 1.2        | 1.2        |
| 60-64                | <b>2,355</b>   | 1,141          | 1,214         | 0.7        | 0.7        | 0.8        |
| 65-69                | <b>1,499</b>   | 598            | 901           | 0.5        | 0.4        | 0.6        |
| 70-74                | <b>1,298</b>   | 472            | 826           | 0.4        | 0.3        | 0.5        |
| 75-79                | <b>935</b>     | 333            | 602           | 0.3        | 0.2        | 0.4        |
| 80-84                | <b>581</b>     | 180            | 401           | 0.2        | 0.1        | 0.3        |
| 85+                  | <b>571</b>     | 182            | 389           | 0.2        | 0.1        | 0.3        |

Source: Rwanda 4th Population and Housing Census, 2012, ( NISR)

## **1.10. STRUCTURE OF THE THESIS**

This research contains five chapters, the first chapter expresses the introduction, the second presents the review of related literature and the third chapter will outlines the methodological approach used to carry out this research. Finally, the fourth presents the findings by analyzing and interpreting the results while the fifth ends up with summary, conclusion and recommendations.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

This chapter aims at presenting written theories that are related to the topic to provide an understanding of concepts and procedures in the field of planning and budgeting with more focus on citizens' participation. Nowadays, various scholars and international organizations including IMF and WB are more concerned by citizens' participation in national planning and budgeting as a way to increase efficiency, transparency and accountability in public finance management.

The researcher found it necessary to include definitions and concepts in the field of planning and budgeting, decentralization and citizens' participation in order to help understanding the nature and significance of the study.

#### **2.1. OVERVIEW OF PLANNING AND BUDGETING**

##### **2.1.1. National Planning**

###### **2.1.1.1. National Development Plans**

Governments set development plans and strategies following the needs and main concerns of their populations. In most cases, the development plans consist of a period ranging from five to twenty five years. National development plans outline sought development results, identify challenges and opportunities to attain the set objectives and clearly show the role and responsibility of all the actors and stockholders. Development plans highlight government social-economic priorities that serve as guiding document in policy design and decision-making as well as in international cooperation and development partners' involvement. The main focus in development plans is on economic growth and poverty reduction like it has been the case in most of the strategies established throughout the 2000s (UNPEI, 2015).

### **2.1.1.2. Rwanda Planning Instruments**

Rwanda has set planning instruments ranging from the longer term vision and objectives that inform medium and short term planning. In line with this, in 2000, vision 2020 was adopted as an image of Rwandan ambition and commitment to build a unified, democratic and inclusive nation. In Vision 2020, the government aims at transforming the country into a middle -income nation in which Rwandans are healthier, educated and generally more prosperous (GoR, 2000). In 2012, the targets set were revised to reflect the existing economic situation in Rwanda and global economic realities.

Based on vision 2020, in 2002 the first Poverty Reduction Strategy (PRSP1) was published. This was a medium term plan that ranged from 2002 to 2005; it reflected policies and targets to be achieved during the time horizon. In 2008, Economic Development and Poverty Reduction Strategy (EDPRS) replaced the PRSP with a five years' time horizon from 2008 to 2012.

From EDPRS priorities, sector ministries and districts establish sector strategic plans and district development plans respectively that determine sector priorities for three years. The sector strategic plans and district development plans inform institutional annual planning and budget preparation.

The following section provide more details on each planning instrument in Rwanda:

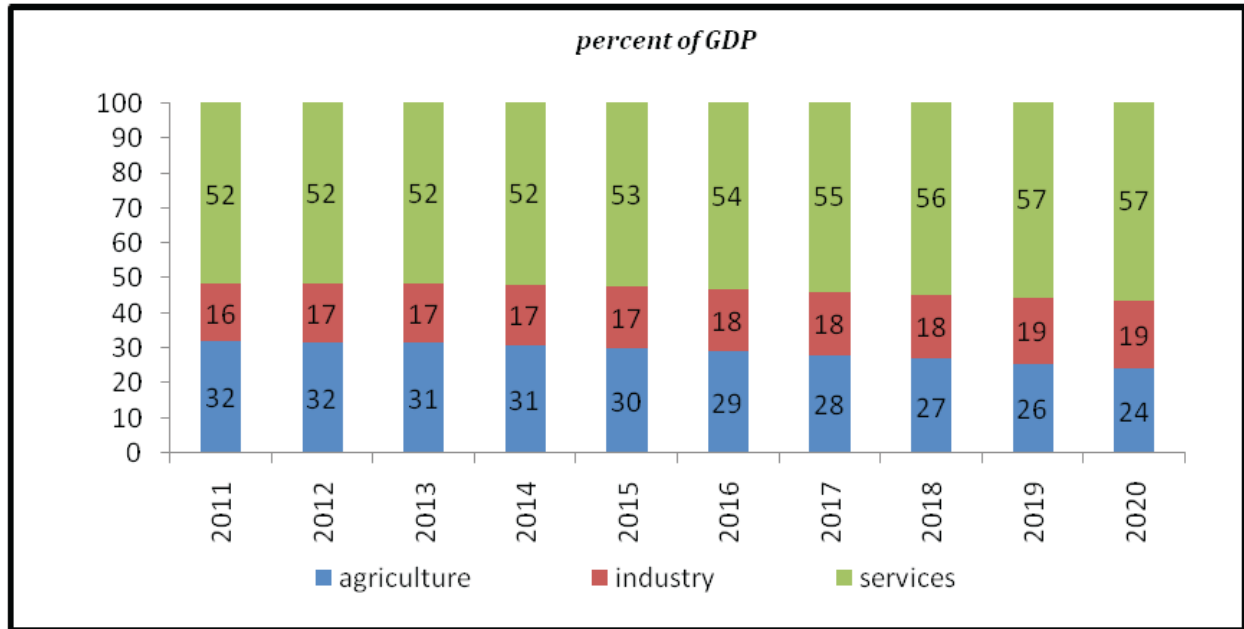
#### **i. Vision 2020**

It was developed in 1999 and adopted in 2000. It sets the longer-term vision and objectives that inform medium and short term planning and therefore serves as the primary structure of all activities of the government (GoR, 2000).

##### **a. Main objectives**

As stated in vision 2020 document (GoR, 2000), the vision's main objectives are; "Macroeconomic stability and wealth creation to reduce aid dependency, Structural Economic Transformation and Creating a productive middle class and fostering entrepreneurship."

**Figure 1: Transformation of Economic Activity 2011 – 2020**



*Source: Rwanda Vision 2020*

From the chart above, it is clear that vision 2020 targets to restructure Rwandan economy from an agriculture based economy to service and industry based. This will be achieved by reducing the percentage of agriculture on GDP from 32 in 2011 to 24 in 2020 and increasing the percentage of industry and service from 16 and 52 in 2011 to 19 and 57 in 2020 respectively.

**b. Vision 2020 Pillars**

Six areas have been identified as very crucial in achieving the vision and are referred to “pillars”. Here we provide a brief summary of the pillars.

**Good governance and a capable state:** from the first republic after independence, Rwanda has experienced successive bad governance that led to the genocide against Tutsi in 1994. Vision 2020 has recognized good governance as pillar number one on which all other pillars and initiatives should be based. The state will therefore ensure good governance through promotion of accountability, transparency and efficiency in limited resource allocation. The promotion of a state where rule of laws govern, where people are treated equally and share the opportunities will also be the focus. To ensure satisfactory service delivery and ownership, the state will promote



citizens' participation in decision making. This will require a decentralized administration where local leaders are empowered.

**Human resource development and a knowledge-based economy:** apart from the general wellbeing of the population, promotion of education and health have been identified as key to help Rwanda becoming a knowledge based economy. In education, Rwanda has made an incredible achievement in line with the Millennium Development Goal number two concerning achieving universal primary education (UN, 2000). The focus in vision 2020 will be on technical and vocational training and improving the quality of education to match the market needs and standards.

In health, the major focus will be on reducing population growth from 3 percent in 2011 to 2.2 percent per annum in 2020. The focus will also be on eliminating malnutrition among children and improving quality of health care by training qualified health professionals.

**Private sector-led development:** vision 2020 targets to move Rwandan economy to be led by private sector. This will both stimulate economic growth and development of a middle class local entrepreneurs. To achieve this, focus will be on establishing a legal framework that facilitate private investment and developing infrastructures to enable private sector growth.

**Infrastructure development:** Rwanda recognizes that the development of infrastructure is very fundamental to the reduction of the costs for doing business and attracting both foreign and domestic investments. Vision 2020 target developing areas like Land use management, urban development, transport, communication & ICT, energy, water and waste management.

**Productive high value and market oriented agriculture:** from the independence, policies formulation have considered agriculture as the main source of economic growth. Though considerable improvements have been recorded in the last decade, agriculture remain subsistence agriculture. The target in vision 2020 is to record an annual growth of 8.5 percent and transforming agriculture to fully commercialized agriculture by 2020.

**Regional and international integration:** regional integration is considered as one of the factors that will lead to the achievement of vision 2020. Thus Rwanda will continue to follow a liberal economy with no trade barriers.

### c. Vision 2020 cross cutting areas

Together with the six pillars, three areas have been identified as cross-cutting and need to be mainstreamed and taken care of in each pillar.

**Gender equality:** 51.8 percent of Rwandan population are women (NISR, 2014). There is no way Rwanda can develop without developing the big percentage of women. Rwanda has recorded tremendous achievement in terms of women empowerment and involvement in decision making. To strengthen gender equality and equity, the focus will be on adapting laws to gender and where necessary like in TVET and employment opportunities practice positive discrimination.

**Natural resources, environment and climate change:** nowadays, the globe is facing challenges related to climate changes. Rwanda is adversely being affected by the climate changes and this results into disasters that cost lives of people and loss of valuable resources. The climate change is also affecting agricultural output which is still a considerable source of economic growth. The focus will be on developing policies that are eco-friendly in all sectors and ensure a green economy.

**Science, technology and ICT:** ICT is one of the tool that will help in the transition to a knowledge-based economy. Promotion of ICT and its use as a tool to improve service delivery and meeting market needs will be the focus.

#### ii. Economic Development and Poverty Reduction Strategy (EDPRS)

Started in 2002 as Poverty Reduction Strategy and replaced by Economic Development and Poverty Reduction Strategy in 2008. This was the first EDPRS and covered five years period from 2008 to 2012. In 2013, EDPRS 2 was adopted as a second generation of the strategy. The following section provides a brief summary of EDPRS 2 (GoR, 2013).

EDPRS 2 is divided into four thematic areas, foundational issues and support functions. Thematic areas are the areas where key priorities have been identified as basis for economic development and form the foundation for achievement of EDPRS 2 targets. There are four thematic areas of Economic Transformation, Rural Development, Productivity and Youth Employment and Accountable Governance.

On the other hand, foundational issues are the areas where good progress has been recorded during the implementation of EDPRS 1 and Rwanda needs to base on the achievements made to build the foundation of EDPRS 2. Foundational issues include; macroeconomic stability, demographic issues, basic education, health, justice and social order and public financial management.

Finally, support functions are all the initiatives that aims at creating an enabling environment for the implementation of EDPRS 2.

In each EDPRS 2 initiative, priorities have been identified and institutional planning should be aligned with the identified priorities.

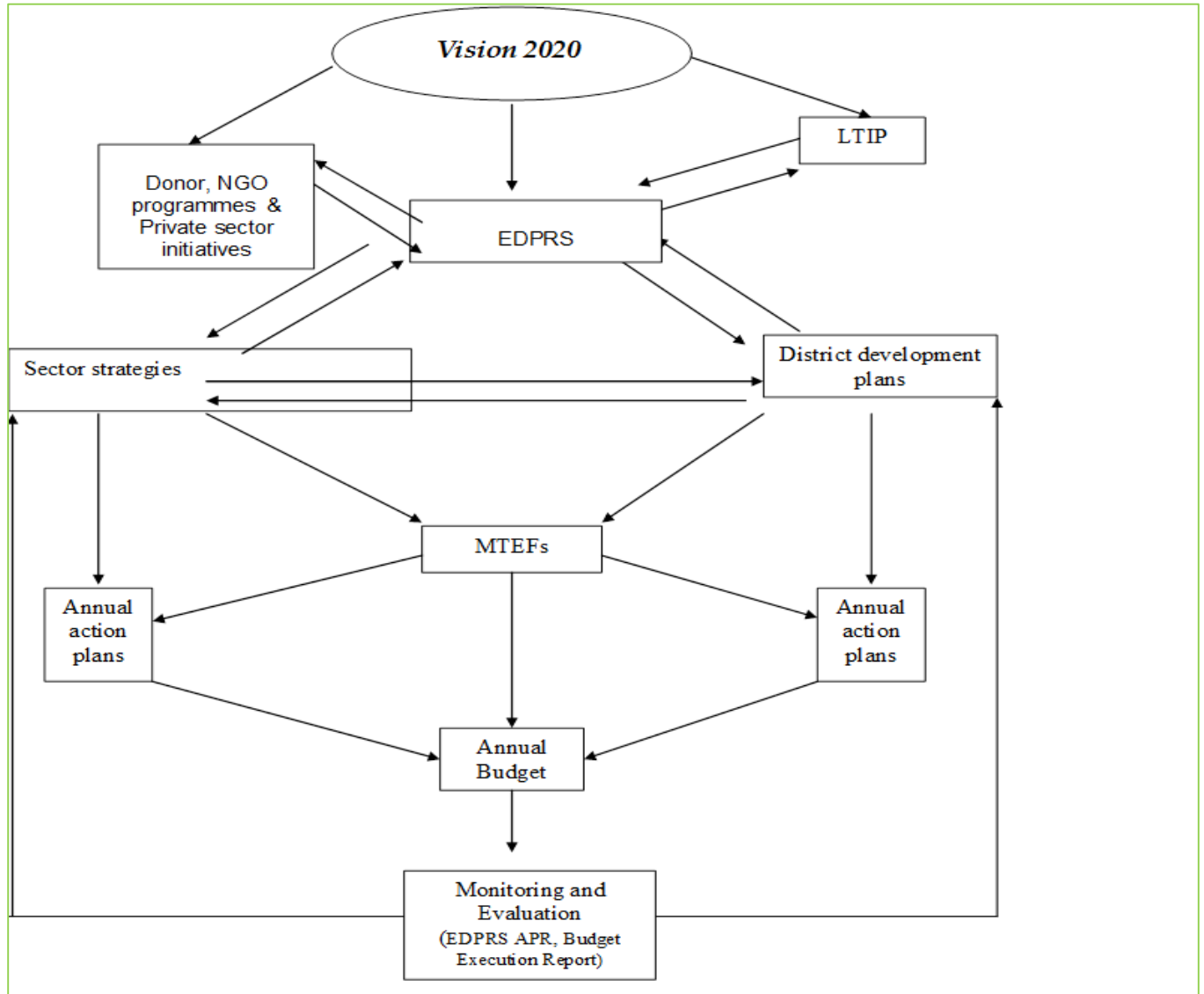
### **iii. Sector Strategic Plans and District Development Plans**

Sector ministries and districts base on priorities areas identified in EDPRS and develop sector strategic plans and district development plans respectively. They consist of set of priorities for three years and activities to be done as well as the strategies to be implemented. The sector strategic plans inform annual action plans of all institutions in the sector while annual district action plans are drawn from respective district development plans. Sector strategic plans and district development plans are linked to the budget in form of medium term expenditure Framework (MTEF).

### **iv. Annual Action Plan**

Action plan is a set of activities to be undertaken during a one year period and help to achieve the strategy. Each government entity prepares an annual action plan based on sector strategic plan and district strategic planning. Action plan link to the budget as it is implemented by the annual budget.

**Figure 2: The Link between Planning Tools and Budget**



*Source: MINECOFIN*

**v. Performance contracts**

From 2009, ministries and districts sign Performance Contracts with the President of the Republic. The performance contract highlights key objectives and targeted results of the ministry or district for the following year. This homegrown initiative has proven to yield good results and contributed to promotion of accountability at all level.

## **2.2. BUDGETING CONCEPTS**

### **2.2.1. Budget Classification and Structure in Rwanda**

The Organic Law on State finances and property (GoR, 2013) provides that expenditure estimates for each budget agency may include functional, economic and programmatic classifications in line with international classification standards. These are defined in the Government Financial Statistics (GFS) manual developed by the International Monetary Fund (IMF, 2014).

Functional or sector classification identifies the broad purpose of government expenditures. This allows a strategic overview as to which functions or sectors government has allocated its money in the budget, and is involved in directly, through providing outputs or services, as well as indirectly, through regulation. Examples of functional or sector classification include health services, education, Public order and safety, and Environmental protection. Some functions may be implemented by more than one budget agency for political, administrative and technical reasons.

Economic classification on the other hand, identifies the source, legal base, and nature of inputs to be purchased as well as the nature of budgetary transfers within a given budget agency and government as a whole. It creates a basis for classifying all expenditures for the purposes of budget preparation and review, accounting reporting, auditing, and finally for the economic analysis of government transactions. Examples of economic classification include wages and salaries, office furniture, purchase of building, spending on utilities and maintenance, to name a few.

Program classification extends functional or sector classification by classifying government expenditure according to the purpose or objective to which it contributes. In general, a program may refer to any suitable and meaningful group of recurrent and investment activities and projects that contribute towards achieving a common result.

Since 2000, the Government of Rwanda has prepared the budget using functional, economic and programmatic classification. To this end, in the 2000/01 budget agencies were asked to prepare their budgets using programmatic and economic classification, in line with the 1986 GFS classification.

### **2.2.2. Objectives of Annual Budget Preparation**

(H.M. Coombs, D.E. Jenkins, 2001) In their book Public sector Financial Management, list the following objectives of the annual budget preparation:

#### **i. The establishment of required income levels**

Levels of taxation, fees and charges will be established by examining current levels of income and by looking at the levels of expenditures planned for the forthcoming year.

#### **ii. Planning service expenditure levels**

One of the most important objectives is to assist in the planning of services expenditure levels and level of service provision. The total of service expenditures has to be accommodated within the total increase in income to be raised; but within this total, choices have to be made between expenditures on different services.

#### **iii. Authorization of expenditure**

The budget authorizes the expenditure of public funds on such services and the total of those service expenditure levels which are agreed in the budget. Indeed, money can only be spent on what has been authorized in the annual budget; and one guideline for subsequent decisions is to enquire whether an item of expenditure is included under a budget expenditure head. For this reason, the annual budget is a detailed and a very specific document, specifying service expenditures and also the breakdown in terms of sub-service, wage, salaries, materials, transportation and so on.

#### **iv. The control of expenditure**

The budget provides a basis for control of expenditure. At its crudest, the total annual expenditure should not exceed the budget. This philosophy can then be applied throughout the organization, to the expenditure of services and, within services, to expenditure on subservices and on details heads. An annual control in itself is insufficient; the oval budget and its components need to be disaggregated into time periods, say monthly, to permit control at a much nearer point in time to when the expenditure is incurred.

**v. A communication device**

The budget serves as an excellent communication device; service managers are informed through the budget, not just of the annual expenditure allocation, but also of the service level proposed, as viewed from an input –oriented perspective.

**vi. The process focuses attention**

The annual budget process focuses attention on future; it thus forces a consideration by managers of the objectives, methods and costs of service delivery.

**vii. Motivation of managers**

The budget is said to motivate managers. However, in a situation where outputs are difficult to quantify and in which most measurements are input oriented, this is likely to mean motivation to keep within the annual budget. The link between budget and motivation is complex but it may be that managers are particularly well motivated, indeed form an attachment to the budget, when they have played a positive role in helping to formulate it.

**2.2.3. Stages in the Annual Budgeting Cycle in Rwanda**

Strategic planning and budgeting in a Medium Term Expenditure Framework (MTEF) approach form an integral part of the annual planning and budgeting cycle. There are four main stages in the annual planning and budgeting cycle (MINECOFIN, 2010)

**i. Budget Preparation**

In principle, the basic steps in a standard budget preparation system comprise the following:

The first step in budget preparation should be the determination of a macroeconomic framework for the budget year (and ideally at least the next two years). The macroeconomic projections prepared by a macroeconomic unit in the ministry of finance or elsewhere, should be agreed with the minister of finance. This allows the budget department within the ministry of finance to determine the global level of expenditure that can be afforded without adverse macroeconomic

implications, given expected revenues and the level of deficit that can be safely financed. In a few countries, there are fiscal rules in place that may limit total spending or recurrent spending.

The second step should be the allocation of this global total among line ministries, leaving room for reserves (a separate planning and a contingency reserve as explained below) to be managed by the ministry of finance.

The next step should be for the budget department to prepare a budget circular to give instructions to line ministries, with the indicative aggregate spending ceiling for each ministry, on how to prepare their estimates in a way that will be consistent with macro objectives. This circular will include information on the economic assumptions to be adopted on wage levels, the exchange rate and price levels (and preferably differentiated price levels for different economic categories of goods and services).

Step four is the submission of bids by line ministries to the budget department. Once received there needs to be an effective "challenge" capacity within the budget department to test the costing of existing and any new policy proposals.

The next step comprises the negotiations, usually at official and then bilateral or collective ministerial level, leading finally to agreement.

Finally, step six is Cabinet endorsement of the proposals for inclusion in the budget that will go to parliament.

## **ii. Budget Enactment**

It is the approval of the budget by the legislature.

In April, the executive's budget proposal is then tabled to the legislative budget committee, which draws on further consultations with line ministries and districts in their scrutiny of and debate on the proposal. This stage provides an opportunity to the public and civil society to focus their greatest attention on the budget because it offers the most access to citizen input.

In May, the final Joint Budget Review (JBR) workshop and the East African Community (EAC) Ministerial consultations on tax policy issues to ensure tax policy harmonization across the EAC



takes place. Any final amendments to the draft budget are made following these meetings and the final draft budget is submitted to Parliament for its review and approval in June. Once, the budget is finally approved by the chamber of deputies, it is published in the Official Gazette of the Republic of Rwanda.

### **iii. Budget Execution**

This step includes:

#### **The authorization stage**

Once a budget is approved by the parliament, ministries are authorized to spend money, consistent with the legal appropriations for each line item. Where parliament has not yet approved the budget before the budget year starts, it is normal to allow governments to start spending on a "Vote on Account" basis--a temporary authorization, often restricted to one-twelfth per month of the previous year's expenditure (GoR, 2013).

In the francophone, Latin American, transition, and many Commonwealth countries, once approved, parliamentary authorization is for one year. In some Commonwealth countries, however, the authorization period may be set monthly or quarterly by warrant. In the majority of countries, unspent funds in one year cannot be carried forward to be spent in the next. In some OECD countries, however, unspent operating funds can be carried forward, usually up to a specified small percentage of the total funds; and in some countries cash to pay for obligations incurred in one fiscal year but falling due in the next can be carried over.

In some OECD countries where the emphasis is on giving agencies more freedom to manage their resources within an overall agency-specific budget to improve efficiency, and where multiyear expenditure planning is well established, the trend has been toward a greater use of such carryovers. However in these countries, aggregate expenditure control is much less of a problem and the prime objective is ensuring the most efficient and effective use of government resources. These circumstances do not typically apply in non-OECD countries, where the use of carryovers should generally be discouraged in the interest of financial discipline.

### **The commitment stage**

This is the stage where a future obligation (liability) to pay is incurred. The precise definition of commitment varies not only from one system to another but even among those well-versed in public sector accounting. Broadly, a commitment arises when a purchase order is made or a contract is signed, which implies that goods will be delivered or services rendered, and that a bill will have to be paid later on. But, as noted below, there are shades of interpretation. Good budget systems maintain data on commitments that can be monitored, because these will ultimately be reflected in actual expenditure and because their profile, in terms of cash payments to be made, may have important financial programming implications.

### **The verification stage**

This signifies that goods have been delivered fully or partially according to the contract, or the service has been rendered and the bill has been received. Physical delivery can precede verification by some period of time. The line ministry or spending agency making the purchase usually has the financial and the administrative responsibility to check the bill; that is, to verify that the supply has been received in full compliance with any terms or conditions. The bill at this stage is recognized as a liability of the public sector, in an accrual accounting sense, and is therefore an important stage of the expenditure process.

### **Payment authorization or payment order stage**

This stage may have a different significance in different systems. In the francophone system a guiding principle is that the person who orders the supply has to be different from the one who authorizes the payment. The payment officer is normally a public accountant and has specific responsibilities in terms of the expenditure process for authorizing the payment of verified bills. After verification of the bill, the spending unit must then hand it on to this public accountant, and request that the bills be paid; payment orders are normally centralized at the ministry of finance.

In contrast, in some Latin American countries the function of post-audit and payment is undertaken by the same institution, a General Controller, which also exerts a pre-audit function on commitments. In this case the source of data on different stages of spending is the same institution.

### **Payment stage**

At this stage, the bill is paid--by cash, cheque, or electronic transfer. In some systems, the payment is made through a single Ministry of Finance account in the central bank or in a designated bank. In others, the payment is undertaken through the commercial banking system via bank accounts held in the names of individual line ministries.

### **Accounting stage**

The cash transactions are recorded as complete in the books, which allows a reconciliation from the cash based "above-the-line" fiscal accounts with the financing of any deficit "below the line."

## **iv. Budget Reporting, Auditing & Evaluation**

### **a. Reporting on spending and service delivery attainment**

In this step, sector public expenditure quarterly reviews and annual sector review reports measure and monitor budget and output or service delivery performance and examines the efficiency and effectiveness of the use of public funds against targets set out in the EDPRS. Complementary joint budget support and public financial management reviews contribute to enhanced review of the implementation and progressive realization of government's policy priorities set out in the EDPRS. All public entities are required to prepare and submit their quarterly budget execution report to the ministry of finance and economic planning. The minister should prepare and submit quarterly budget execution report to cabinet and midyear consolidated budget execution report to the chamber of deputies through cabinet. Public entities are also required to prepare and submit monthly and quarterly financial statements to the ministry and annual financial statements to the office of auditor general for auditing purpose (GoR, 2013).

## **b. Auditing and evaluation**

Mandated by Article 61 of the constitution as amended to date, the Auditor General undertakes financial audits on budget agencies at the end of the financial year (GoR, 2010). These audits usually take about six months to complete and in its annual report to parliament, the Auditor General indicates how budget agencies utilized their budgets; highlighting areas where unnecessary expenses were incurred or expenses that were contrary to the law.

## **2.3.GLOBAL OVERVIEW OF DECENTRALIZATION**

### **2.3.1. Decentralization Background**

There has been a worldwide increasing interest in decentralization since 1980s when both developed and developing countries started trying to challenge the centralized decision making (Yilmaz, Robert D. Ebel and Serdar, 2002). In developed countries, decentralization is a way to reorganize the government and be able to provide public services more cost effectively (Bennett, Robert J., ed., 1990). On the other hand, developing countries turned to decentralization as a mean to get away from ineffective and inefficient governance, macroeconomic instability, and poor economic growth.

In central and eastern Europe, decentralization is a result of transition from communist system to market led economy and democratization (Bird, Ebel, Christine, & Wallich, 1995). In Latin America, decentralization is a result of the political pressure from the people requesting for democratization (Rojas, 1999). In many African countries on the other hand, decentralization has been used as a pathway to national unity (World Bank, 1999).

### **2.3.2. Reasons for Decentralization**

We recall that in a centralized system, decision-making is concentrated in the hands of central governments individuals while in a decentralized system decision-making is in hands of subnational governments that make decisions on matters that affect their citizens' lives.

Reasons for decentralization vary from economic to political dimensions of decentralization. The common dimensions of public finance policy are macroeconomic stability, equity and efficiency (Musgrave, R. and M. Musgrave, 1984)

#### **a. Efficiency**

Authors on fiscal federalism contend that decentralization brings efficiency gains. According to one of the authors urged that a representative government works best when it is closer to the people it is working for (Stigler, 1957).

Musgrave divided the functions of government into macroeconomic stabilization, income redistribution, and resource allocation functions. Regarding the later, he argues that policies should be different in different subnational government so as to allow the reflection of various preferences of respective local residents (Musgrave, 1959).

Efficiency gains from decentralization can be allocative; this is brought by the fact that local governments have more information on the needs of their respective residents than the central government and thus a decision on public expenditure will reflect people's choice in a decentralized system than in a centralized one. Efficiency gain can also be managerial; when public expenditure is financed by decentralized taxes that redirect the costs, this increases the completion among local government on efficient use of public resources (Yilmaz, Robert D. Ebel and Serdar, 2002).

### **b. Macroeconomic Stability**

Some macroeconomic authors argue that the evasion of central control over monetary and fiscal policies in a decentralized system may aggravate macroeconomic instability as the responsibility of policy making become shared by different levels of government (Tanzi, 1996). According to the authors, central governments are in a better position to make and implement prudent macroeconomic policies that can control inflationary pressure, and economic shocks. However, empirical researches on decentralization and macroeconomic stability give only little support to the fact that decentralization is destabilizing. They pointed out that decentralized systems provide more potential for a stable macro economy than purely centralized fiscal systems. According to them, highly decentralized countries like Austria, Germany, USA and Switzerland have highly stable macroeconomic outcomes and low inflation (Huther & Shah, 1998).

In short, decentralization does not always lead to macroeconomic instability. It all depends on how it has been designed, implemented and whether there is an institutional framework that supports intergovernmental fiscal relations. Countries undergoing decentralization should therefore ensure the process goes hand in hand with the required institutional reforms to minimize adverse incentives and promote transparency, accountability, and predictability (Richard, 2000).

### **c. Equity**

Equity in public finance policies is concerned with redistribution of income so as to achieve a fair and inclusive economic development. Here redistribution means the transfer of resources to low income regions and households with intention to have a balanced distribution of income (Yilmaz, Robert D. Ebel and Serdar, 2002).

In a decentralized system, redistribution of income has two dimensions; horizontal and within locality equity. The former refers to the level to which different local governments have the ability to provide the level of services which is equivalent to the services being delivered elsewhere. Two factors can contribute to horizontal inequality; if the tax base significantly varies from one region to another or if particular regional individualities influence the cost of service provision and/or attract specific costs. On the other hand, within locality equity refers to the extent to which individuals living in the same region have equal opportunities and access to resources.

To address the inequality issue, the commonly used system is the use of equalization grants. However, this only addresses the horizontal inequality. To fully address the within locality inequalities, central government should intervene and help local government to fix the problem. This is because the potential mobility of the households allow the poor households to move to regions where there are higher incentives while high income households would migrate elsewhere (Yilmaz, Robert D. Ebel and Serdar, 2002).

### **2.3.3. Dimensions of Decentralization**

Schneider based on theories of public administration, political science and fiscal federalism and put forward three dimensions of decentralization namely administrative, political and fiscal decentralization each of them having separate indicators and measurement (Aaron, 2003).

#### **2.3.3.1. Administrative Decentralization**

The theory of public administration that concentrates on how public bureaucracies are achieved, explains administrative decentralization as granting administrative autonomy for policy making decisions and authority to manage human resources to local governments (Rondinelli, John, & G. Shabbir, 1984). The level of administrative decentralization range from low autonomy to high level of autonomy.

Deconcentration that refers to the lowest level of autonomy consists of the central government transfer of policy making to its staff based in local governments. The authority over policy is still in the powers of the central government and it only consists of allowing geographical distribution of the authority. Delegation on the other hand presents somewhat higher level of autonomy than deconcentration. Under delegation, the policy making responsibility is transferred to local governments that remain accountable to central government. Finally, devolution is the highest level of autonomy and under it the central government allows local government to exercise power and full control to over the transferred responsibilities.

The measurement of the level of decentralization is by examining the degree of administrative autonomy granted to local government. One indicator of local administrative autonomy is the percentage of local revenues from taxes (Rondinelli, John, & G. Shabbir, 1984). A higher percentage means that local government have control over resources which indicates high level of administrative autonomy. This is because revenues from local taxes provide high level of autonomy to subnational governments while other sources like transfers are conditional and may be withheld by central government at their discretion. Most of the grants and loans on the other hand, are also attached to somehow tight conditions that take away the autonomy.

The second indicator of administrative autonomy by subnational governments is by examining the percentage of total grants and revenues excluding transfers. Making no distinction between non-earmarked transfers (e.g. block grants; over which local government have full control) and earmarked transfers (that present no flexibility to local governments as they are attached to central priorities and conditions) has its own shortcomings. However, the percentage of all local governments' revenues excluding transfers provide an indication as to which level local government can mobilize resources from taxes, fees, disposal of assets and loans to finance their operations.

The measure of administrative decentralization does not consider political criterion that goes with devolution. In most of the cases, devolution requires that representatives of administratively decentralized entities be democratically elected. This is an indicator on representation which is the consideration of political decentralization (Rondinelli, John, & G. Shabbir, 1984).

### **2.3.3.2. Political Decentralization**

Political science theories that form the basis of political decentralization focus “on mobilization, organization, articulation, participation, contestation, and aggregation of interests” (Rondinelli, John, & G. Shabbir, 1984). In decentralized political systems, political actors and concerns are significant at local level and independent to central government. The most suitable way to evaluate this is through representation that refers to the extent to which citizens interests are incorporated into policymaking decisions. In some systems, representation is done through civil society



organizations, like non-government organizations, social movements and interest organizations while in others representation bring interests through elections of representatives.

Elections are considered as a more recognizable indicator of representation (Rondinelli, John, & G. Shabbir, 1984). Elections at local level indicate that the representation is being taken to lower level of the government and during elections process, candidates organize their appeals based on local specificities. Elections of local leaders thus address the need for representation which is the way through which local interests get to legislative and executive power.

### **2.3.3.3. Fiscal Decentralization**

Fiscal federalism theories concerning decentralization aim at maximizing the social welfare that results from macroeconomic stability, allocative efficiency of the resources, and distributive equity (Rondinelli, John, & G. Shabbir, 1984). The concern of fiscal decentralization is the degree to which each level of government (local and central government) has impact on fiscal outcomes. When more resources are given up by central government to local governments the former has lesser impact on fiscal outcomes while the later will have more impact.

Revenues and expenditures are key components of fiscal policy. They consist the total amount of money that government take from the economy and inject in the economy as well as where they are taken from or injected in. The share of local government expenditure and revenue is considered by some authors as the best indicator of fiscal decentralization (Rondinelli, John, & G. Shabbir, 1984). The measurement of fiscal decentralization is done by examining the percentage of local government expenditure and revenues to the total government expenditure and revenues. A higher percentage indicates that local governments has a greater fiscal impact.

### **2.3.4. Decentralization in Rwanda**

Rwanda has suffered from highly centralized and dictatorial regimes since the colonial and post-independence period. The regimes prevented all Rwandans from participating in decision making on all matters that affect their lives. The political situation persisted, and the situation continued to

be aggravated year on year until the tragic genocide in 1994. When the government of National unity came to power, the situation was marked by lack of rule of law, destroyed infrastructure, insecurity, divided and traumatized society (MINALOC, 2001).

After the liberation of the country, the government undertook several measure to restore the fully destroyed country. Until 2001, the government had managed to rehabilitate the infrastructure, to reestablish public services like education and health, reintegrating refugees, to restore the economy, reconciling the society and establish a reliable government.

Furthermore, the government implemented various policies intended to make all players including private sector, civil society and non-government organizations participating in the social economic rebuilding of the country. However, from the political administrative point of view, the system was still centralized and problems like having powers concentrated in the hands of one person, lack of enough financial resources at the lower level of administration and lack of accountability still existed (MINALOC, 2001).

In 1999, there had been elections at cell level but there was no clear decentralization policy until 2001 when the government developed and adopted the national decentralization policy. The policy was to be implemented in three phases: in the first phase (deconcentration), services and activities initially reserved for central government would be performed by agents of the central government based in local governments but responsible to central government. During the second phase (delegation), services and activities initially reserved for central government would be delegated to local government and the corresponding resources transferred to enable the delivery of delegated functions.

Finally, in the third and last phase (devolution), the decision making powers, authority, responsibilities and corresponding resources should be transferred to local governments legally recognized by law as separate legal entities (MINALOC, 2001). Currently, all the forms of decentralization are being implemented and none of them can work in all the situations. Based on the implementation status of the original decentralization policy where most objectives were achieved, the government revised the policy in 2012 (MINALOC, 2013).

## **2.4. CITIZENS' PARTICIPATION**

### **2.4.1. Definition and Origin of Citizens' Participation**

Citizens' participation is a way through which citizens as private individuals are provided with an occasion to impact public decision making process. It is recognized to draw from ancient Greece and Colonial New England (Parker, 2003). The perception by Plato about freedom of speech, assembly, voting, and equal representation has been widespread overtime and shaped the foundation for establishment of democratic regimes (Mapuva, 2015).

Citizens' participation was used for the first time in Plymouth and Jamestown; American towns and extended in the western region (Pollak, 1985). As constituencies expanded geographically and the number of the population increased on a daily basis, it became more complicated or even impracticable for every citizen to participate. Hence, citizens started delegating their powers to their elected representatives. Citizens' participation then extended to other cities in the USA until it was recognized as a benchmark by donor institutions like the World Bank and the International Monetary Fund and became a common practice (Mapuva, 2015).

### **2.4.2. Conditions for Effective Citizens' Participation**

The following section presents ideal conditions for effective citizen participation as put forward by (Renee A. & John, 1996). They built on the critics of citizens' participation being costly and provided indicators that justify its low cost. They also provide indicators to be met for citizens' participation to yield high benefits.

#### **2.4.2.1. Low-Cost Indicators**

- Citizens readily volunteer for projects that benefit the entire community.
- Key stakeholders are not too geographically dispersed, so that participants can easily reach meetings.
- Citizens have enough income to attend meetings without harming their ability to provide for their families.

- The community is homogenous, so the group requires fewer representatives of interest groups. Smaller groups speed decision-making.
- The topic does not require representatives to master complex technical information quickly.

#### **2.4.2.2. High-Benefit Indicators**

- The issue is gridlocked and a citizen mandate is needed to break the gridlock.
- Hostility toward government entities is high, and the agency seeks validation from community members for successfully implementing the policy.
- Community representatives with particularly strong influence in the community are willing to serve as representatives.
- The group facilitator has credibility with all representatives
- The issue is of high interest to stakeholders, and may even be considered at ‘crisis stage’ if actions are not changed.

#### **2.4.3. Pros and Cons of Citizens’ Participation**

Various institutions and individuals prefer to ignore or reduce citizen’s participation in planning programs accusing it to cost an arm and leg as well as being a time consuming process (Mapuva, 2015). However, effective implementation of citizens ‘participation would bring a number of benefits. There is a good literature in the field of citizens ‘participation; and its advocates put forward various advantages while others mention its disadvantages. The following section discuss advantages and disadvantages put forward by Renee A. Irvin and John Stansbury (Renee A. & John, 1996).

##### **2.4.3.1. Advantages of Citizens’ Participation**

###### **i. Education**

The educational benefit of citizens’ participation is a two ways process. On one hand, policy makers get an opportunity to educate citizens on the reasons behind each policy and economic situation surrounding it. Citizens with technical, social and economic understanding will become citizen specialists and this will increase the likelihood of success. On the other hand, administrator

get an opportunity to learn from the citizens about their social characteristics and different levels of understanding as well as their perception of the policies under formulation. Similarly, policies that are formulated in line with citizens' perception and wish will have a great chance of success.

## **ii. Political Suasion**

Renee A. Irvin and John Stansbury urge that in most of the cases, the promotion of citizens' participation is not aimed at achieving good results by having an idea of what the citizens want. They state that a more motivating factor might be the pursuit to gain more public cooperation and acceptance by the public as essentials for successful policy implementation (Renee A. & John, 1996).

## **iii. Empowerment**

Citizens' participation provides citizens with an opportunity to meet and influence decision makers. This does not only provide an opportunity to citizens who would otherwise be in a weaker position to influence decision making, but also educate them on how to constructively interact among themselves.

### **2.4.3.2. Disadvantages of Citizens' Participation**

#### **i. Cost**

Discussions on whether to go for citizen participation or not point out cost as a number one barrier. However, the cost of the status quo is never examined. It is generally argued that citizens' participation is a cost and time-consuming process. Advocates of this, urge that an administrator with the required technical skills and political well placed to know the policy implications would come up with the same results at least cost or lesser time. However, it is also worth to note that the cost being referred to here, does not factor in the value that would be brought to citizens through their participation or the likelihood that citizens' participation would yield more results.

## **ii. Difficulty of Spreading Citizen Goodwill**

Citizens' participation is supposed to be a way through which policy makers can win full support from citizens as it involves regular contact with them that end up building mutual trust. However as noted before, with increasing complexity, citizens participate through their representatives. This works better, where citizens are in homogeneous groups that is more likely to be the case in rural areas while it is difficult to find a representative from communities that are more complex.

## **iii. Citizens' self-satisfaction**

A good number of literature support citizens' participation in public affairs as a vehicle to alleviate their hostility from public policies; e.g. (Berman, 1997). However, the followers have to accept that most of the citizens especially in self-satisfied societies want to avoid regular meetings for policy decisions and implementation (Renee A. & John, 1996).

In their study, (Lawrence & Deagen, 2001) urge that where citizens understand and agree with the obligations of the policy making institutions, citizens' participation is not needed. Another study on public participation revealed that regardless of the intention of citizens to participate, only less than one percent make a follow up on how to join the participatory process (Williams, et al., 2001). Having in mind this background, (Renee A. & John, 1996) conclude that citizens would rather prefer to mobilize funds through payment of taxes to carter for a paid administrator who should be in charge of policy decision.

## **iv. Representation**

Concerns regarding citizens' representation turn around imbalanced treatment of representatives and failure to pursue public interests by citizens' representatives. Advocates of imbalanced treatment urge that citizens be normally not paid for the time they invest in participating in decision-making process, while some representatives especially from government agencies and business companies will be compensated for the time devoted on the process (Renee A. & John, 1996).

On the other hand, others point out power representation whereby interests of some groups not acting in a representative capacity govern the decision making process. Some people have invested interests and that may not necessarily be the interests of the citizens (Curry, 2001).

**v. Lack of authority**

In a participatory decision making process, citizens are believed to take decisions. However, in case citizens' decision is not implemented while they were overconfident that their decision will be implemented, they will get demoralized. This is because in some cases, administrators will have predetermined decisions and will call for citizens' gatherings just to seek for their consensus.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

This section presents the methodological aspect of the research. It discusses research design, the sampling frame, type of data to be collected, methods to use in data collection, data processing, data analysis, as well as highlighting the expected limitations when carrying out the research.

#### **3.1. RESEARCH DESIGN**

This research will use a cross sectional research design and follow an elaborated plan for carrying out field research. Unlike in a longitudinal research where the researcher study the behavior of the same object over a period of time to note the evolution and changes in the behavior, in a cross sectional research, the researcher study the behavior of an object at a fixed point in time.

A cross sectional research design was suitable to this research as we intend to explore the role of promoting citizens' participation in planning and budgeting process from the current citizen's perspective. For example, a longitudinal research design would be suitable in an impact assessment study whereby one would compare achievements on some indicators for a number of years before and after citizens' participation.

We gathered primary quantitative data and used excel statistical software to store, analyze and present the data. The findings of the research then allowed the researcher to make conclusions and draw recommendations.



## 3.2. POPULATION AND SAMPLING TECHNIQUES

### 3.2.1. Population

A population is the entirety of persons, things or other items being taken into consideration while conducting a research. The population in this study will be all 203,432 residents of Kicukiro district aged sixteen and above who are considered as active population and thus should participate in the planning and budget process.

**Table 3: Distribution of Kicukiro District Resident Population Aged 16 and Above**

| <b>Sectors</b> | <b>Male Count</b> | <b>Female Count</b> | <b>TOTAL</b>   |
|----------------|-------------------|---------------------|----------------|
| Gahanga        | 8,022             | 7,888               | <b>15,910</b>  |
| Gatenga        | 15,920            | 14,392              | <b>30,312</b>  |
| Gikondo        | 6,100             | 5,356               | <b>11,456</b>  |
| Kagarama       | 4,808             | 4,327               | <b>9,135</b>   |
| Kanombe        | 14,933            | 14,302              | <b>29,235</b>  |
| Kicukiro       | 6,032             | 5,303               | <b>11,335</b>  |
| Kigarama       | 14,617            | 13,245              | <b>27,862</b>  |
| Masaka         | 11,606            | 11,842              | <b>23,448</b>  |
| Niboye         | 9,628             | 8,803               | <b>18,431</b>  |
| Nyarugunga     | 13,510            | 12,798              | <b>26,308</b>  |
| <b>TOTAL</b>   | <b>105,176</b>    | <b>98,256</b>       | <b>203,432</b> |

Source: Rwanda 4<sup>th</sup> Population and Housing Census, 2012 (NISR)

### 3.2.2. Sampling Techniques and Size Determination

In this research, the researcher will make a detailed analysis of how planning and budget process is done in Kicukiro district that was chosen as a case study by focusing more on the role of citizens' participation. The district was selected as a case study given the outstanding performance it recorded in local government performance evaluation for three consecutive fiscal years (2009/2010, 2010/2011 and 2011/2012) where it was ranked first (MINALOC, 2012). The researcher then wanted to determine if the achievements registered by the district are linked to citizens' participation.

In this research, we have combined both purposive sampling and probability sampling techniques. It is very difficult to conduct interviews to the entire population of the study and practically,

impossible considering the resources and time available to the researcher. The research was carried out all ten sectors of Kicukiro district and from each sector, a representative sample was selected. We used purposive sampling by selecting one village from each sector, and probability sampling by randomly selecting one village within the sector.

During sampling, probably the most challenge is “what should be the sample size?” in determination of sample size, factors like purpose of the study, the size of the population, level of precision, level of confidence and degree of variability need to be taken into consideration. The level of precision also referred to as sampling error is the range where the true value of the population is projected to be. The level of confidence also called risk level; on the other hand, is the degree of certainty that the selected sample will represent the true value of the population. On contrast, the degree of variability is the degree to which the distribution of attributes differs in a population (Glenn, 2016).

Approaches to sample size determination include; census where the entire population is used as the sample. This approach has credit to eliminate the sampling error since all individuals are sampled. However, it is only suitable to small size populations since it is time consuming and may be very costly. The second approach to sample size determination is using the sample size for similar studies. When this approach is used, sampling errors made are repeated from one study to another. The third method is using the sample from already published sample tables that combine a set of criteria and propose the sample size for different population size. Finally, the fourth approach is using formulas and calculate sample the size.

In our study, we have used the fourth method of sample size determination that requires the use of scientific formula. The following formula by (Yamane, 1967) was used to calculate the sample size at level of confidence estimated at 95% and level of precision at  $\pm 5\%$ . The estimated level of confidence and degree of precision are assumed very conservative and minimizing error.

$$n = \frac{N}{1 + N(e)^2}$$

Where

**n:** is the sample size , **N:** is the population size and **e:** level of precision

From the total population of people aged sixteen and above, the sample size was determined using the formula. To be more representative, we had to select the sample from all sectors in Kicukiro district. To find the sample size from each sector, calculation was made and every sector was then allocated a portion of the sample proportionate to its percentage in the total population.

**Table 4: Calculation of Sample size by Sector**

| <b>Sectors</b> | <b>Population aged 16 and Above</b> | <b>Sample Size @ 5% Precision</b> |
|----------------|-------------------------------------|-----------------------------------|
| Gahanga        | 15,910                              | 31                                |
| Gatenga        | 30,312                              | 59                                |
| Gikondo        | 11,456                              | 22                                |
| Kagarama       | 9,135                               | 18                                |
| Kanombe        | 29,235                              | 57                                |
| Kicukiro       | 11,335                              | 22                                |
| Kigarama       | 27,862                              | 55                                |
| Masaka         | 23,448                              | 46                                |
| Niboye         | 18,431                              | 36                                |
| Nyarugunga     | 26,308                              | 53                                |
| <b>TOTAL</b>   | <b>203,432</b>                      | <b>399</b>                        |

Source: Rwanda 4<sup>th</sup> Population and Housing Census, 2012 (NISR) and author's calculations

As given by the calculations in the table above, a total sample of 399 residents of Kicukiro district aged 16 and above was selected. From each sector, a number of respondents proportionate to the percentage in the total population was selected as sample size from the sector.

### **3.3. DATA COLLECTION**

In the collection of primary data, the researcher administered a questionnaire to a selected representative sample of Kicukiro district citizens to get their point of views on the subjects under the study. This was done after the community works known as “*Umuganda*” to get a cavernous understanding of how citizens are involved in planning and budgeting process and what are the benefits from their perspective.

### **3.4. DATA ANALYSIS AND INTERPRETATION**

In this research, we have used a quantitative data analysis where we have classified the responses on various questions, counted them for frequency and generalized on the entire population. Both qualitative data (information that cannot be expressed as a numbers, cannot be quantified; eg sex of respondents, education and occupation) and quantitative data (information that can be presented as numbers; eg age) was collected. Quantitative data have been collected, stored and combined with qualitative showing the frequency and percentages using the excel data analysis software. Both data have been then organized and presented in form of tables and graphs to help interpretation and make conclusions.

### **3.5. LIMITATIONS**

During the course of this study, the researcher encountered a number of limitation that if they were not properly addressed the research would not have been completed on time or achieved the intended objectives. This section presents the limitations faced and measures that were taken to overcome them and ensure smooth running of the research.

The first and the most challenging limitation was the limited number of days for data collection. The interviews with the population in Kicukiro district were planned to take place after community works that takes place once per month; the last Saturday of every month.

This directly limited the number of days to use for data collection within the research period. From the initial schedule, the researcher had planned two months for data collection which eventually meant two days only (last Saturdays of the two months). Since the selected sample had to come from all the ten sectors in Kicukiro district, this then means that the researcher had to interview five sectors per day; which would be very difficult or even impossible.

To overcome this limitation and be able to meet the deadline, the researcher selected four enumerators to help him to conduct the interviews and fill out the questionnaire. After meeting with them and informing them about the objectives of the study and giving guidance on how the interviews should be conducted, two of them were assigned two sectors each for data collection

while other two were assigned three sectors each. This simplified the work as each had to visit only one or two sectors per day and gave the researcher more time to concentrate on data entry into the computer and analysis.

The second limitation encountered was that some citizens are still uncomfortable to participate in an interview and were hesitant to provide the needed information. We managed to get them interviewed by ensuring them of our respect of ethical conduct during the research and ensuring them that the research was being conducted for academic purposes and.

## **CHAPTER FOUR**

### **PRESENTATION OF RESEARCH FINDINGS**

This chapter presents the results from the research conducted in all the sectors of Kicukiro district where interviews were conducted with the citizens after community works on the last Saturdays of January and February 2016. It also provide our interpretations on the research findings that will allow us to draw conclusion and provide recommendations.

Guided interview were conducted where the preset questions were prepared such that responses from the citizens will allow to meet the research objectives. In line with this, three main sections of questions were interviewed to citizens to understand their perspective on the relevance of citizens' participation in planning and budgeting process. The main questions are preceded by a section on the identification of the respondents that provides personal characteristics of the respondents in terms of sex, age, education, marital status and profession.

The first section consists of a set of questions intended to ascertain the extent to which citizens participate in planning and budgeting process. This section includes as well questions to examine the extent to which citizens have access to existing channels for citizens' participation. The second section consists of questions to determine whether from a citizen's perspective citizens' participation in planning and budgeting process has an impact on district revenue collection. The third and last section consists of questions to get to understand whether from citizens' perspective citizens' participation has an impact on local government performance contracts from its preparation, implementation and evaluation.

The researcher has then based on responses to the questions to present them in tables and graphics and make analysis using statistical measurement like percentage to make his interpretations. The following section presents the findings.

## 4.1. PRESENTATION OF THE RESULTS

### 4.1.1. Respondent Identification

#### 4.1.1.1. Respondents by Sex

During interviews conducted after community works, both men and women were given equal opportunity to voluntarily participate in the interview. However, out of total three hundred ninety nine interviewees, two hundred sixteen making up fifty four percent turned out to be males while females constituted forty six percent of the total sample.

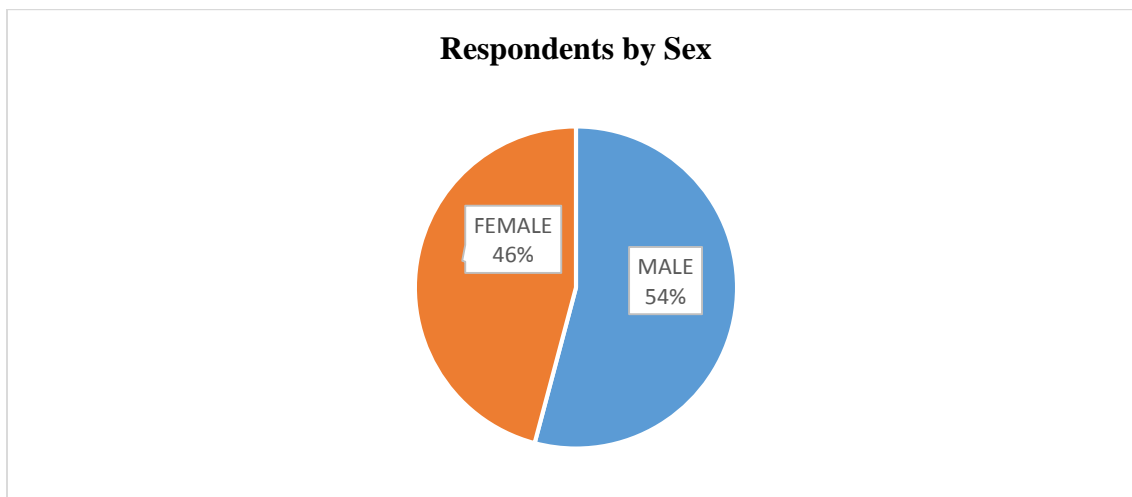
Table 5 and figure three below provide a summary representation of our respondents by sex.

**Table 5: Respondents by Sex**

| Sex    | Frequency | Percentage |
|--------|-----------|------------|
| MALE   | 216       | 54%        |
| FEMALE | 183       | 46%        |
| TOTAL  | 399       | 100%       |

Source: Primary Data

**Figure 3: Respondents Sex**



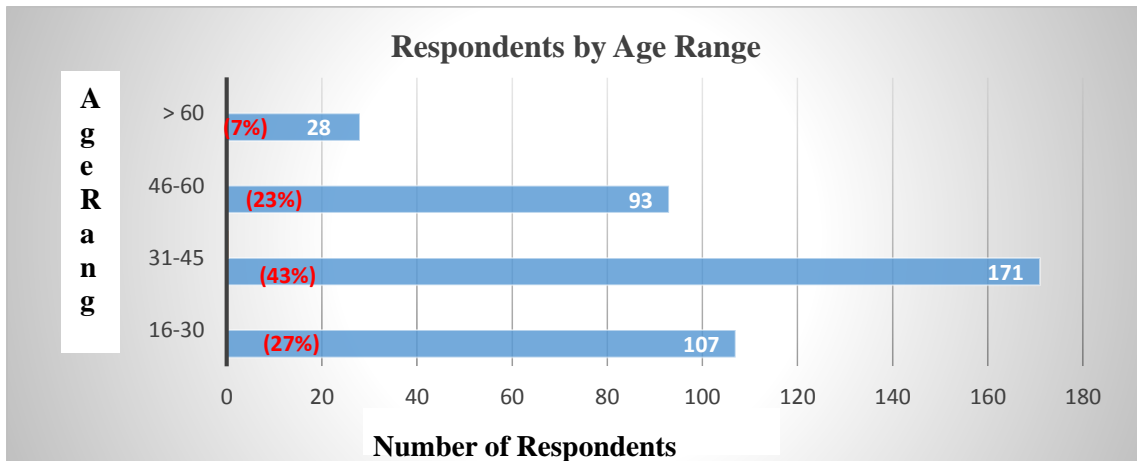
Source: Primary data

#### 4.1.1.2. Age of Respondents

The research indicated that the big percentage of the respondents were aged between sixteen and forty five with 43% aged between 31 and 45 and 27% aged between 16 and 30. This is also in line with the age groups of the general population of the district presented in the 2012 national survey where that revealed that the district population is young. In line with this, only 30% of the respondents was aged 46 and above. The inclusion of people aged from 16 was mainly intended to consider views of secondary school students who participate in community works in their respective sectors or in the special areas assigned to the schools.

Figure 4 below provides details of our respondents head counts and percentages by age rages.

**Figure 4: Age of Respondents**



**Source:** Primary Data



#### 4.1.1.3. Respondents' Education Level

**Table 6: Respondents' Education**

| <b>Level</b>  | <b>Frequency</b> | <b>Percentage</b> |
|---------------|------------------|-------------------|
| No Schooling  | 63               | 16%               |
| Primary       | 149              | 37%               |
| Secondary     | 97               | 24%               |
| Undergraduate | 20               | 5%                |
| Masters       | 8                | 2%                |
| PHD           | 2                | 1%                |
| TVET          | 60               | 15%               |
| <b>TOTAL</b>  | <b>399</b>       | <b>100%</b>       |

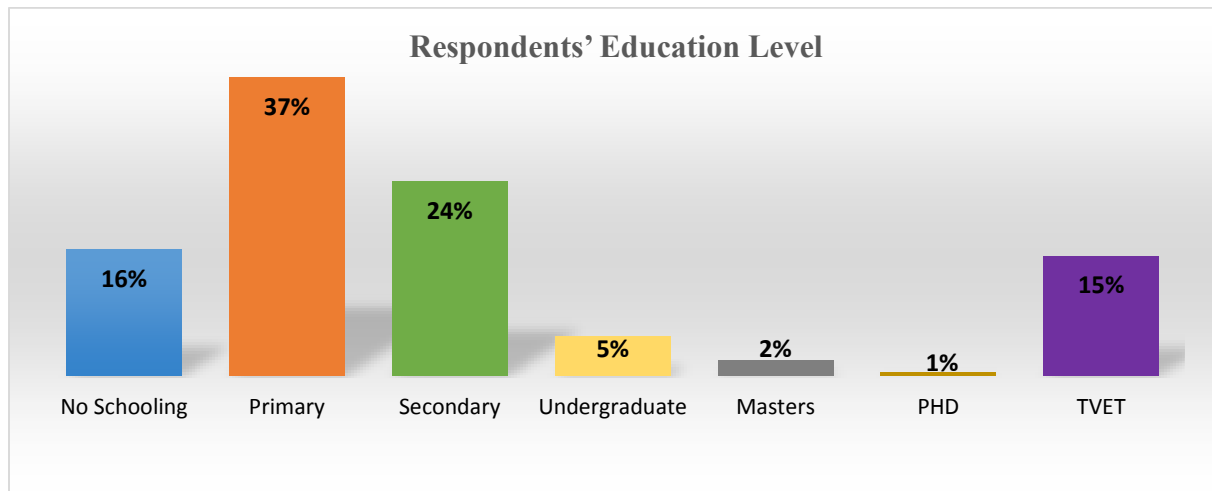
**Source:** Primary Data

From the table above, it is important to note that 84% of the respondents have at least attended primary school. Among them, 37% attended only primary school while 24% attended secondary school. Only 8% have attended university while on the other hand Technical and Vocational Training (TEVT) represent 15% of the total respondents.

The results shows a slight deviations in education level in the district compared to the data from 2012 Rwanda fourth Population and Housing Census where about 11.3% was recorded to have attended the university and only 10.7% recorded under non schooling. However, there has been an improvement in TVET which is also in line with the recent government efforts to promote TVET. The researcher then wondered if there is a negative correlation between level of education and participation in community works.

The figure 5 below provides a graphical presentation of our respondents by level of education.

**Figure 5: Respondents' Education Level**



#### 3.1.1.4. Marital Status of Respondents

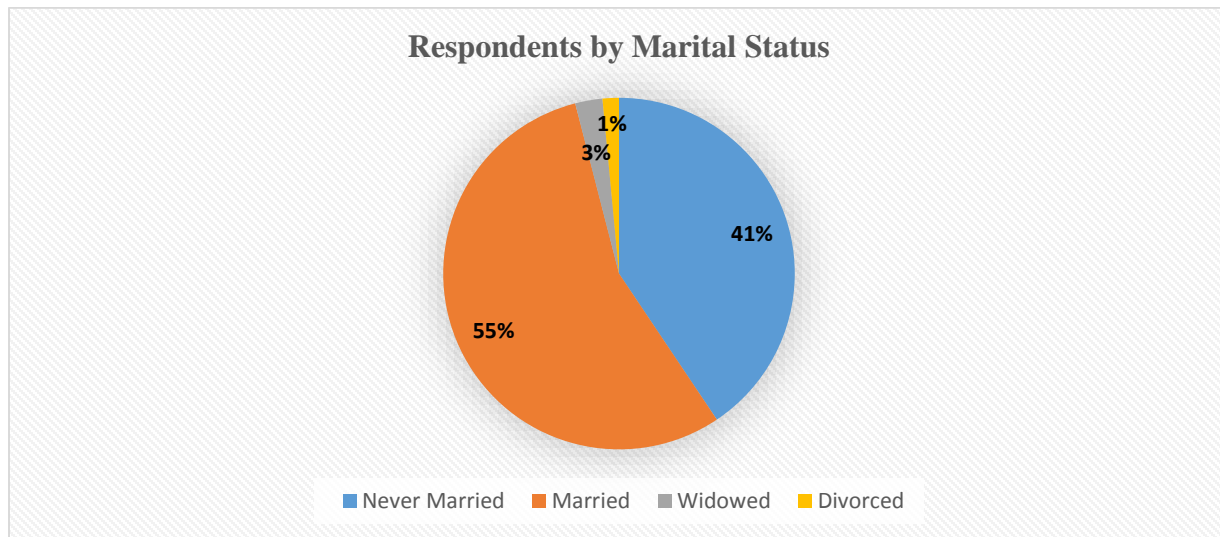
**Table 7: Marital Status of Respondents**

| Marital Status | Frequency  | Percentage  |
|----------------|------------|-------------|
| Never Married  | 162        | 41%         |
| Married        | 221        | 55%         |
| Widowed        | 10         | 3%          |
| Divorced       | 6          | 2%          |
| <b>TOTAL</b>   | <b>399</b> | <b>100%</b> |

**Source:** Primary Data

The table above concerning the marital status shows that 55% of the respondents are married, 41% never got married, and 3% are widowed while 2% are divorced. This status is explained by the fact that the big percentage of our respondents were youth who are either single or married. As revealed in the fourth Population and Housing Census, the more you go toward old age, the more widowed people you get; at age 60 year and above, about 42% of the total population are widowed.

**Figure 6: Marital Status of Respondents**



#### 4.1.1.5. Occupation of Respondents

**Table 8: Respondents by Economic Activity**

| Occupation    | Frequency  | Percentage  |
|---------------|------------|-------------|
| Business      | 187        | 47%         |
| Civil Servant | 59         | 15%         |
| Others        | 46         | 12%         |
| Construction  | 34         | 9%          |
| Agriculture   | 23         | 6%          |
| Police        | 18         | 5%          |
| House keeper  | 15         | 4%          |
| Mining        | 9          | 2%          |
| Military      | 8          | 2%          |
| <b>TOTAL</b>  | <b>399</b> | <b>100%</b> |

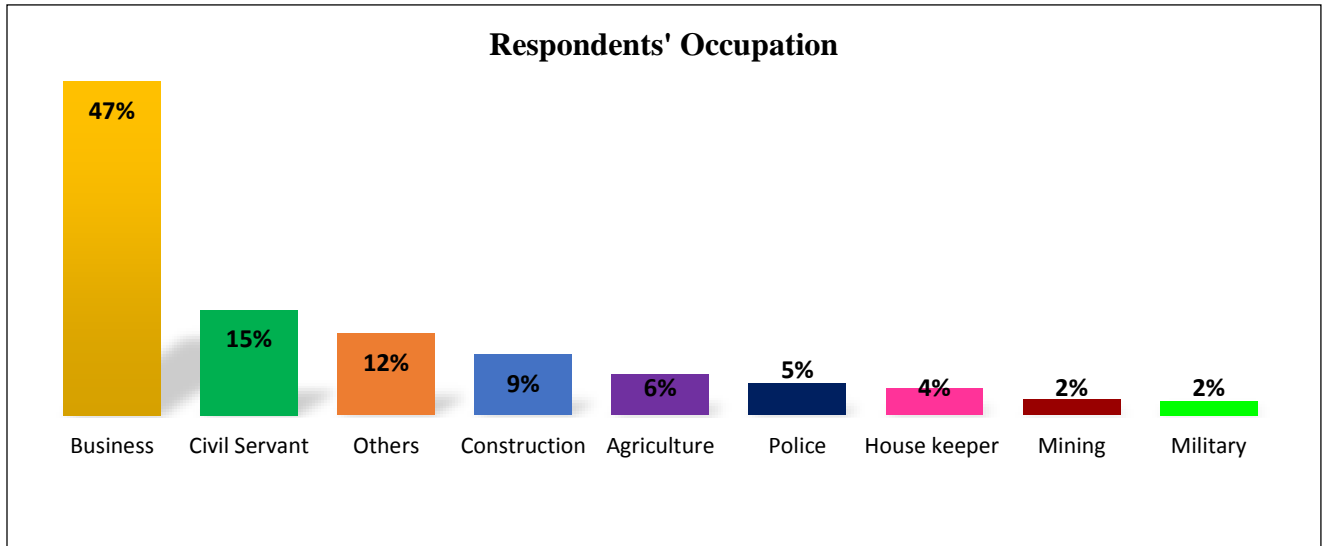
**Source:** Primary Data

The big percentage of the respondents (47%) are business owners, this is mainly because all business activities are closed during community works and business owners opt to participate because they are even easy to identify if they do not attend. In addition to this, business man and business women were relatively willing to participate in the interviews. Included in the

denomination “others” that constitutes 12% of the respondents are students and unemployed people.

The figure below provides a graphical presentation of the respondents by economic activity.

**Figure 7: Respondents by Economic Activity**

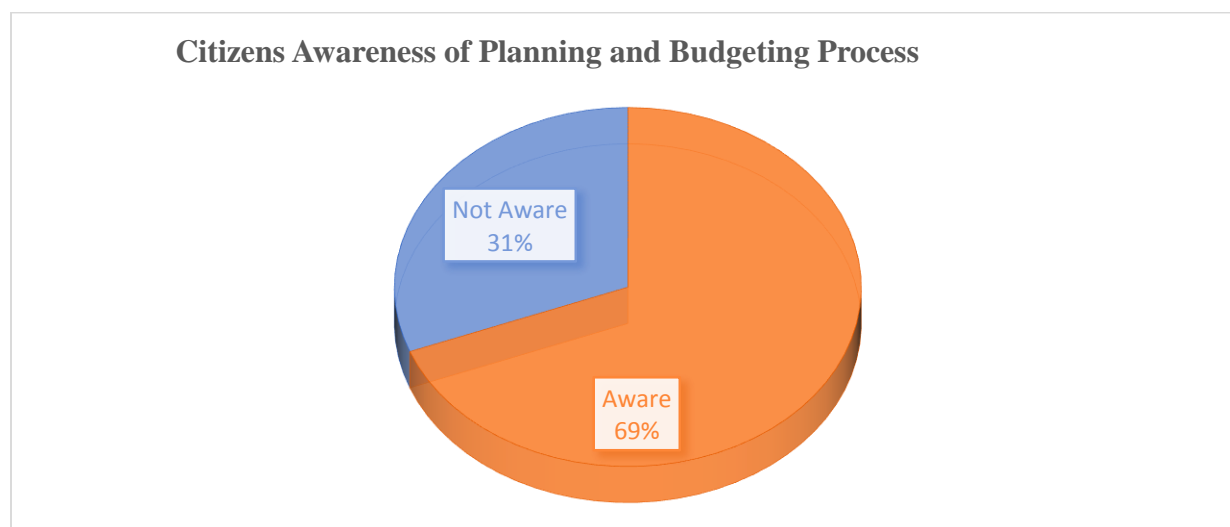


#### **4.1.2. Participation in Planning and Budgeting Process**

##### **4.1.2.1. Citizens Awareness of Planning and Budgeting Process**

Before going into details on the relevance of citizens’ participation in planning and budgeting process, the researcher started by asking a questions to access the citizen’s awareness of planning and budgeting process. By awareness, the researcher meant any information regarding the timing, actors and stakeholders in the process at either national level or district level. As shown in the figure below, 69% of the respondents were aware of the planning and budgeting process while 31% have never heard of it. This shows that citizens in Kicukiro district are relatively aware of planning and budgeting process compared to some other districts like Musanze, Gakenke, Nyaruguru, Gatsibo and Ngororero Districts where on average only 66% have knowledge about planning and budgeting process (CLADHO, 2014).

**Figure 8: Citizens Awareness of Planning and Budgeting Process**



#### 4.1.2.2. Channels for Citizens Awareness

**Table 9: Channels for Citizens Awareness**

| Channels                                        | Frequency | Percentage |
|-------------------------------------------------|-----------|------------|
| Conferences on planning and budgeting           | 55        | 20%        |
| Joint Action Development Forum Meetings         | 110       | 40%        |
| Meetings after community works                  | 212       | 77%        |
| Member of local councils                        | 30        | 11%        |
| Others                                          | 165       | 60%        |
| Radio                                           | 262       | 95%        |
| Television                                      | 193       | 70%        |
| Visits by member of civil society organizations | 82        | 30%        |
| Visits by member of executive organs            | 104       | 38%        |
| Visits by Member of the Parliament              | 30        | 11%        |

**Source:** Primary Data

As shown from the figure 8 on citizens' awareness of the planning and budgeting process, 69% or 276 out of 399 respondents were aware. The government of Rwanda has set up various channels and forums to allow its citizens to participate in the decision making process including planning

and budgeting. The research wanted to have an idea about which channel is more accessible to the citizens.

Table nine above, contains information on the channel through which the 276 respondents got information on planning and budgeting. It is important to note that the channels for awareness are not exclusive and one citizen could get information from different channels. The table shows that the most accessible channel is Radio whereby 95% of the respondents got the information from, followed by meetings after community works and Television that informed 77% and 70% of the respondents respectively.

It is also important to point out that, conferences on planning and budgeting as well as joint action development forums have been less accessible compared to others. This is because they use a representative participation approach where only selected individuals are invited to represent the rest.

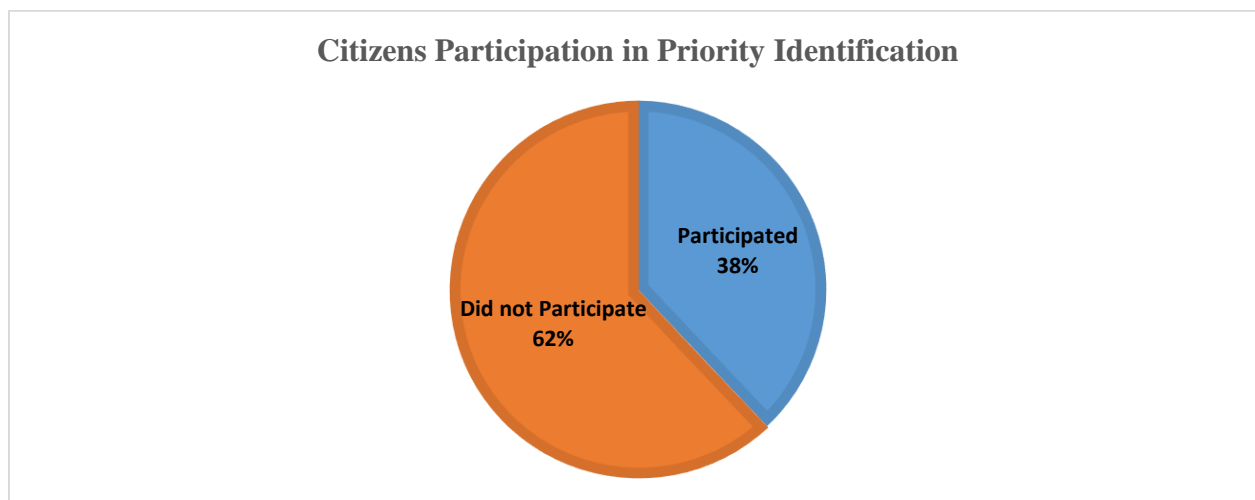
Mentioned in others include people who were informed about planning and budgeting process from various sources including information sharing, researches and various readings.

#### **4.1.2.3. Citizens' Participation in Identification of Priorities**

Citizens awareness of planning and budgeting process should not be an end in itself, the result should be their participation and ownership of government programs. Keeping that in mind, the researcher wanted to know what percentage of the citizens who were aware of planning and budgeting process have ever participated in priority identification as a key activity in planning and budgeting process.

From the figure below, it is important to highlight that out of the 69% who were aware of planning and budgeting process only 38% of them had ever participated in priority identification.

**Figure 10: Citizens Participation in Priority Identification**



#### 4.1.2.4. Forums for Citizens Participation in Priority Identification

**Table 10: Forums for Citizens Participation in Priority Identification**

| Forums                                  | Frequency | Percentage  |
|-----------------------------------------|-----------|-------------|
| Meetings after community works          | 36        | 51%         |
| Visit by other government officials     | 16        | 23%         |
| National dialogue meeting               | 8         | 11%         |
| Joint Action Development Forum Meetings | 4         | 6%          |
| Public Accountability day               | 3         | 4%          |
| Visit by the Mayor of the district      | 2         | 3%          |
| Visit by the President of the Republic  | 1         | 1%          |
| Visits by Member of the Parliament      | 1         | 1%          |
| <b>TOTAL</b>                            | <b>71</b> | <b>100%</b> |

**Source:** Primary Data

From the figure above we explained that only 38% have participated in priority identification. In the table 10 above and figure 11 below, we present the forums through which they participated in priority identification.

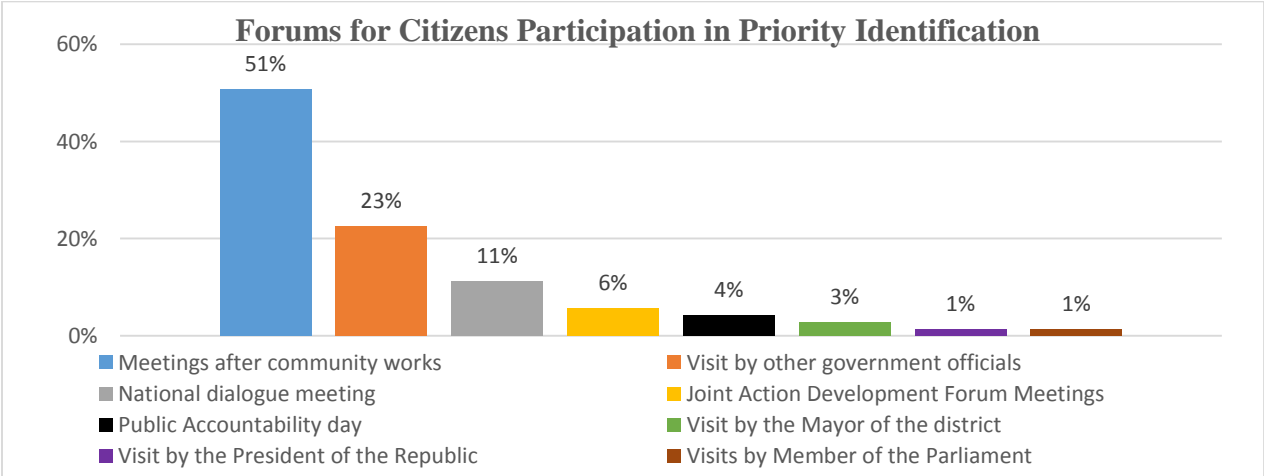
The entry point in planning and budgeting process as well as performance contract preparation is meetings at village level that take place normally after the community works to agree on priorities at the village level for consolidation and submission to sector level for consideration and submission to the district level. From the table, it is important to note that 36 out of 71 respondents representing 51% participated during meetings after community works.

Government officials at different levels make regular visits to local communities to inform them about government policies, get their understanding of government programs, to get informed of citizens concerns and help to find solutions. During the visits, citizens get time to ask questions and present existing issues that need to be taken as priority in their regions. The request made by citizens are then consolidated for detailed evaluation for inclusion in national priorities. The study leveled that 23% of the respondents participated in priority identification during visits by government officials.

Once in a year national dialogue that brings together government authorities at different levels on one hand, citizens, civil society organizations and private sector on the other hand are held. The dialogue serves as a forum for evaluation of achievements made during the last year and setting priorities for the coming year. During the dialogue, citizens are given an opportunity to provide their feedback on how government programs are being delivered as well as to provide the key issues that needs to be taken into consideration during priority setting. The result of this research shows that 11% of the respondents participated in priority identification during national dialogue.

The general observation is that people will have more access to these forum that allow direct participation compared to forums for representative participation. The figure below provides a graphical presentation of the forums.

**Figure 11: Forums for Citizens Participation in Priority Identification**



**Source:** Primary Data



#### 4.1.2.5. Implementation of Identified Priorities

Planning precedes budgeting; priorities identified during the planning process are consolidated, scrutinized and reprioritized for inclusion in the annual budget and implementation. The research was concerned with the extent to which priorities identified by citizens get considered in district budget and implemented. The table below shows the respondents responses on whether the priorities identified have been implemented or not.

**Table 11: Implementation of Identified Priorities**

| <b>Response</b>       | <b>Frequency</b> | <b>Percentage</b> |
|-----------------------|------------------|-------------------|
| Partially Implemented | 7                | 10%               |
| Fully Implemented     | 19               | 27%               |
| Not Considered        | 45               | 63%               |
| <b>TOTAL</b>          | <b>71</b>        | <b>100%</b>       |

**Source:** Primary Data

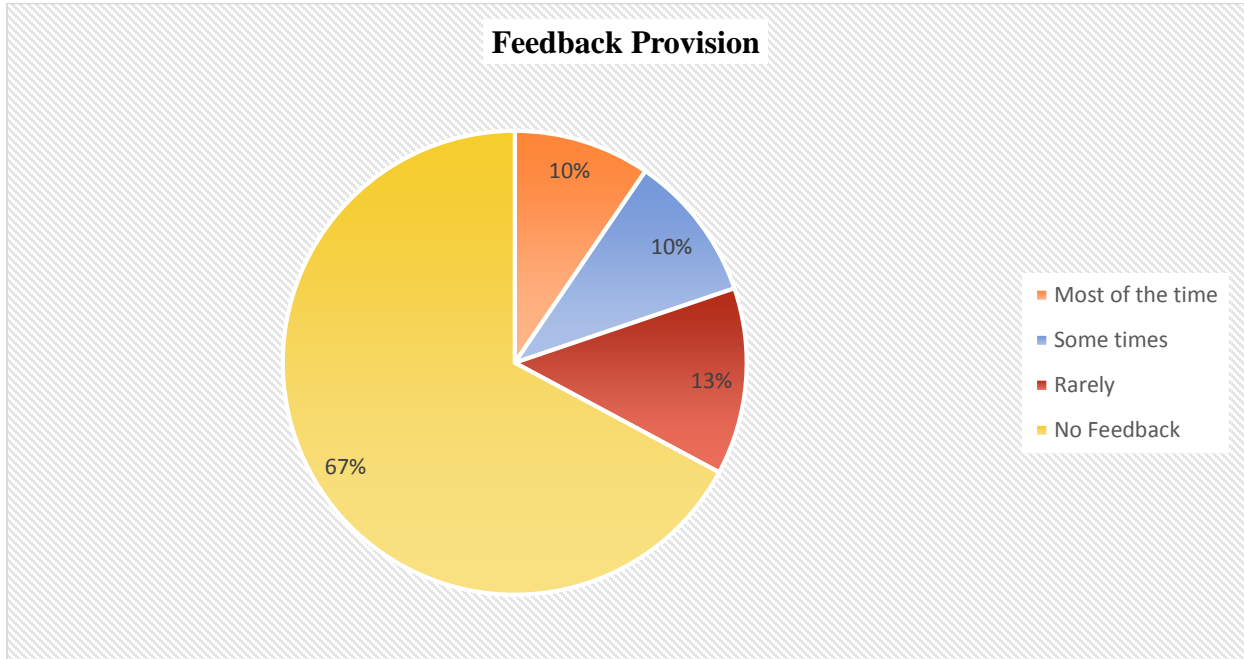
One of the objective of the study was to assess the extent to which citizens have access to existing forums for citizens' participation in planning and budgeting process. In line with this, the researcher wanted to get an insight on whether the priorities identified by the citizens are implemented or not.

From the table above and figure 12 below, it is clear that only 27% of the priorities have been fully implemented, 10% have been partially implemented, while 63% have not been considered at all. From the numbers above, we can concur that in total only 37% of the priorities identified by the citizens have been considered by the district for implementation.

It is important to mention that from our analysis of the responses provided, most of the priorities that were considered for implementation were proposed during visits by government authorities or national dialogue. Priorities identified during community works that were considered are constitute a small percentage yet it was the most accessible forum to many people. This discourage citizens to get further involved in the process as they feel that their effort to come up with key priorities will not be considered by district authorities.

#### 4.1.2.6. Feedback on Inclusion or exclusion of Identified Priorities

**Figure 13: Feedback on Inclusion or exclusion of Identified Priorities**



**Source:** Primary Data

We have noticed that only 37% of the priorities identified by citizens are either fully or partially implemented while 63% are not considered at all. For effective citizens' participation, there should be a two ways communication where by citizens have to receive feedback on their proposals.

The figure above shows the responses from respondents on how frequent they have received feedback on reason for inclusion or exclusion of the identified priorities. As it is shown, it is important to note that only 33% of the respondents have ever received feedback from district authorities. 10% receive feedback most of the time or sometimes, 15% get feedback rarely while 67% never get the feedback. This is also another factor that discourages citizens from fully participation as they fell like the process is just a kind of administrative formalities.

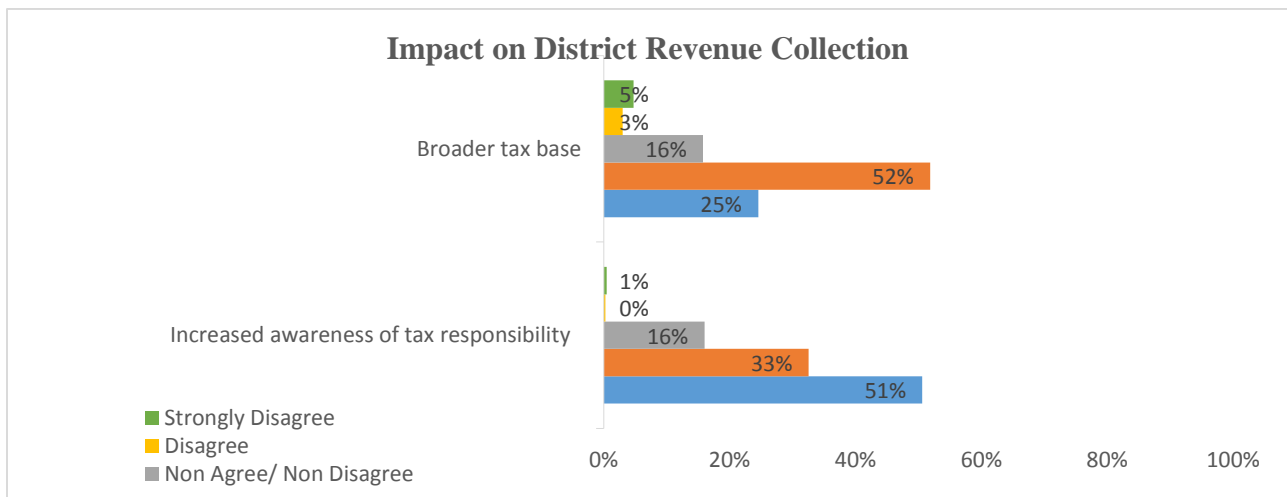
### 4.1.3. Citizens Participation and its Impact on District Revenue

In line with the general objective of the study, one of the specific objectives was to assess the impact of citizens' participation in planning and budgeting process on district revenue collection and use. The assumption was that there would be an actual or potential improvement in district revenue performance because through citizens' participation, citizens get to know their tax responsibility and the use of the taxes they pay.

Responses on the questions about impact of citizens' participation on district revenue collection as well as the impact on revenue use will allow us to come up with a conclusion on whether citizens participation has an impact on district revenue performance or not.

#### 4.1.3.1. Impact on District Revenue Collection

**Figure 14: Impact on District Revenue Collection**



**Source:** Primary Data

The figure above presents respondents' level of agreement on four parameters that influence local revenue collections. The levels of agreement range on a five scale basis from strongly agree to strongly non - agree/ non - disagree and disagree.

The first parameter is an increase in awareness of tax responsibility. On this parameter as shown from the figure, 51% of the respondents strongly agree that citizens' participation in planning and budgeting process will result into increased awareness of their tax responsibility. 33% agree, 16% neither agree nor disagree while only 1% strongly disagree with this parameter. In general, about 84% of the respondents believe that citizens' participation will increase their awareness of tax responsibility while about 17% don't agree with the parameter.

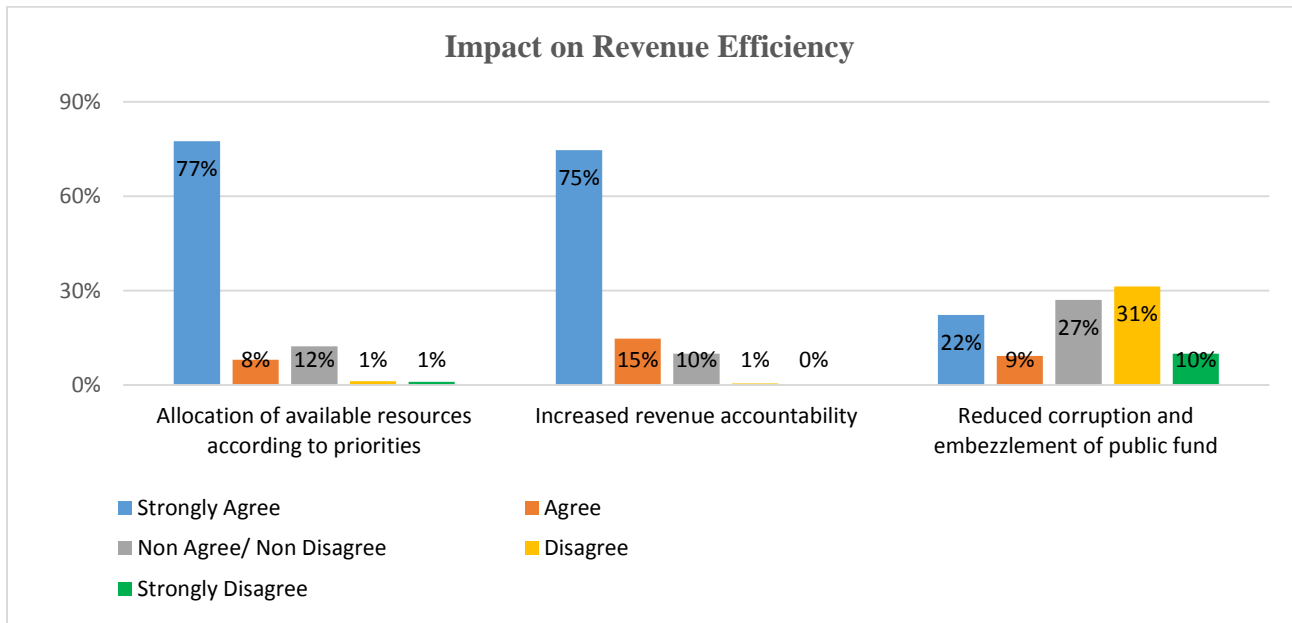
An increase in citizens' awareness of their tax responsibility means that citizens understand why they pay taxes, and how the money they pay is used to provide public goods and services from which they benefit. This will generally increase tax revenue collection through timely payment of taxes, reduced tax avoidance and tax administration costs.

The second parameter is a broader tax base. An increased tax base that results from reduction in tax evasion and avoidance leads to increase in tax revenues collection. 25% of the respondents strongly agree that citizens' participation in planning and budgeting process will broaden the tax base, 52% agree, 16% neither agree nor disagree, 3% disagree while 5% strongly disagree with this.

#### **4.1.3.2. Impact on Revenue Efficiency**

On addition to the amount of revenues collected, revenue performance can also be accessed in terms of efficiency in resource allocation as well as efficiency in spending. The figure below contains respondents' levels of agreement to three parameters for revenue use.

**Figure 15: Impact on District Revenue Use**



**Source:** Primary Data

The researcher wanted to get the respondent’s views on whether citizens’ participation in planning and budgeting contributes to the allocation of available resources according to priorities, increases revenue accountability and reduces corruption and embezzlement of public funds.

From the figure above, it is clear that 77% of the respondents strongly agree with the statement that citizens’ participation in planning and budgeting contributes to the allocation of available resources according to priorities, 8% agree, while only 1% strongly disagree. In general 85% of the respondents agree that their participation in planning and budgeting contributes to the allocation of available resources according to priorities. This is because resources are allocated to priorities identified by citizens who knows what they need more.

On addition to that, 75% of the respondents strongly agree that citizens’ participation in planning and budgeting contributes to increased revenue accountability, 15% agree with this, 10% neither agree nor disagree and 1% disagree with this. Generally, about (0% have a positive feeling that their participation in planning and budgeting contributes to increased revenue accountability.

Finally, only 31% of the respondents either strongly agree or agree to the statement that citizens' participation in planning and budgeting contributes to reduced corruption and embezzlement of public funds.

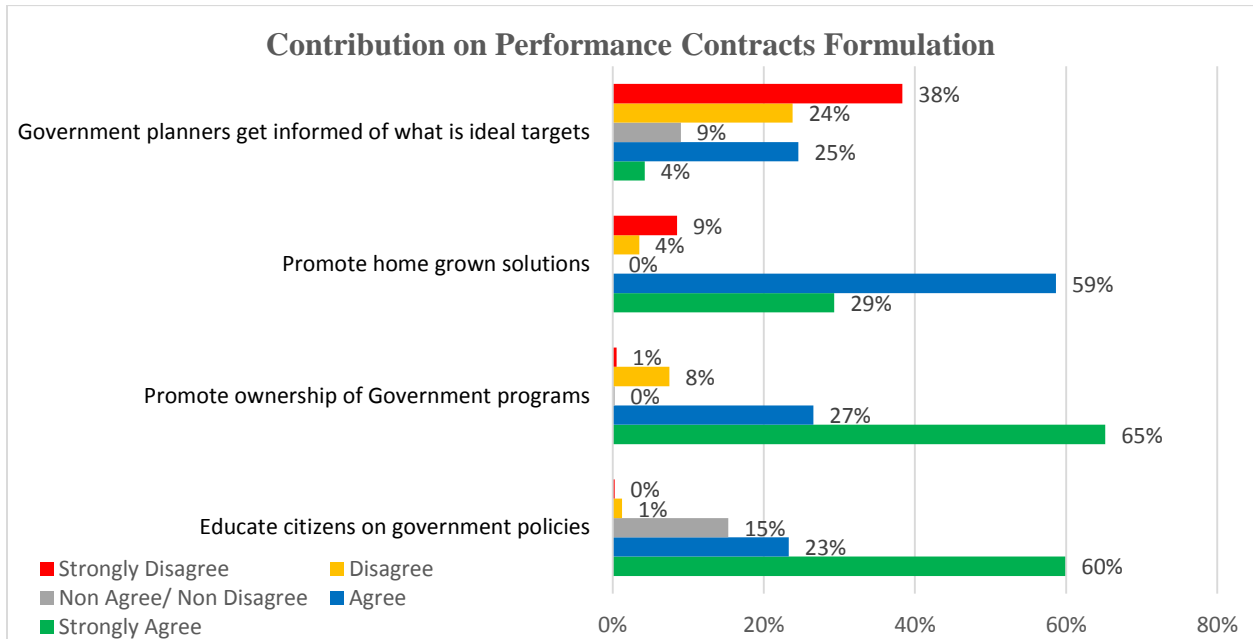
#### **4.1.4. Citizens Participation and its Impact on Local Government Performance Contracts**

One of the objectives of the study was to examine the relationship between citizens' participation in planning and budgeting process and local government performance contracts. To achieve this objective, we have formulated questions to access the contribution of citizens' participation in planning and budgeting process in local government performance contracts formulation, implementation as well as monitoring and evaluation as the three stages of the process.

##### **4.1.4.1. Impact on Performance Contracts Formulation**

Responses on four statements showing the contribution of citizens' participation in planning and budgeting process on local government performance contracts formulation will allow us to draw conclusions. Respondents were asked to provide their level of agreement on whether through citizens' participation government planners get informed on what should be set as targets, whether it promotes home grown solutions, if it promotes ownership of government programs by citizens and whether it educates citizens on government policies. The figure below shows respondents' levels of agreement on the four statements.

**Figure 16: Contribution on Performance Contracts Formulation**



**Source:** Primary Data

As it is shown from the figure above, 60% of the respondents strongly agree that their participation in planning and budgeting process educates citizens on government policies, 23% agree while 15% neither agree nor disagree while only 1% disagree with this. Normally, the performance contract process itself should be citizens centered. During the formulation, households set their individual performance contracts that are consolidated at the village level cell and sector levels to form their respective performance contracts before sending them to district level. When citizens are well informed about government programs and policies, the process becomes easy and effective and contributes to effective implementation.

Regarding whether citizens participation in planning and budgeting promotes ownership of government programs by citizens, 65% strongly agree with this, 27% agree with it, 8% disagree while only 1% strongly disagree with it. In general 92% believe that citizens participation in planning and budgeting promotes ownership of government programs by citizens. Again citizens' ownership is very key for the success of any government program.

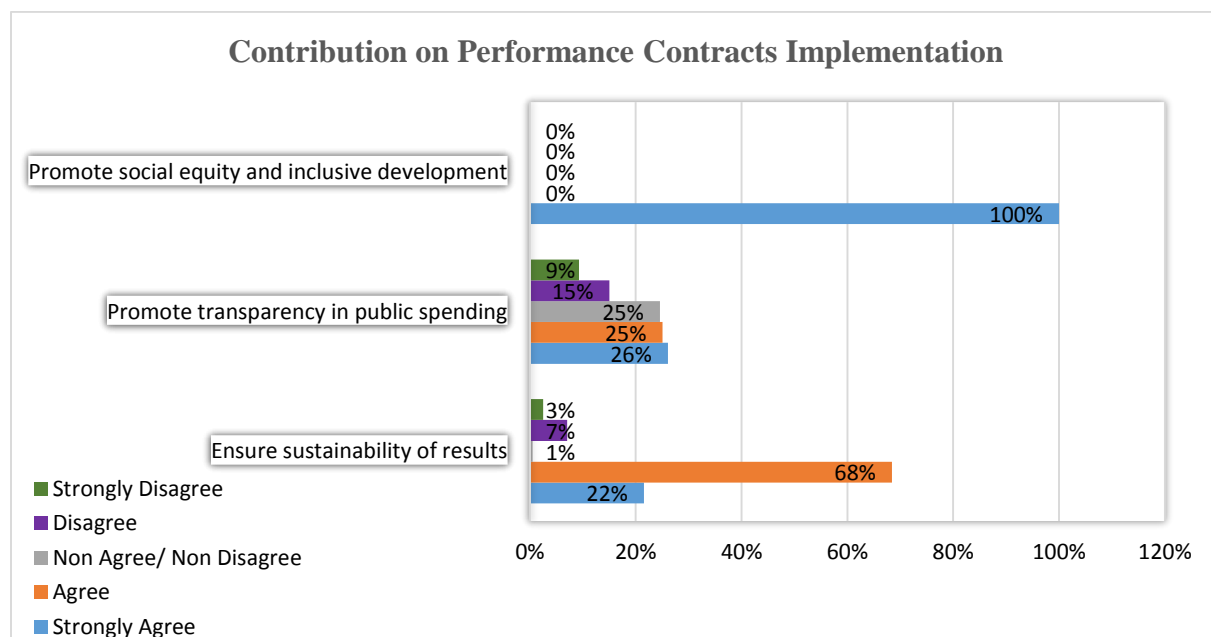
Furthermore, respondents were asked to provide their level of agreement on whether citizens’ participation in planning and budgeting promotes homegrown solutions. As shown on the figure, 29% of the respondents strongly agree with it, 59% agree, 4% disagree and 9% strongly disagree with it. Rwanda has managed to implement different programs using homegrown solutions, including the community lead justice system known as “*Abunzi*” (mediators) and community works that achieved tremendous result at cheap or no cost. Citizen’s participation allow the citizens get together to find together untraditional ways to implement the agreed priorities.

To end with, we present the respondents’ perception on whether through citizens’ participation government planners get informed about what should be the ideal targets. From the table we note that about 70% does not agree with this while only about 30% agree with this statement.

#### 4.1.4.2. Impact on Performance Contracts Implementation

To access the contribution of citizens’ participation on performance contract implementation, three statements were formulated and asked to the respondents to get their level of agreement or disagreement. The following figure presents the responses from our respondents.

**Figure 17: Contribution on Performance Contracts Implementation**



**Source:** Primary Data



From the table we note that 100% of the respondents strongly agree that their participation in planning and budgeting process promotes social equity and inclusive development. Citizen's participation uses a bottom up decision making process where priorities are identified by citizens themselves in their constituencies. Similarly, through participatory social economic development programs, citizens select beneficiaries from the neediest people which help them to get out of poverty and develop.

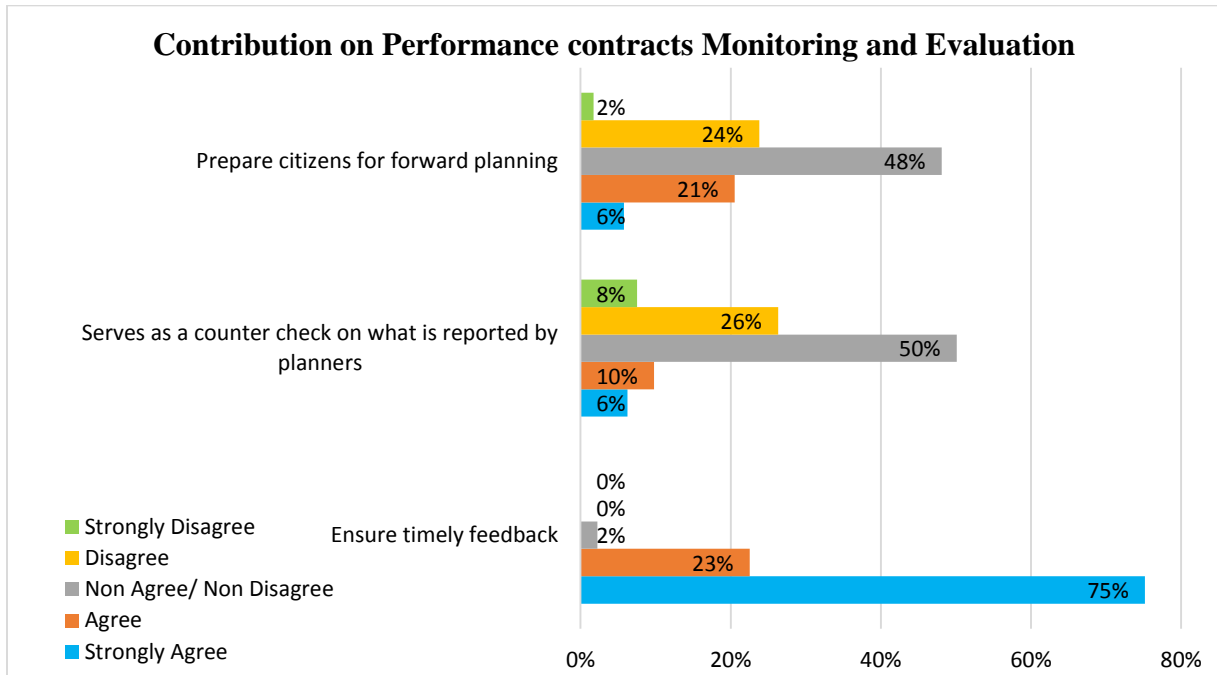
We also asked the question on whether in the respondents' view their participation in planning and budgeting process promotes transparency in public spending. As shown, 26% strongly agree with this, 25% agree with it while 25% neither agree nor disagree, 15% disagree and 9% strongly disagree with it. Budget process range from preparation, execution, monitoring and reporting; citizens participation in the entire process is necessary. For example budget execution allows the implementation of the performance contracts through spending on goods and services. Full involvement of citizens in the process would then contribute to increased transparency in public spending.

Regarding whether citizens' participation in planning and budgeting process helps to ensure the sustainability of results, 22% of the respondents strongly agree with this, 68% agree with it while 1% neither agree nor disagree, 7% disagree and 6% strongly disagree with it. For sustainability of results, there is a need for a strong ownership and commitment from local population and this can easily be achieved through a participatory approach.

#### **4.1.4.3. Impact on Performance Contracts Monitoring and Evaluation**

Responses to three statements about the contribution of citizens' participation in planning and budgeting process will help us to draw conclusion on respondents' perspective. The table below shows respondents' levels of agreement or disagreement on the four statements.

**Figure 18: Contribution on Performance Contracts Monitoring and Evaluation**



**Source:** Primary Data

As it is shown from the above figure, 75% of the respondents strongly agree that citizens’ participation in planning and budgeting will help performance contracts monitoring and evaluation through ensuring timely feedback on service delivery, and other issues that need attention. 23% agree with this while only 2% neither agree nor disagree. Actually, when citizens are actively involved in budget execution, they help district officials to monitor the implementation of projects, service delivery and thus shape the path for performance contract evaluation.

During performance contracts evaluation process, citizens are contacted to assess their participation and ownership of government programs. During this process, the evaluation team try to check whether what report by district officials was as achievements have actually been racialized from a citizens’ perspective. However, only 16% of the respondents either strongly agreed or agree with the statement that citizens’ participation serves as a counter check on what planners report while about 84% have a negative feeling about that. This was also evidenced during local government performance contracts evaluation where it was noted that citizens’ participation in performance contract process has been more visible in rural areas (MINALOC, 2012).

Regarding the statement on whether citizens' participation in planning and budgeting process prepare citizens for forward looking planning, only about 37% of the respondents either strongly agree or agree with it. On the other hand, 48% neither agree nor disagree, 24% disagree and 2% strongly agree with this. The general idea here is that since citizens would be involved in the whole process, they would learn from past experience and help the district official to improve their performance contracts preparation and implementation which will facilitate the evaluation.

From the findings, the researcher is confident that research the objectives were met and there is a good basis to draw conclusions and provide recommendations. The following chapter will therefore provide a summary of the findings, present conclusion and detailed recommendations.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSION AND RECOMMENDATIONS**

In this chapter, we provide a general summary of the research including research findings. Based on the findings we will draw conclusions and provide recommendations to different actors in planning and budgeting process on how citizens' participation can be improved to produce intended results.

#### **5.1. GENERAL SUMMARY**

In the first chapter, we provided a background to the study showing how important citizens' participation in planning and budgeting process is, the progress made by the government of Rwanda as well as summary of findings from other related studies. We also formulated the problem statement that based on the increasing government efforts to promote citizens' participation in planning and budgeting process, analyzed the existing studies to identify the knowledge gaps which formed the basis our study.

To remain focused and be able to fill the identified knowledge gap, we formulated research objectives and stated the research questions. We defined the scope of the study by limiting it in time and geographical area where the study was conducted in kicukiro district and covered three fiscal years period from 2009/2010 to 2011/2012. Thereafter, we provided a brief summary of how this study will be important to different players in planning and budgeting process. We described the conceptual framework; showing how independent variables have impact on dependent variables through intervening variables. Finally, we provided working definition of key concepts in our study and provided the profile for Kicukiro district being used as a case study in our research.

The second chapter focused on the review of related literatures. We review the planning concepts and process in Rwanda and provided an insight of the planning tools ranging from long term strategies, medium term strategies and short term plans. On addition, the chapter describes budget concepts as well as key stages in annual budget process in Rwanda.

Citizens' participation in planning and budgeting process is a decentralized approach to decision making. In line with this, we also review the concepts of decentralization, share the global evolution of decentralization, reasons that led various countries to revert to decentralized decision making and dimensions of decentralization. We also provided a brief description of decentralization in Rwanda with more focus on the forms of decentralization implemented. Finally, the chapter reviews the literature on citizens' participation and provides its definition and origin, prerequisite conditions for its effectiveness as well as some advantages and disadvantages.

In chapter three, we presented the methodological aspect of the research including research design, sampling techniques and data collection instruments as well as limitations encountered during the research and delimitations adopted.

## **5.2. SUMMARY OF FINDINGS**

### **5.2.1. Citizens' Participation in Planning Process and Budgeting Process**

**Citizens Awareness of Planning and Budgeting Process;** the research findings revealed that 69% of Kicukiro district residents are aware of planning and budgeting process while the remaining 31% have no knowledge about it. This level is comparatively high compared to 66% in selected district from a study by CRADHO. The study further revealed that radio, meetings after community works and television are the channels where most citizens get the information on planning and budgeting from with 34%, 28% and 12% of the population respectively.

Other channels like Joint Action Development Forum Meetings, Conferences on planning and budgeting and Member of local councils are less accessible by the population and the general observation is that channels that use representation do not benefit as many people as channels open for all.

**Citizens' Participation in Identification of Priorities:** while the study revealed that 69% of citizens are aware of planning and budgeting process, only 38% have participated in the identification of priorities to be implemented in the following fiscal year. The gap between the

level of awareness and participation is explained by the facts that some of the channels for awareness do not allow participation or it is not free of cost if they allow. For example radio and television are the channels that informed most of the citizens about the process. However, participation in priority identification over radio or television requires telephone calls which involves costs to the citizens and reduces their ability to participate.

Meetings after community works and visits by government officials are the forums during which most of the citizens participate in priority identification as they account for 51% and 23% of the citizens respectively.

**Implementation of Priorities Identified by Citizens:** citizen's participation in priority identification is not an end in itself, implementation of the identified priority is very key. However, the results from the study show that only 27% and 10% of the priorities have been full and partially implemented while the remaining 63% were not considered at all. Moreover, 67% of the citizens never receive feedback on reasons for consideration or rejection of identified priorities, 13% rarely get the feedback while 10% get it either most of the time or sometimes.

This discourages citizens to get more engaged in the process as they continue to see government initiatives to promote citizens' participation as only a time consuming administrative procedures with little or no impact on decision making.

### **5.2.2. Impact of Citizens Participation on District Revenue Performance**

**Impact on district revenue collection:** the study revealed that if well implemented, citizens' participation would increase district revenue collection through increased awareness of tax responsibilities and broader tax base because of reduced tax evasion and tax avoidance.

**Impact on revenue use:** the results from the study showed that both efficiency in resource allocation and in public spending would be increased if citizens' participation is effectively implemented. The revenue efficiency increases through allocation of available resources according to priorities, increased revenue accountability and reduced corruption and embezzlement of public funds.

### **5.2.3. Impact of Citizens Participation on Local Government Performance Contracts**

**Impact on Performance Contracts Formulation:** the results from this study concluded that citizens' participation in planning and budgeting process benefits performance contracts formulation through increased citizens awareness and ownership of government programs and policies, promotion of home grown solutions, and information to government planners on annual targets.

**Impact on Performance Contracts Implementation:** through effective citizens' participation, performance contracts implementation benefits from increased social equity and inclusive development, increased transparency in public spending and sustainability of results.

**Impact on Performance Contracts Monitoring and Evaluation:** the evaluation of performance contract has moved towards being citizens centered by checking if the paper based results meet the actual results at the ground and whether the achievements made used a participatory approach or not. The results from this study shows that citizens' participation in planning and budgeting process help districts to prepare themselves for performance contracts evaluation through timely feedback by citizens on the quality of works and services they receive. It also helps to prepare citizens for forward looking planning by keeping them informed on government programs, allowing them to participate in prioritization.

Citizens' participation in planning and budgeting process does not only benefit districts but also the evaluation team as citizens help to crosscheck whether the paper based results reported by districts officials are supported by tangible results on the ground.

### **5.3. CONCLUSION**

Effective citizens' participation in planning and budgeting process is very beneficial to the country. Its benefits includes its potential increase in district revenue performance (collection and efficiency in allocation and spending), contribution to performance contract process and overall success of government programs. However, some of the current forums for participation are not efficient or not accessible to every citizen. For effective results, there is a strong need for effective coordination between various administrative levels.

## **5.4. RECOMMENDATIONS AND SUGGETION FOR FUTURE STUDY**

### **5.4.1. Recommendations**

From the findings of the study, we would like to provide our recommendations to the government of Rwanda on how citizens' participation in planning and budgeting process should be improved to maximize its benefits.

The government should ensure appropriate mechanisms are put in place to ensure the provision of feedback to citizens as regard to reasons for consideration or non-consideration of the priorities they identify. This can either be done through a session before starting the planning for the next year where citizens should be told about the priorities for the current year and the progress in implementation.

Secondly, still a big number of citizens do not understand their role in planning and budgeting process nor how they can participate in the process. We recommend the government to foster its efforts to sensitize the general population about this and ensure good understanding of every citizen.

This study has revealed that there is poor communication between different levels of administration on one hand (central government, districts, sectors, cells and villages) and citizens on the other hand regarding the time and place where meetings on planning and budgeting will take place as well as who should participate. We recommend that the government improve the communication channels including details in the annual planning and budget calendar to show when citizens have to play their role.

Finally, one of the limitation for full participation is costs associated to some channels and forums in place like radio and televisions where despite that they are available to many people they involve telephone costs to citizens for use. We recommend that the government provide a tall free number to call during core planning and budgeting period as well as during radio and television emissions on planning and budgeting.



#### **5.4.2. Areas for future Research**

The results of this study confirmed that effective citizens' participation in planning and budgeting process provides various benefits that would help a country to achieve its development objectives. Future researchers in this field are suggested to conduct an impact assessment study and come up with actual benefits generated by citizens' participation in planning and budgeting process since it was introduced.

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## ANNEXES

**RESEARCH ON THE ROLE OF CITIZENS' PARTICIPATION IN PLANNING AND BUDGETING PROCESS**

**QUESTIONS FOR KICUKIRO DISTRICTS RESIDENTS**

**Questionnaire Number:**

|  |  |  |   |   |
|--|--|--|---|---|
|  |  |  | 1 | 6 |
|--|--|--|---|---|

**Purpose of the Research:**

This research is being undertaken to assess the role of promoting citizens' participation in planning and budgeting process. It is being conducted as a partial fulfilment of the requirements for the award of a Master's degree of Business Administration in Finance at the University of Rwanda; College of Business and Economics.

**Ethical Conduct:**

The information provided including respondent's personal information will be treated as confidential, it will be used solely for purpose this of the study.

**I. RESPONDENT IDENTIFICATION**

| <b>SEX</b>                                                                   | <b>AGE RANGE</b>                                                                                                   | <b>MARTAL STATUS</b>                                                                                                           | <b>EDUCATION</b>                                                                                                                                                                                                       | <b>OCCUPATION</b>                                                                                                                                                                                                                                 |
|------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ol style="list-style-type: none"> <li>1. Female</li> <li>2. Male</li> </ol> | <ol style="list-style-type: none"> <li>1. 16-30</li> <li>2. 30-45</li> <li>3. 45-60</li> <li>4. &gt; 60</li> </ol> | <ol style="list-style-type: none"> <li>1. Single</li> <li>2. Married</li> <li>3. Divorced</li> <li>4. Widow/Widower</li> </ol> | <ol style="list-style-type: none"> <li>1. None</li> <li>2. Primary School</li> <li>3. Technical School</li> <li>4. Secondary School</li> <li>5. Bachelor Degree</li> <li>6. Master's Degree</li> <li>7. PhD</li> </ol> | <ol style="list-style-type: none"> <li>1. Business</li> <li>2. Civil Servant</li> <li>3. Construction</li> <li>4. Agriculture</li> <li>5. Police</li> <li>6. Army</li> <li>7. House Keeper</li> <li>8. Mining</li> <li>9. Other: .....</li> </ol> |
| <input type="text"/>                                                         | <input type="text"/>                                                                                               | <input type="text"/>                                                                                                           | <input type="text"/>                                                                                                                                                                                                   | <input type="text"/>                                                                                                                                                                                                                              |

## II. PARTICIPATION IN PLANNING AND BUDGETING PROCESS

1. Have you ever heard of planning and/or budgeting process?

Yes

No

2. If yes to question number one: through which channels?

| No. | Channels                                       | X |
|-----|------------------------------------------------|---|
| 1   | Conferences on planning and budgeting          |   |
| 2   | Joint Action Development Forum                 |   |
| 3   | Meetings after community works                 |   |
| 4   | Member of local council                        |   |
| 5   | Radio                                          |   |
| 6   | Television                                     |   |
| 7   | Visit by member of civil society organizations |   |
| 8   | Visit by member of executive organs            |   |
| 9   | Visit by Member of the Parliament              |   |
| 10  | Others .....                                   |   |

3. For the past three years, have you ever participated in priority identification in your village?

Yes

No

4. If yes to the previous question, through which channels?

| No. | Channels                               | X |
|-----|----------------------------------------|---|
| 1   | Meetings after community works         |   |
| 2   | Joint Action Development Forum         |   |
| 3   | National Dialogue                      |   |
| 4   | Visit by the President of the Republic |   |
| 5   | Visit by the Mayor of the district     |   |
| 6   | Visit by member of executive organs    |   |
| 7   | Visit by Member of the Parliament      |   |
| 8   | On public accountability day           |   |

5. Have the priorities identified been considered in district budget allocation and implemented?

| No. | Response              | X |
|-----|-----------------------|---|
| 1   | Fully Implemented     |   |
| 2   | Partially Implemented |   |
| 3   | Not Considered        |   |

6. Do you get feedback on reasons for inclusion or exclusion of identified priorities?

| No. | Response         | X |
|-----|------------------|---|
| 1   | Most of the time |   |
| 2   | Some times       |   |
| 3   | Rarely           |   |
| 4   | Never            |   |

7. How do you think citizens' participation in planning and budgeting can be improved?

| No. | Response                                                                                          | X |
|-----|---------------------------------------------------------------------------------------------------|---|
| 1   | Feedback on reasons for consideration or exclusion of identified priorities                       |   |
| 2   | Proper and timely communication of where and when meetings on planning and budgeting will be held |   |
| 3   | Sensitize citizens on their role in planning and budgeting                                        |   |

### III. CITIZENS' PARTICIPATION IN PLANNING AND BUDGETING PROCESS – IMPACT ON DISTRICT REVENUE PERFORMANCE

8. How do you think citizens' awareness and participation in planning and budgeting process would have an impact on district revenue collection?

| Role                                         | Level of Agreement |       |                        |          |                   |
|----------------------------------------------|--------------------|-------|------------------------|----------|-------------------|
|                                              | Strongly Agree     | Agree | Neither Agree/Disagree | Disagree | Strongly Disagree |
| 1. Increased awareness of tax responsibility |                    |       |                        |          |                   |
| 2. Broadening tax base                       |                    |       |                        |          |                   |



9. How do you think citizens' awareness and participation in planning and budgeting process would have an impact on district revenue use?

| Role                                                         | Level of Agreement |       |                         |          |                   |
|--------------------------------------------------------------|--------------------|-------|-------------------------|----------|-------------------|
|                                                              | Strongly Agree     | Agree | Neither Agree/ Disagree | Disagree | Strongly Disagree |
| 1. Allocation of available resources according to priorities |                    |       |                         |          |                   |
| 2. Increased revenue accountability                          |                    |       |                         |          |                   |
| 3. Reduced corruption and embezzlement of public fund        |                    |       |                         |          |                   |

#### IV. CITIZENS' PARTICIPATION IN PLANNING AND BUDGETING PROCESS – IMPACT ON LOCAL GOVERNMENT PERFORMANCE CONTRACTS

10. What is your level of agreement with the following statements showing how citizens' participation in planning and budgeting process can contribute in local government performance contracts preparation?

| Role                                                         | Level of Agreement |                |                |                |                |
|--------------------------------------------------------------|--------------------|----------------|----------------|----------------|----------------|
|                                                              | Strongly Agree     | Strongly Agree | Strongly Agree | Strongly Agree | Strongly Agree |
| 1. Educate citizens on government policies                   |                    |                |                |                |                |
| 2. Promote ownership of Government programs                  |                    |                |                |                |                |
| 3. Promote home grown solutions                              |                    |                |                |                |                |
| 4. Government planners get informed of what is ideal targets |                    |                |                |                |                |

11. What is your level of agreement with the following statements showing how citizens' participation in planning and budgeting process can contribute in local government performance contracts Implementation?

| Role                                               | Level of Agreement |                |                |                |                |
|----------------------------------------------------|--------------------|----------------|----------------|----------------|----------------|
|                                                    | Strongly Agree     | Strongly Agree | Strongly Agree | Strongly Agree | Strongly Agree |
| 1. Ensure sustainability of results                |                    |                |                |                |                |
| 2. Promote transparency in public spending         |                    |                |                |                |                |
| 3. Promote social equity and inclusive development |                    |                |                |                |                |

12. What is your level of agreement with the following statements showing how citizens' participation in planning and budgeting process can contribute in local government performance contracts Monitoring and Evaluation?

| Role                                                         | Level of Agreement |                |                |                |                |
|--------------------------------------------------------------|--------------------|----------------|----------------|----------------|----------------|
|                                                              | Strongly Agree     | Strongly Agree | Strongly Agree | Strongly Agree | Strongly Agree |
| 1. Ensure timely feedback                                    |                    |                |                |                |                |
| 2. Serves as a counter check on what is reported by planners |                    |                |                |                |                |
| 3. Prepare citizens for forward planning                     |                    |                |                |                |                |

**Thank you!**

## **APPANDICES**

# Appendix I

## KICUKIRO ADMINISTRATIVE MAP

