



**PROJECT OPERATIONAL MANUAL FOR THE
IMPLEMENTATION OF SKILLS DEVELOPMENT
FUND II (SDF II)**

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Acronyms

BCC	Budget Call Circular
BDAs	Business Development Advisors
BDE	Business Development and Employment
CBA	Competency Based Assessment
CBT	Competency Based Training
CESB	Capacity Development and Employment Services Board
COSO	Committee of Sponsoring Organizations of the Tread way Commission
DG	Director General
DKWC	District Kora Wigire Centre
DLI	Disbursement Linked Indicators
DLR	Disbursement Linked Results
EDPRS	Economic Growth and Poverty Reduction Strategy
GoR	Government of Rwanda
IBT	Industrial Business Training
ID	Identification
IFMIS	Integrated financial management information and System
IPRCs	Integrated Polytechnic Regional Colleges
IR	Integrated Reporting
LODA	Local administrative entities Development Agency
M&E	Monitoring and Evaluation
MIFOTRA	Ministry of Public Service and Labour
MIGEPROF	Ministry of Gender and Family Promotion
MINAFFET	Ministry of Foreign Affairs, Cooperation and East African Community
MINALOC	Ministry of Local Government
MINEDUC	Ministry of Education
MINICOM	Ministry of Trade and Industry
MINIYOUTH	Ministry of Youth
MoU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
NCPD	National Council of Persons with Disability
NEP	National Employment Program
OAG	Office of Auditor General
OSY	Out of School Youth
PforR	Performance for Results
PS	Permanent Secretary
PSF	Private Sector Federation
PSG	Priority Skills for Growth
RDB	Rwanda Development Board
RPL	Recognition of Prior Learning
RPPA	Rwanda Public Procurement Authority
SDF	Skills Development Fund
SPIU	Single Project Implementation Unit
ToR	Terms of Reference
TSSs	Technical Secondary Schools
TVET	Technical Vocational and Education Training
VTCs	Vocational Training Centres
WB	World Bank
WDA	Workforce Development Authority

1. Background information

1.1. Abstract

The Government of Rwanda designed Five Year (2014-2019) NEP to serve the following objectives (a) creating sufficient jobs that are adequately remunerative and sustainable across the economy, (b) equipping the workforce with vital skills and attitude for increased productivity that are needed for the growth of the private sector, and (c) provide a national framework for coordinating all employment and related initiatives and activities in the public, private sector and civil society.

This growth is substantially larger than the increase in jobs during the last 15 years. Acknowledging the demographic trends, the ongoing Seven year Government programme, National strategy for transformation (NST1) of the Government of Rwanda (GoR) has an ambitious target of creating 214,000 off-farm jobs annually. For off-farm jobs, both the formal and informal sector will be important.

The Priority Skills for Growth program (PSG) has been initiated through a partnership agreement between World Bank and government of Rwanda to support the implementation of short term hands on training through a Program for Results (PforR) financing model. The program results areas include (i) reinforcing governance of the skills development system, (ii) ensuring provision of quality training programs with market relevance, (iii) expanding opportunities for continuous upgrading of job-relevant skills for sustained employability; and (iv) capacity building for implementation.

Among the components of PSG include Skills Development Fund II whose objective is to minimize skills gaps experienced by private business operators by rapidly increasing the supply of skills in high demand in the labour market and to ease the entry of new entrants to the labour market by providing them with labour market-relevant skills. The present phase of SDF (SDF II) builds on the experience of the previous SDF.

The SDF will support short-term training under Pillar 1 of the NEP including, employer-led short-term vocational training and apprenticeships, provision of labor market relevant skills for out- of-school youth, rapid-response training and Recognition of Prior Learning (RPL). The focus will be on short-term, practical and technical training of employees (including business skills for the informal sector) and school-leavers ranging from few days to not more than six months. The SDF will mainly finance costs associated with development and delivery of the supported training activities.

To ensure effective management of SDF II, it was required to establish this operational manual that defines policies and operating principles and provides implementation guidance and brings on board various key stakeholder involved in the implementation of SDF II NEP Pillar 1 and clarifies their respective roles and responsibilities. The manual has been developed in accordance with the Government of Rwanda and the World Bank's policies and procedures. It benefitted from close guidance of the Workforce Development Authority (WDA) Management Team and the World Bank Team as well as key NEP stakeholders involved in the skills development under Pillar I.

The manual is a dynamic document which can respond to changes of the project implementation. It is structured to be used by the WDA, stakeholders and external auditors to implement SDF II.

The SDF II shall be implemented by WDA under the existing structure of SDF II with guidelines which shall expand training opportunities for the acquisition of quality, market-relevant skills with more focus in selected economic sectors.

The target sectors were selected on basis of (i) sectors that employ large numbers of the population; (ii) sectors with potential for value addition and improved productivity; (iii) sectors where foreign direct investment is increasing and/or where significant public finances have been directed; and (iv) sectors that will support growth in other sectors.

While the focus is on the above-mentioned priority economic sectors, applications from other sectors are eligible for support provided there is a robust and well-documented justification in terms of employment opportunities for the graduates. The applicant will have to provide the documentation required by the WDA to assess the labour market relevance of the application. This must be in the form of a demand assessment.

The SDF II is supposed to:

- ✓ Stimulate competition and delivery of innovative program offerings;
- ✓ Promote collaboration between enterprises and training centres and institutions;
- ✓ Increase skills acquisition among disadvantaged groups; and
- ✓ Improve the efficiency of training provision.

SDF is a challenge fund providing matching grants to companies and TVET institutions eligible for support according to the principles outlined in the manual. Hence, the applications will be evaluated according to their relevance for further development of the Rwandan private sector and providing employment opportunities youth entering the labour market.

Training areas that are not eligible for SDF II include:

- ✓ Literacy training;
- ✓ General education;
- ✓ Higher education (degree programmes);
- ✓ Public administration.

The SDF is referred to the Project Appraisal Document of the Priority Skills for Growth and the Financial Agreement was signed on 17th July 2017 between World Bank and Government of Rwanda.

1.2. Objective of the SDF II project

This project will support short-term training in line with Pillar 1 of the NEP including, (a) employer-led short-term vocational training responding to specific skills requirements (Rapid Response Training), (b) provision of labour market relevant skills for out-of-school youth, recognition of skills acquired through informal and non-formal training, and (c)

apprenticeships and internships for TVET graduate and unskilled, semiskilled youth and upgrading of the skills of owners and employees of micro enterprises.

The focus will be on short-term, practical and technical training of employees (including business skills for the informal sector), school-leavers, and unemployed graduates.

The training duration ranges from few days up to six months and for some cases this period can be extended depending on the training package. The program will mainly finance costs associated with development and delivery of the supported training activities.

1.3. Target group

The main target groups to benefit from these training include:

- a) Employees (present and prospective) of existing companies and investors;
- b) Workers in the informal sector in need of skills upgrading;
- c) Young adults (without gainfully employed) in need of basic skills training;
- d) Skilled workers in need of certification of their competences (Recognition of Prior Learning);
- e) Students from TVET institutions who need to acquire additional practical skills relevant for their training;

1.4. SDF II interventions

The SDF II will have three windows ('Rapid Response', 'Out-of-school Youth', and 'Apprenticeship/internship') catering for different target groups. The beneficiaries will be selected through rigorous selection criteria based on competitiveness and labor market relevance with more focus to the selected economic priority sectors. The procedures for selecting beneficiaries are detailed in the respective SDF II windows.

The results framework of SDF II to be implemented in three years is tied to disbursement – linked indicators and verification protocols and indicator description as that has to be fulfilled as indicated in annex.

1.5. Revisions to the manual

This manual is a dynamic document that can be reviewed when needs arises to improve the skills development. Proposals for change and supplements are welcome, and any changes have to be approved by the SDF Grant Committee and the World Bank.

The manual will be made available on the WDA website in a read-only and printable version for all stakeholders to have access and familiarize themselves with its contents.

2. SDF WINDOWS

2.1. Window 1: Rapid response training (RRT) (US\$ 4.0 million).

The objective of this window is to address skills gaps experienced by companies in the formal sector and to promote their collaborations with training institution. The program will co-finance short-term training for workers who are in the process of being employed by the applicant or existing workers in the applicant's business that need to be upgraded with skills to improve their productivity.

The applicants will be new investors or existing companies in Rwanda who are looking to hire new employees for at least one year or upgrade skills of employees to support their business. The applying company is expected to be in the lead position to define the content and duration of the training. The applying company can identify the training provider it wants to partner with, but the SDF Secretariat may assist if needed.

The training duration for this window is ranging from few days to not more than six months.

2.2. WINDOW 2: OUT-OF-SCHOOL YOUTH (US\$ 5.0 million)

The objective of this window is to provide out-of-school youth with practical skills for work in labour-intensive trades that align them with local demand and opportunities and to allow people who have acquired their competences through informal or non-formal training to get certified through Recognition of Prior Learning. Finally, the window will co-finance skills upgrading courses for the informal sector. Hence, the window has two 'sub-windows': a) short-term practical training for Massive Vocational Training(MVT); and b) RPL. Priority will also be given to formal and non-formal trainings to support women and persons with disability.

Both non-agricultural and agricultural courses are eligible for support. The training may include an introduction to basic entrepreneurial skills. The funds may be used for acquiring basic tools and equipment needed for the training.

2.2.1. Massive Vocational Training (MVT)

The MVT came into existence as a result of high unemployment rate most specifically among youth, women and persons with disability, some of key reasons attributed to this phenomenon include lack of hands on skills and mismatch between available skills and the skills required on the labour market.

The purpose of these trainings is to equip MVT graduates with hands on skills that enable them to create their own business or be more competitive on the labour market. Mostly, the implementation of this intervention is implemented in partnership with institutions accredited to implement TVET programs.

The training duration for this intervention is four months with at least 5hours intensive training per day equivalent to 400 hours.

2.2.2. Recognition of Prior Learning (RPL)

Recognition of Prior Learning (RPL) is a process of acknowledging prior learning acquired in different contexts especially at work without considering how, when or where the learning occurred. The objective of RPL is to facilitate access to labour market and progression of workers. The RPL procedures provide guidance to all stakeholders for certify informal and non-formal training through recognition of acquired competencies based on the labour market needs.

The implementation of RPL will be mainly done by WDA in collaboration with Rwanda Polytechnic and its colleges.

Selection of sector/trade is done by WDA in close collaboration with PSF (Professional Associations) and relevant stakeholders based on priority sectors with more focus on selected economic sectors.

The training duration for this intervention is ranging from few days to not later than four months.

Selection of the assessment sites

- ✓ The assessment sites may be a school, industry/company and should have appropriate facilities, assessment tools and equipment that are accessible and operational
- ✓ The assessment sites must have conducive environment for the competencies to be assessed.

2.3. Window 3: Apprenticeship and internship (US\$ 3.0 million)

This section has two types of training programmes, namely “apprenticeship and internship”. The purpose of this window is to provide program beneficiaries and graduates with an opportunity to acquire labour market relevant skills. Applicants are supposed to be companies/industries, training institutions and informal sectors (Professional associations, Federations, Cooperatives, NGOs and trade unions).

The training duration for this window is ranging from few days to not more than six months

2.3.1. Apprenticeship

The Industry Based Training (IBT) is organised by a company/industry that is interested in establishing an apprenticeship scheme within its organisation. The training may be fully industrial based if company/Industry has necessary facilities for training or may combine practical training at the workplace with school-based theoretical classes (dual training).

The training duration for this intervention is six (6) months.

2.3.2. Internship

Internship: Placement of TVET graduates as interns in an enterprise/institution to gain useful skills and exposure to real world of work environment.

Applying institutions are supposed to be existing TVET institutions in collaboration with companies willing to take on interns.

Applying TVET institutions must show that they have entered an agreement with relevant companies with sufficient capacity to cater for the number of proposed interns - placement.

The training duration for this intervention is six (6) months.

2.3.3. Skills Upgrading for Informal sector

The implementation of skills upgrading for the informal sector will be mainly done by WDA in collaboration with Private sector/professional associations/trade unions/ federations/ NGOs and Cooperatives.

Training courses for members of informal sector must be prepared in collaboration with a capable training provider; the training provider must have a demonstrated capacity (knowledge, skill, practical experience, training facilities, and the necessary relevant machines/tools) to provide the proposed training.

The application must indicate how the informal sector operators will benefit from the training. Training providers will be encouraged to collaborate with organizations that can provide follow-up assistance, for example, coaching, to graduates who want to establish their own business.

The training duration for this intervention is ranging from few days to not late than six (6) months.

2.4. Awareness and attracting investors

Investors will be attracted by the availability of skilled employees that will be trained through support of SDF.

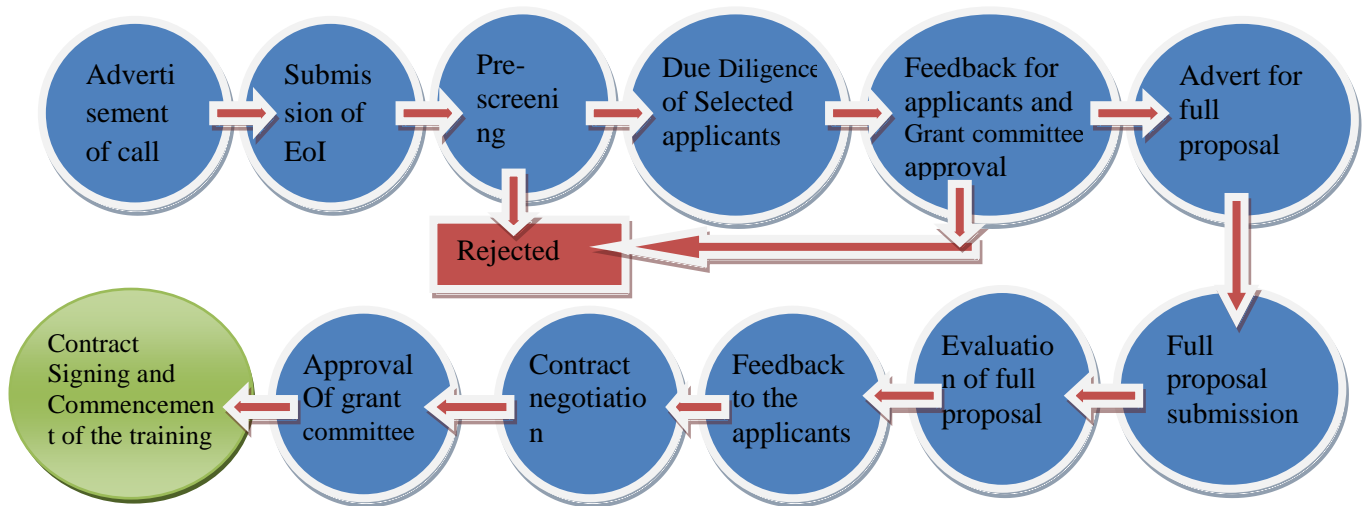
Awareness campaign of investment opportunities should be conducted nationally and internationally by both public and private institutions using all possible communication channels:

- ✓ At international level, MINAFFET and RDB through Embassies and diaspora organisations shall attract all potential investors or entrepreneurs willing to invest in Rwanda preferably in selected priority economic sectors
- ✓ At national level, MINICOM in close collaboration with RDB, LODA, WDA and PSF etc. shall attract all potential Rwandan investors/entrepreneurs willing to invest preferably in selected priority economic sectors
- ✓ At national level, WDA in collaboration with PSF shall inform existing companies within the priority sectors about the possibility of getting assistance by SDF to upgrade the skills of their workforce.

In general, awareness campaign is done through various media channels or it may be conducted by decentralized outreach for a specific institution recommended by PSF and RDB.

2.5. SDF APPLICATION PROCESS

The application process is essentially the same for all three windows, but the length of each step and the activities involved may vary depending on requirements of a specific window.



STEPS/ACTIVITIES/ISSUES	RESPONSIBLE	DURATION
Awareness campaign - media channels - decentralized outreach	WDA	2 weeks
Advertisement of call <i>SDF is supposed to have a maximum of 2 annual calls for Windows 2 and 3.</i> <i>In order for Window 1 to be able to respond to urgent skills upgrading requests, calls will be quarterly.</i>	WDA	2 weeks
Submission of Expression of interest (pre-qualification application) <i>Concept notes should not exceed 2-3 pages and must provide basic information on the application and the project to be funded. SDF will provide standard format.</i> <i>Together with the concept note, the applicant must submit relevant legal documents, including evidence of registration.</i>	Applicants	
Pre-Screening of Expression of interest <i>The screening will assess whether the applicant is within the target groups of the SDF and the proposed project/activities are eligible for support.</i> <i>The screening will also determine the window under which the proposed project is eligible for support.</i> <i>The result of the pre-screening, including a list of rejected applications, will be presented by SDF Secretariat to the WDA Management for approval.</i>	SDF Secretariat	2 weeks

<p>Due diligence for selected applicants <i>Due diligence is a fiduciary activity carried out to verify, validate, and assess the quality, integrity, and completeness of the key information required to make a well-informed grant funding decision and avoid waste, fraud, and abuse. The verification will be based on the information submitted in the project application form. The purpose of the due diligence is to verify that the information provided in the application is correct and to assess the capacity of the involved organisations. Hence, the due diligence comprises two steps, (i) a verification of the information provided by the applying company and/or training institution, and (ii) an in-depth assessment of the capacity of the involved organizations</i></p>	WDA	2 weeks
<p>Feedback for all applicants <i>All applied institutions will be notified about the results of pre-screening and due diligence, the rejected applicants will be informed about the reason for the rejection. The rejected applicants which are not satisfied by the decision taken will be given a period to appeal The Grant Committee will be provided with a list of selected and rejected applications for their approval. Regarding complaints rejected due diligence will be dealt with by the WDA Director General. He may overrule the decision by the SDF Secretariat and ask the Secretariat to invite the applicant to submit a full proposal. The same is the case for complaints concerning the outcome of the due diligence. The WDA Director General will conclude whether the grievance is warranted and possible consequences of the complaint. WDA should maintain a register of complaints received and how these have been addressed.</i></p>	WDA	2 weeks
<p>Advert for full proposal submission <i>Through media channels the selected applicants will be informed to submit their full proposals</i></p>	WDA	
<p>Preparation and submission of full proposal <i>The full proposals should provide detailed information on the applicant, the proposed project/activity, a cost estimate, an activity plan, an overview of expected outputs and results and other window-specific information indicated in the application guidelines.</i></p>	Applicants/SDF Secretariat	2 weeks
<p>Evaluation of full proposals <i>All full proposals received by the SDF Secretariat will be subject to an evaluation by a panel of 3 members (one SDF staff, external expert from private and external expert from academic sector) The evaluation will assess whether the proposal meets the evaluation criteria for the window within which it falls The final decision of evaluation decisions and recommendations will be reported to the SDF Secretariat for review and approval.</i></p>	SDF Secretariat, private and academic sector	3 weeks

<p>Feed back to the applicants <i>All full proposal applicants will be notified about the results of full proposal evaluation; the rejected applicants will be informed about the reason for the rejection.</i> <i>The rejected applicants which are not satisfied by the decision taken will be given a period to appeal</i> <i>Complaints concerning the evaluation and decisions by the Grant Committee should be addressed to the Director General, who will forward the complaint to the grant Committee for a review before the complaint is forwarded to the WDA management for a final decision on the matter. The SDF Secretariat will make all relevant documentation available for the WDA Management.</i></p>	SDF Secretariat	2weeks
<p>Contract negotiation <i>The successful applicants will be invited for contract negotiation in terms of project execution.</i> <i>The contract negotiation is conducted by a panel of three (3) members from SDF secretariat</i></p>	SDF secretariat and successful applicant	1week
<p>Grant committee approval <i>The Grant Committee will be provided with the summary of each applicant from the pre-screening to contract negotiation stage for approval. The Committee may ask for further evidence or a second opinion by a peer reviewer at its own discretion.</i></p>	Grant Committee	1 week
<p>Contract signing <i>Before signing of the grant agreement, all successful applicants must attend a one-day orientation meeting with SDF/WDA. The purpose of the meeting is to inform the grantee about their legal obligation, reporting procedures and other formalities. A standardized reporting template will be shared.</i> <i>Based on the approved proposal, a grant agreement will be Presented to the applicants. The agreement will specify all legal, managerial and financial details concerning the implementation of the proposed activity.</i></p>	WDA and successful applicants	1 week
<p>Implementation of the project <i>The project will be implemented as per the signed contract; SDF secretariat will frequently conduct Monitoring of the project execution.</i> <i>The training providers will prepare and submit reports as articulated in the contracts.</i></p>	WDA and training providers	ranging from few days to not more than 8moths

2.6. RESPONSIBILITIES OF KEY STAKEHOLDERS

This project consist of different key stakeholders, each and every stake holder will have its responsibility for the sake of better implementation of the project

Responsibilities of WDA (SDF Secretariat)

- ✓ Follow all provided process of application
- ✓ SDF Grant Committee shall decide which grant applications to be funded by SDF
- ✓ Facilitate the organization of SDF trainings and practices activities,

- ✓ Monitor and Evaluate the progress of training;
- ✓ Ensure the quality and setting standards of training activities;

Facilitate all training related fees as identified in the training budget;

- ✓ Facilitate in certification of the graduated beneficiaries in all interventions;
- ✓ Facilitate in conducting the impact assessment after training (*6 months after training*);
- ✓ Maintain database of beneficiaries and report the progress of the project to RDB

Responsibilities of the Training provider

- ✓ Recruit the beneficiaries by taking into account gender balance and give a particular attention to persons with disabilities.
- ✓ Conduct properly the training and assessment of SDF beneficiaries;
- ✓ Provide enough rooms and workshops to host the beneficiaries for a specified training period;
- ✓ Facilitate training Hygienic Facilities;
- ✓ Recruit and contract with temporary, competent and experienced trainers to facilitate such training if any;
- ✓ Deliver the training for the accepted beneficiaries in the agreed training program;
- ✓ Provide a full package of training content as requested and agreed;
- ✓ Maintain the database of beneficiaries and fast track them for impact assessment;
- ✓ Facilitate in the activity of the impact assessment after the training through provision of required data and;
- ✓ Submit timely reports as agreed with the financing entity
- ✓ Ensure efficient and effective management of training funds
- ✓ Sign MoU with another relevant training institution if necessary
- ✓ respect the occupational safety and health standards

Responsibilities of institutional partners

- ✓ Sensitize the youth, women and persons with disabilities on the available training opportunities
- ✓ Collaborate with districts in the close follow up of the candidate selection exercise
- ✓ Linking the graduates to the existing opportunities on start-up toolkits facility loan.
- ✓ Conduct sector need assessment
- ✓ Identify potential beneficiaries in close collaboration with WDA
- ✓ Provide the list of the beneficiaries to be trained or assessed
- ✓ Maintain a database of beneficiaries and inform beneficiaries about existing employment opportunities
- ✓ Support for job placement/employment.
- ✓ Follow up the training activities to ensure effective implementation.
- ✓ Mobilize and recommend the potential company/industry.

Responsibilities of Beneficiaries

- ✓ Comply with rules and regulations of the training institution

3. OPERATIONAL DETAILS

3.1. Outreach and communication

The WDA will conduct a comprehensive outreach campaign prior to the launch of the first call for proposals. This includes utilization of the WDA website, media campaigns, road shows, information meetings and TV spots. The SDF Secretariat will take advantage of WDA's close contact to the business community and TVET institutions to reach the potential beneficiaries of the SDF, but the outreach should not be limited to the WDA network only. It is vital for the success of the SDF that it reaches all segments of the private sector and other eligible institutions, both public and private.

3.2. Financial management

It is important to note that this PforR is a funding instrument channeled through budget support and therefore is governed by national systems as detailed below.

The budget process flow of the Rwanda Priority Skills for Growth project involves a close interface between the national budgetary Framework and the budgets of the different Implementing partners including WDA that will implement SDF. The budget process in general is in three major phases; budget preparation, execution and monitoring and evaluation. Throughout the entire budgeting process, the Finance & and all other departments including SDF Secretariat plays a critical role.

3.3. Disbursement Arrangements

Disbursements will be made upon the presentation and verification of evidence of attainment of the Program's DLIs. Details of DLIs, DLRs and verification protocols herein specified.

Verification of the results will take place annually. Claims for achievement in one 12-month period should be made within six months of the end of the period. No disbursement against DLIs is expected to be made upon achievement of the results prior to the date of the operation's legal agreement.

Following verification of claims, disbursement of funds will be made directly into the program designated account in the Treasury. MINECOFIN will be responsible for the distribution of funds to WDA as agreed during annual budgeting process and budget review.

3.4. Flow of funds, in terms of paying for results

The budget process flow of PforR focuses on the DLIs and national MTEF. At the national level, the Macro Planning Department and the National Budget Departments of MINECOFIN prepare national priorities and the MTEF respectively.

The National Budget Department forecasts possible allocations to WDA consistent with the Annual Action Plans in the Project Appraisal Document (PAD). The SDF interventions should be reflected in NEP joint Performance Contract and should be the basis for submission of the budget requests in response to the 2nd BCC, normally issued in early December of each year. The second BCC requires Implementing Institutions including to prepare detailed budget submissions for the following financial year.

3.5. Budget Execution

Budgeting execution is spread across the entire year financial year, from 1st July to 30th June. The budget is executed on the basis of the Finance Law and Government procurement processes and Action Plans. No payments shall be made without prior commitment to pay has been established and approved.

In accordance with the authorization issued, WDA shall make commitments and shall request funds for payments. The Chief Budget Manager, Director General of WDA or his delegate, shall ensure that the action plans and the procurement plans being implemented are the updated ones, matching with the approved budget communicated by the Minister of Finance and Economic Planning during the start of each financial year.

It is important that the Chief Budget Manager takes adequate care to ensure that the allocations to budget lines submitted to Parliament are the ones planned for implementation. In general, the budget is executed as follows:

SDF responsible department prepares the request for payment to Finance unit based on approved concept notes and signed agreement for acquisition of goods and services according to the approved budget.

The Finance Unit will be responsible for ensuring that all relevant supporting documents or copies thereof for the payments have been obtained from the relevant department before commitment stage.

The Accountant or Budget Officer establishes commitment of requested funds matching with the budget planned for that activity and its availability.

The Finance unit submits payment order generated from IFMIS to the Chief Budget Manager for expenditure approval. This Payment should be provided to MINECOFIN for transfer or be immediately transferred to beneficiary's respective accounts through Special Account which should be opened in National Bank of Rwanda either use the existing WDA Operating Fund Account. The second option should be highlighted and taken into consideration as is the best for smooth and quick running of projects activities.

Finance unit is responsible for any accounting activities. Any accounting records and documents are properly and securely maintained for further and audit reference.

3.6. Integrated Financial Management System (IFMIS)

Smart-IFMIS is the Integrated Financial Management Information System (IFMIS) used throughout Government for budget execution. During budget preparation, budget data are entered into the System, and during execution, spending commitments, are recorded in Smart IFMIS to track Execution.

3.7. Managing Cash and Transfers

WDA as Implementing Institution is permitted to operate bank accounts into which the Treasury transfers funds from time to time. The procedure below is followed to transfer cash to the implementing institutions:

Article 16 of the Financial Regulations requires Implementing Institutions to submit, on a monthly basis, rolling cash-flow Projections covering three consecutive months. Following the approval of the monthly cash flow projections by the Treasury Management Committee, the Treasury informs the budget agency about approved quarterly spending limits.

Following receipt of the approved spending limits, the Budget Officer/Accountant at WDA prepares a Requisition for Cash Transfer (Form 5 in Manual of Government Policies and Procedures Volume 3) and forwards it to the Chief Budget Manager for approval and authorization.

The requisition is then forwarded to MINECOFIN (Treasury) for processing. The requisition is assessed based on the Treasury liquidity status and whether the implementing institution has submitted up to date financial reports.

Upon confirmation of the matters in the above, the accountant at the treasury prepares a Payment Order for the cash transfer and secures a copy for the implementing institution to assist in tracking the cash through the banking system.

The cash transfer is recognized in the books of implementing institution by debiting bank a/c and crediting the Central Treasury a/c upon receipt of the credit advice from Implementing Institution's bank.

3.8. Assets and Inventory Management

Fixed Assets Management

Assets (e.g. equipment, infrastructure) purchased from project funds is administered by the beneficiary institution in a register of assets, which is available upon request. All assets should be codified. The asset register should show the date of acquisition, acquisition value of an asset, its life span, asset code, the depreciation rate and the net book value. Costs directly related to acquisitions and other investments, such as the costs of transport, insurance and installation may also be included in the cost of the asset.

Any equipment and/or goods purchased become the property of the requesting organization or the implementing partner(s) that have received them. All equipment and/or goods purchased from the project budget will be held at the exclusive disposal of the project until the project is terminated.

Investments purchased from project funds will be administered separately by the Implementing Institution in a register of assets, which is available upon request. A physical Inventory verification and update of fixed asset register should be done on annual basis.

3.9. Financial Reporting and Review Budget Process

All the implementing institution is required to prepare an annual financial report covering the transactions for the concluded financial year and submit the financial report to the Minister of Finance and Economic Planning by 31st July and to the Auditor General by 30th September. Article 21 of the Organic Law N° 37/2006 and Article 9 and Article 11 of Ministerial Order N°002/07 of 9 February 2007 further stipulates the responsibilities of the Chief Budget

Manager in regard to financial reporting.

Article 70 of the Organic Law No 37/2006 of 12/09/2006 on State Finances and Property requires Implementing Institution to submit annual reports which include revenues collected or received and allowances expenditures made during the fiscal year, as well as a statement of allowances outstanding receipts and payments before the end of the fiscal year.

The financial statements are submitted to the Accountant General on behalf of the Minister. The statements are accompanied by reconciliation statements of the bank accounts operated by Implementing Institutions.

The accountant will prepare the following monthly/quarterly/annual financial reports that will have the following components as per the Government of Rwanda Financial Reporting

Format:

- ✓ Background of implementing institution
- ✓ Statement of responsibilities
- ✓ Statement of Revenue and Expenditure
- ✓ Statement of Financial Position (balance sheet showing financial assets and liabilities)
- ✓ Statement of cash flow
- ✓ Budget execution report
- ✓ Cash Book reports for each account
- ✓ Designated bank account reconciliation statement
- ✓ Statement of Accounting policies and explanatory notes adopted by implementing institution.

Reporting timelines

The financial statements are submitted to the MINECOFIN Accountant General for consolidation Purposes with the following timelines:

- ✓ Monthly financial statements: 15 days after the reporting month
- ✓ Quarterly financial statements: 15 days after the reporting quarter
- ✓ Annual financial statements: 30 days after the reporting fiscal year.

The budget master

This shows budget performance over MTEF period by showing financial projections, budget tracking in relation with associated non-financial performance targets, supplementary budgets, budget re-allocations and budget execution reports including variance analysis for each budget cycle.

The budget master also shows the commitment of funds and commitment control – indicated in this function is the authorization levels, tracking authorizations, fixing budget ceilings and restrictions on commitment beyond budget ceilings, procurement functionalities such as tracking purchase requisitions, tracking purchase orders and delivery of goods/ services, and

database of potential suppliers.

The suppliers' book

This keeps details of suppliers in the general ledger. Each supplier account should keep a record of the details of the supplier, details about invoices, delivery of services rendered or goods and associated purchase orders, budget codes to which the expenditure is allocated, payments to the suppliers and running account balance.

The cashbook

All bank and cash transactions will be entered in this book. The bank/cash accounts in the cashbook should be kept in their original currencies. Records of the following should be captured in the cashbook: the number and description of the bank account, the bank in which the account is maintained, the currency of the account, transaction description, the debit entries (receipts), the credit entries (payments), running balance, names and designation of the approved account signatories.

The accounts receivable book

In this book, records of individual ledger accounts of receivables such as vehicle/house loans to government employees or any other loans disbursed. If the individual debtor's is up dated with disbursements or recoveries, together with the relevant bank account the associated control account in the general ledger is simultaneously updated.

The general ledger

The general ledger is the 'intersection' of the different modules of the IFMIS. The general ledger is structured in two segments: the first segment is GoR programs and sub-programs, while the components of the second segment are classes of GoR service functions on the basis of the United Nations Classification of Functions of Government (COFOG). The structure of the general ledger has a direct relationship with the structure of the chart of accounts.

The general ledger is designed to hold financial data for three consecutive years. All book adjustments by use of journal entries are done via the general ledger.

Supporting documents

Section 2.17 of the Manual of Government Policies and Procedures: Financial Management & Accounting Volume 3 requires that allowances expenditure should be adequately supported by documents which should be sequentially filed and properly referenced.

All transactions in the books of accounts should be supported by source documents. Proper supporting documents should have the following characteristics:

- ✓ Supporting documents should explain the nature and details of the transaction being recorded and the date of the occurrence
- ✓ Should indicate the persons who have authorized the transaction and the dates of

authorization. The persons indicated must possess the necessary authority granted in accordance with the established financial authority regulation

- ✓ Show the full budget code, selected from the established uniform chart of accounts to which the transaction is allocable
- ✓ Show evidence that the prices involved were decided on the basis of arms-length negotiation, and as far as possible third-party invoice or cash acknowledgement documents have been obtained and securely filed
- ✓ Show cross reference numbers to all the related documentation such as cheque numbers and bank accounts, supplier invoices received, purchase orders, delivery notes, invoices issued, tax assessment etc.

The supporting records must be securely kept and protected from unauthorized access or destruction. A specific person must be entrusted with this responsibility and it is best held by the person who has posted transactions in the books of accounts. Other people may access the records only with prior authorization by the Director General, Accountant General or secretary to the treasury.

Accounting records must be properly and securely kept, protecting them from accidental or malicious damage. The Director General of Implementing Institution is responsible for enforcing this regulation. Accounting records shall never be destroyed before the expiry of ten years. Specific written authorization has to be obtained from the Accountant General for any accounting records to be destroyed. The approved method of destruction is shredding or burning.

Internal audit process

The internal audit plays an important monitoring role in evaluating the effectiveness of the internal control systems within the Government's operations in meeting its strategic objectives. In performing this role, the internal audit should not be involved in maintaining the controls it is supposed to evaluate. The internal audit should be risk-based audit using the COSO2 framework and concentrating on systemic issues covering the Enterprise Risk Management (ERM) objectives of ensuring (a) conformity to the Government's strategy; (b) effectiveness and efficiency of operations; (c) reliability of financial reporting; and (d) compliance with applicable laws and regulations. The effectiveness of internal audit further depends on how management reacts to its reports.

WDA through its internal audit systems shall regularly check the financial compliance of the SDF implementing institutions in the use of grant provided to them.

External Audit

Under the Rwanda Constitution it is provided that the Auditor General of state finances has the mandate to audit all public expenditures under Law N° 79/2013 of 11/9/2013 determining the mission, organization and functioning of the OAG of State finances. This Law also governs procedures for auditing state finances. Reports prepared by the Auditor General are submitted to the Parliament and considered by the Committee in charge of public accounts. The Auditor General and Deputy Auditor General are appointed by a Presidential Order and

tenure of office is secured by the Auditor General and Deputy Auditor General being appointed for a five (5)-year term renewable only once.

Before any disbursement is made by World Bank, the Auditor General will be required to conduct an audit of SDF activities in relation to Indicative time line for DLI achievement and verification protocol as herein specified.

3.10. Fraud and Anti-Corruption

This will be in-line with the government of Rwanda anticorruption policy. The Government of Rwanda has agreed to implement the program in accordance with the WB Anti-Corruption

Guidelines applicable to PforR operations (ACG) as follows:

- ✓ Sharing of debarment list of firms and individuals
- ✓ Sharing information on fraud and corruption allegations
- ✓ Investigations of fraud and corruption allegations.

The Government of Rwanda commits to use the Bank's debarment list to ensure that persons or entities debarred or suspended by the Bank are not awarded a contract under the Program during the period of such debarment or suspension. The information on the list of debarred and suspended firms is public information in "Clients Connections", and on the Bank's website. Companies and individuals debarred by the Government of Rwanda will be posted and updated regularly on RPPA website (www.rppa.gov.rw). Both entities would take responsibility in ensuring that their websites are updated regularly with information on the list of debarred firms and individuals and share this information with all procuring entities in the Program. This list will also be used by procurement entities to monitor compliance at all levels of the program, including at the Lower Level Government Authorities. The Government's compliance with the debarment list will also be monitored through the Program annual assessment.

3.11. Suspension and termination of grants

3.11.1. Grant suspension

If resources provided under grant agreements are not being used according to the agreed conditions and for the intended purposes, the SDF should consider terminating the grant in order to limit losses of resources devoted by SDF or to recover resources already committed to the project. It is the responsibility of the M&E Specialists to inform the SDF Manager when they observe such cases.

The SDF Manager can propose to DG of WDA who can temporarily freeze a grant agreement pending corrective action by the grantee or a decision to terminate the agreement by WDA. Suspension will include, but will not necessarily be limited to, a hold on any disbursements as well as a hold on the grantee's right to use SDF funds already on hand.

The freeze of any grant will be done in writing to the grantee and copied to the Grant Committee and the SDF Secretariat. In case of any complaints, the DG WDA will task the Grant Committee to analyze the complaints and make recommend for the final decision on ether terminate the grant or take corrective actions.

3.11.2. Grant termination

The DG WDA may terminate a grant agreement for cause, with or without preliminary suspension, when it is determined that the grantee has:

- ✓ materially breached or failed to perform one or more provision of the agreement in a manner significantly affecting the achievement of its goals and objectives
- ✓ fraudulently misrepresented material facts during the application or project development process, or
- ✓ Use funds for purposes other than those stipulated in the grant agreement with SDF's consent.

Final decision on termination will be taken by the Director General and the grantee will be informed in writing. The termination notice represents the WDA final decision that will not be subjected to further administrative appeal.

3.11.3. Grant closure

The closure process will begin immediately prior to the scheduled expiration or termination of the grant and may continue up to thirty days.

The grantee is responsible for working with a SDF secretariat to prepare for closure of the SDF funding, collecting and providing data on performance targets, expending funds in accordance with the SDF grant agreement, preparing and submitting a final report to the SDF Manager, returning to the SDF, in a timely manner, any SDF funds not properly expended on project activities.

SDF representative will conduct a visit to the grantee approximately one month prior to the completion of the project. During this visit, the representative and grantee will:

- ✓ Review the status of the project budget to determine what funds remain, if any
- ✓ Review the project's implementation plan to determine what, if any, project activities remain to be completed
- ✓ develop a plan for completing of unfinished activities and achieving the project outputs
- ✓ Assess the long-term sustainability of the activities
- ✓ If relevant, prepare a time amendment
- ✓ Identify possible after-project support needs of the grantee.

On the basis of this, the SDF representative will prepare a field visit report to the SDF Manager.

It is anticipated that all expenditures will be completed prior to the expiration date of the grant. In such a case, the grantee should submit a final report within 30 days after completion of the grant. Final reports should be accompanied by a check, payable to the SDF account of WDA, for the balance of any unused SDF funds.

Upon completion of the funded activities, the grantee will provide a report based on the format provided by the SDF. The report will summarize the activities carried out, the specific

benefits of the grant, any deviations from the planned activities and the reasons for these, and an assessment of the prospects for continuing the activities after the completion of the supported activities.

4. PROCUREMENT

All public institutions implementing SDF interventions shall perform the procurement processes in accordance with procurement rules, guidelines and procedures. The programme implementing institutions will follow the “Law n° 12/2007 of 27/03/2017 on public procurement as amended today and Ministerial order n° 001/14/10/TC of standard bidding of 9/02/2014 establishing regulations on public procurement standard bidding documents and standard contracts available on the Rwanda Public Procurement Authority Website (www.rppa.gov.rw).

The public SDF implementing institutions are responsible for the acquisition of supplies, and services in support of SDF. The Procurement Committee is recommended in every implementing Institution manage procurement processes including preparation tender documents, invitations to bid, bid evaluations, issuing the notifications and award of contracts.

For the effective implementation of procurement processes the implementing institutions will achieve the following objectives:

- ✓ To procure required services, materials, equipment, and construction while ensuring that quality, safety, and cost-effectiveness is achieved
- ✓ To ensure that procurement transactions are conducted in a manner providing full and open competition whenever practicable
- ✓ To comply with procurement rules and applicable laws and regulations as required
- ✓ To solicit the participation of all qualified and responsible contractors and suppliers in the procurement process
- ✓ To enhance accountability of the implementing entities and its participating officers for their procurement decisions and actions
- ✓ To assure equity for all parties involved in the procurement process
- ✓ To obtain the best value for the money spent
- ✓ To eliminate the possibility of corruption or unethical practices in the procurement process.

Procurement Methods relevant to SDF include:

- ✓ Open competitive bidding/tendering is organised to attain the most economically interesting offer from the lowest responsive company by advertising.
- ✓ In the case of international competitive bidding, the followings shall apply; (1) the invitations to tenders and the tender document are in English; (2) the procuring entity advertises the invitations to tenders in one or more national and international newspapers registered in the e-procurement system; (3) the period of time between advertisement and the deadline for submission of bids is no less than 45 calendar days for goods and works, 21 calendar days for consultancy services/expression of

- interest; (4) the technical requirements are compatible with requirements under Rwandan Law, and are based on international standards or standards widely used in international trade; (5) bids are analysed by the procurement committee in consultation with technical responsible people initiating the procurement service; (6) a person submitting a tender may, in quoting prices or providing security, use a freely convertible currency that is widely used in international trade and that the tender documents specifically allow to be used; (7) Any general and specific conditions to which the contract is subject must be of a kind generally used in international trade;
- ✓ National competitive bidding may be used because contract values are small, works are scattered geographically or spread over time, works are labour intensive, and/or goods or services are available locally at prices below the international markets. In the case of national competitive bidding, the followings apply; (1) the invitations to tenders and the tender document are in English and/or Kinyarwanda; (2) the procuring entity advertises the invitations to tenders in one or more national newspapers and/or electronic media; (3) the period of time between advertisement and the deadline for submission of bids is no less than 30 calendar days for goods and works, 14 calendar days for consultancy services/expression of interest; (4) the technical requirements are compatible with requirements under Rwandan Law, and are based on international standards or standards widely used in international trade; (5) bids are analysed by the procurement committee in consultation with technical responsible people initiating the procurement service; (6) a person submitting a tender may, in quoting prices or providing security, use a freely convertible currency that is widely used in international trade and that the tender documents specifically allow to be used; (7) Any general and specific conditions to which the contract is subject must be of a kind generally used in international trade;
 - ✓ Restricted tendering may be used when goods, works and/or services are available only from a limited number of suppliers, contractors or consultants and when the time and cost of the evaluation are superior to the value of the tender in accordance with a threshold specified in the procurement regulations. This is applied to tenders whose value does not exceed RWF 10,000,000 and the bidders are given 14 days for national and 21 days for international restricted tendering to prepare their bids. Restricted tendering is open to only bidders appearing on the invitation to bid. The difference between this method and the other competitive methods is invited bidders.
 - ✓ Simplified tendering may be applied to tenders whose value is between RWF 2,000,000 and RWF 10,000,000 where bidders are given only 8 working days to prepare their bids especially for urgent tenders. The difference between this method and the other competitive methods is the number of days that the tender notice takes when published.
 - ✓ Request for quotations may be used to request for quotations for readily available goods, works or services that have standard specifications for which there is an established market and their tender value is below RWF 2,000,000. The bidders are given 3 working days to prepare their bids.

- ✓ Single-source procurement or direct contracting may be applied when the estimated value is less than or equivalent to RWF 300,000, when additional works that cannot be technically separated from initial tender and the value of additional works is not exceeding 20% of the initial tender value, when there is a case of force majeure in which the circumstances giving rise to the urgency are not neither foreseeable by the procuring entity nor the result of dilatory conduct on its part, or when the requested supplies are available only from a monopolist.
- ✓ Selection of individual consultants may be used because teams of personnel are not required, no additional outside professional support is required, and the experience and qualifications of the individual are the paramount requirement. In the case of selection of individual consultants, the followings apply; (1) the invitation and the terms of references are in English; (2) the procuring entity advertises the invitation in one or more national newspapers and/or electronic media; (3) the period of time between advertisement and the deadline for submission is no less than, 14 calendar days; and (4) candidates are analysed by the procurement committee in consultation with technical responsible people.
- ✓ In cases of training, workshops and meetings, framework agreements are used because all repetitive procurement transactions are time consuming in hiring workshop facilities, accommodation for participants and purchasing of consumables.
- ✓ In cases of procurement for the SDF management and operation, such as office equipment, supplies, utilities, consumables, meetings, workshops, allowances and accommodation for the SDF Secretariat and other relevant staff that may be engaged in the implementation framework agreements are used. However, salaries and allowances of travel, communication and accommodation are not expensed by procurement processes, but by the GoR regulation on allowances that caters for different categories of staff.

Private institutions selected to implement SDF shall perform procurement processes in accordance with their respective internal procurement policies, procedures, rules and regulations.

WDA procurement unit will coordinate internal procurements for the secretariat and where required provides technical support to SDF implementing institutions during preparation of tendering documents, and financial evaluations, contract award and management.

5. GOVERNANCE AND MANAGEMENT OF SDF II

Since SDF II will be implemented using the existing NEP pillar 1 systems the governing structures are given as follows:

5.1. NEP Ministerial Steering Committee responsibilities

The Steering Committee is constituted with NEP Pillars' leader Ministers and Heads of Implementing Institutions and the Ministry of Finance and Economic Planning. Their core responsibilities are the following:

- ✓ Provide strategic guidance to the SDF Grant Committee on priority areas of support for skills development
- ✓ Receive and approve the progress reports on a quarterly and annual basis, and then provide recommendations and feedback
- ✓ Consider SDF II activities and targets as integrated in the final NEP implementation plans and budget.

5.2. High level technical team responsibilities (PSs & DGs level)

The High Level Technical team is constituted with Permanent Secretaries, DGs and Heads of Institutions Implementing NEP. The team is responsible for providing technical Guidance on NEP joint performance contracts and annual progress reports to be presented to the NEP Ministerial Steering Committee for final approval.

5.3. Employability skills development pillar leader (MINEDUC)

NEP consists of four pillars, led by relevant line ministries. The pillar on Employability Skills Development by the Ministry of Education (MINEDUC), the pillar on Entrepreneurship and Business Development is led by the Ministry of Trade and Industry (MINICOM), the pillar on Labour Market Interventions by the Ministry of Local Governance (MINALOC), and the Pillar on overall coordination and M&E by the Ministry of Public Service and Labour (MIFOTRA).

The responsibilities of MINEDUC are the following:

- ✓ Coordinate the planning and budgeting process of SDF interventions
- ✓ Mobilize and support stakeholders under the Pillar to align their interventions with NEP Priorities
- ✓ Report to the Capacity Development and Employment Services Board (CESB) on budget execution, implementation of plans on quarterly basis.

5.4. NEP Technical working group

Each Implementing Institution at Central Level delegate a member of the technical team and the latter has the following responsibilities:

- ✓ Undertake the planning and budgeting process of NEP interventions
- ✓ Close follow up of the implementation progress in the assigned Districts and report to the CESB potential issues hindering the implementation

- ✓ Provide technical support to districts during planning, budgeting and reporting on NEP interventions
- ✓ Identify challenges hindering implementation of NEP and suggest possible solutions and present them to high level technical team
- ✓ Review NEP documents regularly according to new strategic orientations;
- ✓ Prepare, review NEP consolidated reports.

5.5. Business development employment unit at district level

In the NEP strategy, most of activities are implemented at decentralized level. The Business Development and Employment (BDE) unit was integrated into District structure as a one stop center to ensure effective coordination, planning and reporting of NEP interventions.

BDE responsibilities are the following:

- ✓ To elaborate the District business development and employment plans on an annual basis and ensure their integration in Districts' performance contracts
- ✓ To ensure SDF graduates benefit from District Kora Wigire Centers (DKWC) and the Business Development Advisors (BDAs)
- ✓ To ensure that the District provides a timely quarterly report on the implementation of NEP interventions to the CESB
- ✓ Gather data and information required to monitor business development and employment generation under NEP implementation at the District level
- ✓ Oversee the selection of beneficiaries and training providers of skills development interventions.

5.6. WDA responsibilities

- ✓ Carry out planning, budgeting and implementation of SDF interventions
- ✓ Follow-up the budget execution, implementation of planned activities and regular monitoring as well as audit of implementing Institutions
- ✓ Provide all the logistical, administrative and legal support required for the SDF to fulfill its mandate
- ✓ In its capacity as the legal host of the SDF, all claims against the SDF will be handled by the WDA.

The Director General of WDA will report progress of the implementation of SDF in the NEP Steering Committee meeting and also provide a quarterly report to CESB that is coordinating the NEP.

5.7. The SDF Grant Committee

To make sure the skills development is demand driven it is essential the operations of the SDF are overseen by a grant committee appointed by the WDA Board. The committee's main function is to decide on grant applications to be funded by SDF, allocate funds, and verify reports from SDF Secretariat to be forwarded to the DG WDA for approval. The Grant Committee approves the SDF Operations Manual and any changes to it.

The members of the SDF Grant Committee will be appointed by the WDA Board based on consultation with relevant stakeholders (PSF, WDA, MINICOM, RDB). Since the main focus is the government selected priority sectors of the members from PSF should represent these sectors. Preferably the chairperson could be drawn from the private sector to reinforce the labour market orientation of the SDF. The Grants Committee will be comprised of not more than seven persons. The DG of WDA is an ex officio member of the SDF Grant Committee and the Head of SDF an observer.

In addition to providing the required oversight of the implementation of all the activities under the SDF, the Grant Committee will also ensure that the SDF becomes an efficient and acknowledged instrument for strengthening the skills and competence base of the Rwandan labour force, thus making the Rwandan private sector more competitive and improving access to gainful employment.

The Grant Committee may appoint sub-committees with the purpose to conduct in-depth oversight of the work of the SDF Secretariat and the execution of the grants. This will include but not necessarily be limited to technical and audit sub-committees.

The nominated persons for the Grant Committee must have proven commitment, knowledge and experience relevant to skills development and innovative training approaches and are supposed to undertake their responsibility with due care and integrity.

The specific functions of the Grant Committee are to:

1. Approve plans and arrangements for dissemination of information regarding the procedures and operation of the SDF, ensuring that all potential target audiences have access to the required information
2. Ensure that proposals for funding are approved based on provided procedures and eligibility criteria in this manual
3. Oversee the progress of the Fund's operations
4. Regularly evaluate the relevance and quality of the skills training supported by the SDF
5. Recommend to the WDA Management possible changes of the scope and operation of the SDF
6. Investigate and act on complaints received from learners, employers and other stakeholders regarding the quality of training, assessment and the award of qualifications of training initiatives supported by the SDF
7. Approve reallocation of funds to different windows and decide on projects to benefit from more than on grants based on the national needs and employment potential.

The Grant Committee will meet at least once every three months, unless otherwise may be requested to meet for an urgent approval to facilitate the implementation of the project.

The general rules and procedures of WDA apply to tenure of office for the members are per government guidelines.

Members of the Committee, DG WDA and Head of SDF Secretariat as minutes taker will be paid allowances according to the Government of Rwanda guidelines. Head of SDF secretariat may appoint any other staff to serve as the minute-taker to the Grant Committee.

The Grant Committee, the WDA Management and the RDB will conduct an annual joint meeting to discuss issues of common interest such as the SDF's achievements and focus areas calling for special attention.

5.8. SDF Secretariat

Day-to-day management of the project execution including taking decisions that may raise during implementation will be done by secretariat established under the WDA Management.

The Secretariat will consist of the following staff and their duties:

SDF structure:

- a. SDF manager (1) Coordinate the implementation of SDF interventions and report to the Director General.
- b. Internship program specialists (2) to coordinate internship/apprenticeship programs for workplace learning
- c. Recognition of Prior Learning (RPL) Specialist (1) to coordination of the RPL activities across the priority sectors
- d. M&E specialists (2) to conduct monitoring and evaluation of SDF Interventions
- e. Grant Specialists (3) to analyse project proposal in the three SDF windows.
- f. ICT Specialist (1) to facilitate communication collection, maintenance and management of data.

Additional staff

Since SDF operates under WDA SPIU, the respective SPIU staff will be in charge for support of SDF implementation.

- g. A financial specialist (1) Coordinate SDF financial activities including; review of financial statements, disbursement, and consolidation of financial reports to be shared to the SDF manager who forward them to WDA senior management.
- h. Procurement specialist (1) Coordinate internal procurements for the secretariat and where required provides technical support to training providers during preparation of tendering documents, and financial evaluations, contract award and management.
- i. An SPIU administrative assistant (1) responsible for filing, orientation of documents,

receives correspondences and provide feedback and organise meetings.

5.9. Conflict of interest

Refers to any case where an employee's personal interest might contradict the interest of the project they work for. This is unwanted circumstance as it may have heavy implications on the employees' judgment and commitment to the project implementation.

Conflict of interest may occur whenever an SDF employee and grant committee member interest in a particular subject may lead them to actions, activities or relationship that undermine the project and may place it to disadvantage

Scope of conflict of interest

The situation may take many different forms that include, but not limited to:

- Ability to use position held in the project to the personal advantage
- Engaging in activities that will bring direct or indirect profit to the competitors
- Owning shares of the competitors
- Using connections obtained from project for your own private purposes
- Acting in ways that may compromise the project legality (eg: taking bribes or bribing representative of legal authorities)

Disciplinary measures

- a) The possibility that a conflict of interest may occur can be addressed and resolved before any actual damage is done. The responsibility of resolving conflict of interest starts from the immediate supervisor and may reach to the senior management. All conflict of interest will be resolved as fairly as possible and senior management has the responsibility of final decision when the solution cannot be found.
- b) Members of the Grant Committee (where family members apply the particular member will be excluded from the approval and review processes that are specific to the particular grants application); members with interest in an enterprise that applies will be treated similarly
- c) WDA Board members and staff or their immediate family members (parents, spouse and children).

6. MONITORING & EVALUATION

The primary responsibilities for monitoring and evaluation of the activities funded by the SDF will be done with the SDF Secretariat.

6.1. Monitoring

The purpose of the SDF monitoring system is twofold:

- (i) To ensure that implementation of the SDF is on course and desired outcomes are likely to be achieved, and
- (ii) To ensure that the support by the SDF to applicants is used for the purpose intended. The monitoring and evaluation will be conducted at two levels:
 - Activity/output monitoring is intended to validate that the beneficiary grantee/institutions use the funds received from the SDF in accordance with the objectives and principles stipulated in the contract. The activity/output monitoring has two elements:
 - ✓ Control of planned and implemented activities, and
 - ✓ Control of the use of allocated funds.

Furthermore, output monitoring is a way to confirm that annual work plans prepared by the SDF Team have been carried out as envisaged.

- Results measurement aimed at assessing whether the implementation of the SDF is on track and the expected results likely to be achieved. The basis for the results measurement is the PSG Programme Results Framework and the indicators stated herein.

The results measurement will be achieved through the following activities:

- ✓ Baseline data on employment, turnover, output, revenue, and profit – to the extent possible
- ✓ End of implementation data on employment, turnover, output, revenue, and profit – to the extent possible
- ✓ Employer satisfaction surveys.

The WDA will prepare separate M&E Guidelines to set the direction of the M&E Specialists' daily work routines and reporting procedures.

6.2. Evaluations

Evaluation studies and analytical documentation will be conducted as and when felt necessary.

The purpose will be to assess the impact of the project activities, usually with focus on specific topical issues. It is expected that impact studies will be commissioned in connection with the mid-term review and completion of the PSG. The SDF Secretariat will prepare the ToR for the studies, subject to no-objection by the World Bank.

6.3. Monitoring and evaluation system

The system is designed to improve the organisational capabilities, responsiveness, and efficiency of the implementation of SDF activities. It also facilitates the collection, collation and reporting of implementation progress and achievement. The system that integrates the organisational, functional and operational information provides information that will support evidence based decision making and knowledge sharing.

Focusing on the operational and organisation needs the system captures the following:

- ✓ **Operational performance** – Support tracking of project/programme implementation and systematic collection, collation, analysis and reporting of project level performance information based on agreed indicators (these are from projects Results Management Frameworks and M&E Plans)
- ✓ **Organizational performance** – Support the corporate level data collection and reporting, including tracking and measurement of the delivery levels of the Strategic Plan. It should also facilitate the assessment and demonstration of the levels of efficiency and effectiveness of SDF and its interventions
- ✓ **Documentation and communication of results to partners/stakeholder accountability** – The system is intended to provide a comprehensive, consistent, and verifiable way of documenting and communicating results and learning from SDF’s interventions in timely and accurate and manner
- ✓ **Data Analysis, modeling and reporting** – The system should enable SDF to carry out pre-defined and ad-hoc data analysis, modeling and reporting to respond to the varying analytical and statistical information requirements of stakeholders/ partners.

Done at Kigali,

Director General, WDA

