NATIONAL URBANIZATION POLICY

December 2015
# Table of Contents

Table of Contents  
Acronyms and Abbreviations  
Executive Summary  
Introduction  
1 **BACKGROUND**  
   1.1 **Overview**  
   1.2 **Urbanization in Rwanda**  
       1.2.1 Demographic characteristics of urban areas and urban growth projections  
       1.2.2 Urban Economic Status  
   1.3 **Living Conditions**  
       1.3.1 Urban poverty, livelihood and urban housing  
       1.3.2 Urban environmental conditions and public health  
       1.3.3 Urban physical infrastructure  
   1.4 **Policy Framework**  
       1.4.1 Constitution  
       1.4.2 Vision 2020  
       1.4.3 The Second Economic Development and Poverty Reduction Strategy (EDPRS 2)  
       1.4.4 Government Programme for 2010-2017  
       1.4.5 Rwanda Green Growth Strategy  
       1.4.6 Sector Strategic Plan (SSP)  
       1.4.7 National Housing Policy  
       1.4.8 Law Governing Urban Planning and Building in Rwanda and its implementation orders  
   1.5 **Institutional Framework**  
   1.6 **Challenges**  
   1.7 **Policy Rationale**  
2 **URBANIZATION POLICY FRAMEWORK**  
   2.1 **Policy Framework and Principles**  
   2.2 **Vision**  
   2.3 **Mission**  
   2.4 **Goal**  
   2.5 **Objectives**  
3 **POLICY PILLARS**  
   3.1 **Pillar 1: Coordination**  
       3.1.1 Policy statements  
       3.1.2 Integration  
       3.1.3 Participation  
       3.1.4 Communication  
       3.1.5 Coordination at National level
3.1.6 Coordination at local government level
3.1.7 Coordination across governance levels
3.1.8 Staffing and capacity building
3.1.9 City goals
3.1.10 Monitoring and evaluation
3.1.11 Knowledge management
3.2 Pillar 2: Densification
3.2.1 Policy statements
3.2.2 Urban Planning guidelines
3.2.3 Compact urban areas
3.2.4 Infill and densification
3.2.5 Urban infrastructure development
3.2.6 Investment phasing
3.3 Pillar 3: Conviviality
3.3.1 Urban quality of life
3.3.2 Disaster risk management, disaster resiliency and urban safety
3.3.3 Social inclusion and cultural preservation
3.4 Pillar 4: Economic Growth
3.4.1 Policy statements
3.4.2 Green economic growth
3.4.3 Spatial development Framework
3.4.4 Regional integration and rural-urban linkages
3.4.5 District Development Plans
3.4.6 Local economic development and poverty reduction
3.4.7 Local revenue generation and financial management
3.4.8 Private sector involvement
3.4.9 Strategic investment planning
4 POLICY IMPLEMENTATION PLAN
4.1 Measuring and Monitoring Performance
4.2 Legal Implications
4.3 Financial Implications
4.4 Planning Implications
Table 3: Implementation Plan with Policy Actions
Bibliography
Acronyms and Abbreviations

CoK City of Kigali
CSO Civil society organizations
EDPRS Economic development and poverty reduction strategy
EAC East African Community
EIA Economic impact assessment
GDP Gross domestic product
GoR Government of Rwanda
HH Household
ICT Information and communication technology
JADF Joint action development forum
NISR National Institute of Statistics of Rwanda
OSC One-stop centre
PPP Private public partnership
SDG Sustainable development goals
SME Small and medium enterprises
Executive Summary

By taking a proactive approach to plan and master its urbanization, Rwanda is positioning itself for the future. The overall goal of the policy is to promote good urban development that enhances local and national economic growth and ensures good quality of life for everyone.

The National Urbanisation Policy addresses all aspects of cross-sectoral action in urban development and governance. Rwanda guides urbanization in a way to efficiently use and manage its natural resources while promoting sustainable development, reinforce its system of urban areas and human settlements for local economic development based on local potentialities and inter-linkages, promote densification for cost effective public investment and infrastructure service delivery, and to reserve for agricultural production, open space and conservation of the environment, and plan for the needs of transportation, housing, culture, recreation, utilities, waste management, information and telecommunication, commercial and industrial development in response to macro-economic strategies and citizens views.

All, public and private sector, and civil society share the responsibility for an adequate and good urban development with the Policy vision being:

Urbanization, an engine of economic development and sustainable human settlement.

The policy is organised into four policy pillars:

1. Coordination
The pillar addresses the enhancement of institutional capacities to manage urban development in a coordinated manner at all levels of governance.

2. Densification
The pillar addresses how to integrate urban planning in order to achieve resource-efficient and compact growth.

3. Conviviality
This pillar addresses how to support quality of life and equity in urban settlement; and

4. Economic Growth
This pillar has objective to facilitate employment creation and off-farm productivity for local subsistence and regional competitiveness.
Introduction

Rwanda is facing a fast rate of urbanisation and is establishing an urban framework to accommodate growth in a well-managed manner. Major aspects of an urbanisation which is sustainable, are an improved access to adequate infrastructure and services, safety, quality education, healthcare facilities and food security. The welfare of the population is the central point, regardless of gender, age, and economic, social or cultural background.

Well-managed urban development depends on the functionality of public administration, the continuous participation of communities in development and decision-making, strong human resources and the effective application of social, environmental and economic planning tools. Urbanization requires coordinated initiatives by all institutions. One principal aim of the National Urbanization Policy is to enhance collaboration and cooperation between public and private institutions, civil society organizations, academia and communities to improve service provision and support a continuously growing local economy.

The targets of the draft Sustainable Development Goals for the new urban agenda, the strategic directions of the African Union, and the objectives of the East African Community uniformly emphasize the need for adequate urban planning tools, innovative and implementable urban financing systems, and access to basic service delivery and housing for a controlled and sustainable urban development process.

This policy document was developed after the sensitization of stakeholders at various levels and with the help of a situation assessment. The process involved dialogue at National, Provincial and District levels, and included representatives of civil society organizations and the private sector, as well as consultation with development partners.

The National Urbanization Policy is an overarching document that advocates for coherent sectoral policies. The policy pillars illustrating the overarching character are:

1. Coordination;
2. Densification;
3. Conviviality;
4. Economic Growth.
1 BACKGROUND

1.1 Overview

Africa is estimated to reach an urbanization rate of 50% in 2035 (UNDESA, 2014). The number of urban dwellers in Africa is projected to increase from 400 million in 2010 to 1.26 billion in 2050. Presently, at 23.5% urbanisation rate, the East African Community (EAC) is the least urbanized African region (UN-HABITAT, 2010).

Urbanization is an opportunity for socio-economic growth. Well-planned urbanization may help achieve the proper use of land, other natural resources and of investment into infrastructure services, and may help initiate local economic development.

This National Urbanization Policy for Rwanda sets local challenges into a global context in support of a number of international policies and treaties and defines the strategies for national human settlement development in the context of economic growth. The draft Sustainable Development Goals, the African Urban Agenda and the EAC urban development and housing action plan are part of the regionally and internationally relevant policies.

1.2 Urbanization in Rwanda

Urbanization in Rwanda is characterized by demographic growth and by migration to urban areas, accompanied by the installation of displaced people and returnees after the 1994 genocide against the Tutsi. The urban population has increased from 4.6% in 1978 to 16.5% in 2012. The Vision 2020 prepares for reaching 35% in 2020. The average urban density surveyed in 2012 with 1,871 inhabitants per square kilometre has more doubled since 2002. The current annual growth rate of the urban population is 4.1%. The capital city Kigali accommodated about half of the urban population in 2012 (NISR, 2014).

With the EDPRS2 and the Urbanisation and Rural Settlement Sector Strategic Plan, six secondary cities were selected for the promotion of urban development outside of the capital city: Rubavu, Musanze, Huye, Rusizi, Nyagatare, and Muhanga. There levels of urbanization vary with the Districts of Musanze, Huye, Muhanga and Rusizi having an urban population above 15%, and Nyagatare District above 10% (NISR, 2012).

Law No. 10/2012 of 02/05/2012 governing urban planning and building in Rwanda defines a city to have a population of at least 200,000 inhabitants; a municipality at least 30,000 but less than 200,000 inhabitants; and an agglomeration at least 10,000 inhabitants but less than 30,000 inhabitants. Following this classification, Rwanda had 21 urban areas in 2012, and among those,
one city, 10 municipalities and 10 agglomerations. There are currently 7 emerging urban areas, which have populations between 7,000 and 10,000.

After independence, development policies promoted the retention of people in rural areas and the development of small urban administrations. Since 2004, a strong focus on planned urbanization processes has been raised increasingly.

People, communities, private sector stakeholders and public authorities shall be prepared to act as “agents for change” for an efficient use of land and economic growth. Rwanda’s geo-political position gives it the potential to serve as a hub for Eastern and Central Africa.

1.2.1 Demographic characteristics of urban areas and urban growth projections

Urban growth projections vary and will depend on the efforts in support of urbanisation. Assuming continued growth, an increase of the urbanisation rate by about 1 Mio people by 2020 is projected by the NISR\(^1\). NISR assumes to reach 30% urbanization in 2032, considering current trends\(^2\). To reach an urbanisation rate of 35% by 2020 as envisioned by the Vision 2020, an increase by about 2.7-2.9 Mio inhabitants in urban areas would have to be expected\(^3\).

Also for the six secondary cities there are varying scenarios, which partly depend on the National growth strategy based on the National Land Use Master Plan, and public investment support to creating into urban pull factors. Besides the support to enhancing unique assets, investment into basic and advanced urban infrastructure is under preparation to enable job creation and economic development.

One scenario assumes the following urban population growth:

<table>
<thead>
<tr>
<th>Table 1: Urbanisation rate projection in the secondary cities(^4)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Urban population (2012)</strong></td>
</tr>
<tr>
<td>-----------------------------</td>
</tr>
<tr>
<td>52,768</td>
</tr>
<tr>
<td><strong>Projected population (2020)</strong></td>
</tr>
<tr>
<td><strong>Projected increased population</strong></td>
</tr>
<tr>
<td><strong>Projected increased HH’s</strong></td>
</tr>
</tbody>
</table>

1.2.2 Urban Economic Status

The percentage of off-farm employment even in urban areas is still low. According to EICV3, 72% of working individuals countrywide above the age of 16 have their main job in agriculture.

\(^1\) NISR, 2012: Fourth Population and Housing Census, Rwanda, Thematic Report Population Projections
\(^2\) Ibid.
\(^3\) Ibid.
\(^4\) Extracted from a presentation from June 2015 of the Draft National Roadmap for Green Secondary City Development by GGGI
In the six secondary cities, off-farm jobs comprise a percentage between 20 and 51%. However, the 2014 Establishment Census shows that the private sector is growing, among those are a growing number of large establishments with more than 100 employees, of medium size establishments with 31-100 employees. Yet, urban areas still experience much lower growth (7%) than rural areas (38%). Over 90% of establishments are classified as informal.

Potential opportunities for Local Economic Development are under exploration, starting with detailed strategies for the six secondary cities. Also, the Industrial Parks have the potential to strengthen linkages with District rural areas through strategic targeting of investors.

Table 2: Estimated percentage of off-farm jobs in the secondary cities and recent private sector establishment

<table>
<thead>
<tr>
<th></th>
<th>Huye</th>
<th>Muhanga</th>
<th>Nyagatare</th>
<th>Rubavu</th>
<th>Musanze</th>
<th>Rusizi</th>
</tr>
</thead>
<tbody>
<tr>
<td>Off-farm employment of total(^5)</td>
<td>24%</td>
<td>22%</td>
<td>20%</td>
<td>51%</td>
<td>33%</td>
<td>30%</td>
</tr>
<tr>
<td>Private sector establishments/ status 2014, District wide(^6)</td>
<td>4,560</td>
<td>5,969</td>
<td>6,038</td>
<td>6,587</td>
<td>6,616</td>
<td>5,307</td>
</tr>
</tbody>
</table>

1.3 Living Conditions

There is an increase of GDP per capita from USD 399 in 2007 to USD 701 in 2013. It is envisioned to reach USD 1,000 by 2018, which is an average GDP growth target of 10.2% set by the EDPRS2. The EDPRS2 emphasises the potential for Rwanda to become a knowledge-based economy.

The urban landscape in Rwanda is still characterised by a high percentage of informal settlements. In 2012, only 11% of all housing in Rwanda was planned and nearly 58% of housing was informal. The urban infrastructure does not comply with basic service requirements yet. Some urban residents use water from unimproved wells, rivers and streams. Almost one third of people use kerosene lamps or candles for lighting and about a third of urban households use firewood for cooking, with above two-thirds using charcoal (EICV3).

1.3.1 Urban poverty, livelihood and urban housing

EICV proves that poverty has continuously decreased in Rwanda from 58.9% in 2000/01 to 44.9% in 2010/11. Extreme poverty has also declined, from 40% in 2000–01 24.1% in 2010–11. Yet, the average household income is low with an average wage of 37,664 FRW countrywide and an average wage of 223,527 FRW in the City of Kigali\(^7\).

\(^5\) Ibid.
\(^6\) 2014 Establishment Census
\(^7\) Ibid.
According to the 2012 Population and Housing Census and confirmed by the EICV3, vulnerability to poverty concerns larger households with fewer employed persons. According to EICV3, households in the poorest quintile are on average larger than those in the highest quintile by one person (5.6 compared to 4.4 people), with poorer households containing more dependants (on average 64.7%). Two-thirds of households in the poorest quintile contain an infant aged less than four years, and about 90% include a person aged between five and 20. A higher consumption poverty incidence is recorded among households headed by a person with a disability.

Being in a female-headed household is increasingly likely to make little difference to poverty status.

In both urban and rural settings, non-poor households are more educated, smaller in size, own more durable assets, and enjoy better access to utilities and services than poor households, with little difference for poor households in urban or rural locations. However, poverty in Rwanda is predominantly a rural problem. The indicators in urban areas generally show a higher level of wellbeing than in rural areas, driven particularly by the much higher living standards of the urban non-poor. Urban households account for about 15% of the total number of households in the country, with the majority living in Kigali City.

Accessibility of housing is a major concern in overcoming urban poverty with shelter being a basic need and requirement to sustain a livelihood. According to EICV3, the majority of households live in homes they own, while the number of households that rent their accommodation grows especially true in the urban areas, but a trend towards tenancy arrangements can be seen in both urban and rural areas. The majority of tenants is in the richest quintile, and they tend to have smaller household sizes. The heads of households renting their accommodation are predominantly in the age group 20–39.

The quantity of urban housing production is still low and its cost does not match the purchase power of the majority. The government of Rwanda has recently passed a housing policy that now provides the basis to fix criteria for future housing construction, which target resource-efficiency and accessibility for all.

1.3.2 Urban environmental conditions and public health

Unfavourable environmental conditions such as unhygienic water, air pollution, or infested swamps cause infections especially in the poorest quintile. Health problems are higher among people that use non-improved sanitation, and slightly higher among those using non-improved

---

7 GoR, 2015, National Housing Policy
8 EICV3
drinking water sources, and higher among people lighting their homes with firewood. The fact that urban settlement in Rwanda predominantly developed informally, has increased environmentally unfavourable conditions, the effects of which require mitigation in future planning.

1.3.3 Urban physical infrastructure

According to EICV3, 74% of households in Rwanda use an improved drinking water source. Urban households are more likely to use an improved drinking water source than rural households (86% and 72% respectively) but improvements in urban and rural areas over time are by a similar amount. On a national level, 25% of households have to travel 0–200 metres to get to an improved drinking water source and 45% of households are within 0–500 metres of an improved water source.

The percentage of households which do not pay for water has declined and the mean household expenditure on water has risen.

In 2010/11, 75% of households in Rwanda had access to an improved sanitation facility. Improved sanitation has increased by a larger extent for rural households (55 to 73%) relative to urban (75 to 83%), with the poorest households benefitting from strongest improvement.

Rubbish collection services in urban areas reach 30% of households.

11% of households in Rwanda use electricity as their main source of lighting, with access to electricity being particularly high in urban Kigali, and electricity use being heavily skewed towards the richest quintile.

Concerning cooking fuels, firewood is still by far the most widely used fuel in rural areas (93%), while in urban areas charcoal is used by 51% of households, followed by firewood (45%). A slow trend can be observed in the cities away from firewood and towards charcoal.

Currently, urban roads outside of the City of Kigali are of limited quality. User satisfaction levels among users of public transport are high, with 92% of urban and 74% of rural dwellers using public transport being satisfied with the services, and with an improvement especially in urban areas.

According to EICV3, there is a correlation between poverty and access to utilities, with utilities and services being more accessible to the non-poor than to the poor, but also to the urban than to the rural population, however, mainly concerning access to electricity. Electricity is used as main light source particularly in urban communities (55.4% compared to 4.7% for the rest of the population). Access to water serves more than two-thirds of each group. For access to improved sanitation, poor rural households display a slightly higher proportion of access (two-thirds) than
their urban counterparts. The poor in urban communities are closer to markets, main roads, and health centres than the non-poor in rural areas.

Private groups, businesses and other organizations in cases step in to fill the gaps maintaining roads, establishing power connections, and establishing and running schools.

1.4 Policy Framework

1.4.1 Constitution

Rwanda’s Constitution promotes social welfare and justice through dialogue and consensus. It stipulates fundamental rights relevant for the urban sector and an urbanization process in Rwanda, such as modalities in terms of land ownership, acquisition, transfer and land use, but also rights and duties relating to public health.

1.4.2 Vision 2020

Vision 2020 is the vision to transform the country into a middle-income nation. Out of six pillars of the Vision 2020, the fourth pillar focuses on infrastructure development and includes landuse management and urban development. As part of the vision, the government targets an urbanization rate of 35% by 2020 from 10% in 2000, and 16.5% in 2012. This is connected to other targets, such as increasing the average gross domestic product from 6.2% in 2000 to 11.5% by 2020 and the annual GDP per capita to USD 1,240.

1.4.3 The Second Economic Development and Poverty Reduction Strategy (EDPRS 2)

Urbanization is a fundamental part of the EDPRS2. The aim of priority areas 4 and 5 of the economic transformation pillar is to “transform the economic geography of Rwanda by facilitating urbanization and promoting secondary cities” as centres of non-agricultural economic activities, and to pursue a “green economy” approach to economic transformation by favouring the development of sustainable cities and villages.

The EDPRS2 emphasises that urbanization needs to be adequately planned and regulated through awell-coordinated and decentralized institutional system and harmonized framework. It also stresses the need for increased citizen participation in the process of planning and development.

1.4.4 Government Programme for 2010-2017

The Government Programme 2010-2017 guides principal development activities over seven years until 2017. The implementation of the National Land Use Master Plan and district land use master plans are highlighted as important elements for achieving rational management of land and for increasing productivity. The program targets infrastructure development throughout the country, emphasizing water and sanitation, transport and ICT development.
1.4.5 Rwanda Green Growth Strategy

The Rwanda Green Growth Strategy (2011) highlights that a long-term plan for sustainable urban development is required for urban areas for an efficient use of land through high density buildings, appropriate zoning and mass transport systems. The improvement of quality of life is a central aspect of the strategy.

1.4.6 Sector Strategic Plan (SSP)

The Strategic Plan for the urbanization and rural settlements sector (2013-2018) outlines the overarching goals and objectives concerning urban development in Rwanda, and aims to improve Rwandans’ quality of life. It comprehensively lays out the strategies for all governance levels - policy, management and implementation levels of urban development, while highlighting the areas of affordable housing, capacity development and collaboration with the private sector as specific activity areas besides the cross-cutting requirement of well-coordinated frameworks and planning.

1.4.7 National Housing Policy

In three policy pillars, the National Housing Policy (March 2015) covers the aspects of access to housing, resource efficiency, land, infrastructure, skills development, enhancement of the local construction industry, construction materials and technology, townscape and liveability, and public responsibility. The Policy Pillars are: 1) Public Benefit, 2) Resource-Efficient Planning, Green Technology, and 3) Professionalism and Governance and Partnership.

The National Housing Policy provides a framework which:

- Enables the private sector to address the demand for housing in terms of quantities and access costs offered to clients;
- Supports the purchase power among population through promoting saving for housing and pooling of individual resources;
- Supports financing models accessible to the full range of residents including low income levels;
- Emphasizes principles of quality and professionalism in both, planning and construction of neighbourhoods and housing;
- Combines land, land use, urban planning and housing policy directions in order to achieve the efficient use of land and resources when developing housing.

1.4.8 Law Governing Urban Planning and Building in Rwanda and its implementation orders

The Law Governing Urban Planning and Building in Rwanda (2012) is the overarching legal reference in the urbanisation sector. Its implementation orders regulate local development based on clear procedures of development management and technical implementation details as to support sustainable, integral and inclusive development, and in support institutional
strengthening and development, decentralization, local economic development, citizen participation and accountability mechanisms, which are all principles supported by National government policies.

The orders in their correlation establish a planning hierarchy and the integration of all planning documents with each other. They further determine content, and scale planning documents, determine plan the elaboration process with steps which have to be followed independent of who is preparing the plan with public participation as an integral and mandatory part. The orders also provide a legal basis for building and real estate development permitting.

One of the implementation orders is the Ministerial Order Determining Urban Planning and Building. It provides the principles to be followed when planning for development and has 3 Annexes, i.e. the Urban Planning Code which provides technical detail to be followed in urban plan elaboration, the Building Code which provides technical detail for building and construction, and a list of related faults and sanctions.

1.5 Institutional Framework

The urbanization process is a multifaceted interplay between people’s ways of life, the existing institutional and organizational frameworks and various urban forms, functions and characteristics. All ministries and public agencies, the private sector and the local communities have a role to play in the urban development process. The institutional framework for urban development comprises a number of ministries, public institutions and agencies that are responsible for urban development, with the Ministry of Infrastructure in the lead, with its agencies responsible for policy implementation. At the district level, the One Stop Centres are implementers and facilitators of urban development, under the overall governance and management of the District governments, responsible for all areas which concern citizens’ lives.

The institutional framework aims at supporting an urbanization process which is coordinated, and which integrates mechanisms for dialogue at all levels.

1.6 Challenges

Consultative meetings and dialogue were an integral part of the drafting process of the National Urbanization Policy, which took place at National, provincial and district levels. Considered were also the views of representatives from the private sector, communities, women groups and civil society organizations.

There are both positive and negative effects associated with urbanization. If well managed, urbanization can lead to a better quality of life and can improve basic service delivery. An optimal urban development is constrained by challenges relating to:

1. Macro-economic principles and finance;
2. Local capacity and participation;
3. Innovation and business environment.

**Macro-economic principles, distribution of finance and development**

Currently, the macro-level financing of the urban development is still insufficient and insufficiently strategic. This is expressed by an unequal access to urban infrastructure and services, and to housing which is affordable. In order to master the population growth and its spatial dynamics, investment planning shall be based on a mid-term and long-term growth and investment strategy.

**Local capacity and participation**

Local government capacities require being in the centre of attention. There is room for improved urban governance and urban management capacity relating to:

- Local revenue generation from development processes;
- Better urban planning and development management practice;
- More effective participation of the public;
- More efficient financial and project management capacities.

**Urban planning and development management practice**

Currently, there is still insufficient awareness and understanding of urban planning tools, and capacity to adequately follow up on the rightful implementation of urban planning documents.

For an improved urban functionality and compactness, adequate plans and management practices need to be operationalized and mainstreamed to ensure efficient land use, economic growth, environmental protection and social well-being. Economic opportunities and qualitative social facilities are among the pull factors which increase the attraction of urban areas, with focus on an enhanced quality of life. Based on the legal framework, urban planning shall be integrated, well-coordinated, responsive and participatory.

**Local revenue**

The fiscal transfer mechanisms well support the local autonomy; the capacity of local government to manage revenue yet needs to be increased. Central government fiscal transfers and other grants from donors are equivalent to about 90% of a District’s total revenue, while locally generated revenues currently count for less than 10% of a District budget (Garzón et al., 2015).

**Effective participation**

The involvement of private sector actors and communities is a prerequisite of good urban governance. People’s participation in urban planning, management and governance shall be supported.
Financial and project management

Local authorities shall be strengthened in their capacities to initiate, plan, manage and supervise projects.

Assistance should also be provided to districts to understand and use social, economic, and environmental data as a tool for evidence-based local development and governance, and to respond to such knowledge. The use of information technology may help the effectiveness of urban management.

Business environment, innovation and employment

Concentrated effort is still needed to make the environment for local businesses more enabling, and for the local economy to thrive, including a more intense promotion of innovation. The private sector shall be actively enabled to engage in economic development and in opportunities for public-private partnership. The transfer of competencies for integrated urban planning, management, and building technologies, and a supporting think tank shall empower institutions to support the enabling conditions.

Youth employment is an area which requires special attention. 39% of Rwanda’s total population are aged between 14 and 35 years and therefore considered as youth, while 64% of the age group 16-29 is underemployed. The highest levels of economic inactivity are among youth with some primary or secondary education. Unemployment amongst skilled youth in urban areas must be addressed to not waste human capital.

1.7 Policy Rationale

Rwanda guides urbanization in a way to:

- Stand as a strategic driver of economic development and a panacea for demographic pressures, employment and sustainable land use; and so making service delivery easier and more cost-effective to provide
- Reinforce its system of urban areas and human settlements and the corresponding administrative and urban governance system to promote local economic development based on local potentialities and inter-linkages;
- Promote densification for cost effective public investment and to reserve for agricultural production, open space and conservation of the environment;
- Plan for needs of transportation, housing, culture, recreation, utilities and commodities, waste management, information and telecommunication, commercial and industrial development in response to macro-economic strategies and citizens views.
2 URBANIZATION POLICY FRAMEWORK

2.1 Policy Framework and Principles

Urban areas are no more simple spaces for settlements and services, they now greatly shape and influence social relations at every level, determining advances and impediments in modes of production, and providing new content to norms, culture and aesthetics. This state of current cities has to rejuvenate our planning perspectives, and guide the formulation of city goals, and reasserts the value of relating short-term practical actions with long-term awareness.

While the many benefits of organized and efficient urban areas are well understood, there is a need to recognize that uncontrolled urbanization brings risks of profound social instability, risks to critical infrastructure, potential services scarcity and crises and the potential for devastating spread of disease.

To mitigate the negative environmental and social costs resulting from uncontrolled rapid urban development with its long-lasting impacts, a recognition of existing links between urban people, economic opportunities and environment need to be diagnosed for a better, safe, and sustainable human settlement free of urban poverty and the hazards posed by climate change and natural disasters. As matter of facts, there is in turn an urgent need for a multi-level institutional coordination, good governance and effective urban management; and supported with appropriate tools for optimum decision making.

The choice of optimum decision is pledged if only we bear in our mind that a decision taken for a city development has to be made in the light of other concurrent decisions, not ignoring that the size of actions affects its value, no cost-free return to investments made, and that a decision should be able to face imperfect foresight.

It is evident that there is no single urbanization approach capable to effectively tackle all challenges inheriting from rapid urbanization, rather there are guiding principles that this policy would interpret, adapt and develop. Basing on aforementioned concept, the core principles guiding this policy are therefore the following:

1. **Sustainability and resilient**
   Ensure today’s developments does not confront the ability of future generations to meet their needs by developing resilient, low carbon, and safe and healthy urban environments.

2. **Integrated planning**
   Pay attention on the inclusiveness of economic planning, physical planning, and environmental planning, which are in turn integrated with budget and supportive each other than undercut.
3. **Decentralized urban governance**
The introduction of adequate and effective urban governance, rather than only enforcement measures, is crucial to promote social inclusion vis-à-vis the growing complexity of social life in cities, particular the increasing challenge of social differentiation.

4. **Participatory planning**
Planning with partners; planning with all sectors of the community with a stake so to deliver quality and inclusiveness in decision-making. This implies integration of even stakeholders with less influence such as vulnerable and low income groups, in the plan-making process so to effectively impact their lives, and ensure equity and the legitimacy of planning initiatives.

5. **Flexibility and market-responsiveness**
Understand market demand, and be aware of the dynamics and potential of the informal sectors, so that you can create opportunities, and anticipate development impacts;

6. **Sustainable land use**
Promote better integrated and compact urban areas;

7. **Appropriate tools for urban management**
Development of strategic and effective tools to guide the decision making process to ensure a balanced spatial and economic development;

8. **Social inclusion and Cultural preservation**
Promote policies’ coherence and a people-centered urbanization by enhancing socially inclusive societies, gender sensitive communities, child-friendly cities and family cohesion.

2.2 **Vision**

The vision of the National Urbanization Policy is:

**Urbanization, an engine of economic development and sustainable human settlement**

The overall intent of the policy is to create the conditions for well-managed growth generating vibrant urban environments and sustainable economic development. Rwanda’s urban agenda encourages multi-institutional cooperation, for the development of safe public space, quality education, medical and transport facilities, and a friendly city ambiance offering public services and infrastructure.

As part of this vision, the government seeks to prevent unplanned growth in support of the urban development system and an increasing quality of life.
2.3 Mission

The mission of the National Urbanization Policy is:

Urban physical development is guided in a way to create a functional network of development poles, which accommodate rapid urban growth, cost-effectively provide socio-economic opportunities to all, and offer liveable and green urban environments.

Three conditions should be met for the achievement of this mission. First, efforts shall be made to mobilize and sensitize all stakeholders to participate in urban growth and economic dynamics at different levels. Resource mobilization for managing and financing the investments in the public interest constitute the second set of pre-requisites. Finally, designated public institutions should dialogue and convince individuals and communities of their role and responsibilities in contributing to the urbanization process.

2.4 Goal

The overall goal of the policy is:

Well-coordinated urban settlement and development positively transform the economy of the country, improve the socio-economic conditions for all, and preserve resources to sustain the life of future generations.

This goal will be operationalized by the following policy objectives.

2.5 Objectives

The four policy objectives are:

1. To enhance institutional capacities to manage urban development in a coordinated manner at all levels of governance;
2. To integrate urban planning and management in order to achieve resource-efficient and compact growth;
3. To support quality of life and equity in human settlement;
4. To facilitate employment creation and off-farm productivity for local subsistence and regional competitiveness.

From these objectives which are all targeting urban resilience, four mutually complementary policy pillars have been identified: coordination, densification, conviviality and economic growth.
3 POLICY PILLARS

In response to above principles and objectives, the policy is divided into four pillars which illustrate the cross-cutting character of urbanisation touching all aspects of life.

The four policy pillars are:

1. **Coordination**;

   The aim is to ensure multi-level institutional coordination, good governance and effective urban planning and management, applying appropriate tools and ensuring coherence between different types of planning and coherent action.

2. **Densification**;

   The aim is to use land efficiently by phasing investment strategically and integrate green principles within development, applying principles and standards guiding the development of efficiently serviced urban neighbourhoods to high population numbers within urban areas and preserve valuable natural and agricultural resources.

3. **Conviviality**;

   The aim under the aspect of conviviality is the assurance of quality of life in all facets, with social inclusion and cultural preservation as integral parts of urbanization.

4. **Economic Growth**.

   The aim is to achieve economic growth which is sustainable and guided by green economic criteria, whereby urban areas are centres for innovation and entrepreneurship and sources for socio-economic services and opportunities.
3.1 Pillar 1: Coordination

3.1.1 Policy statements

The following policy statements are promoted under this pillar:

**PS 1:** Multi-level institutional coordination, good governance and effective urban planning and management shall be fostered

**PS 2:** Appropriate tools for urban planning and management shall be promoted and effectively applied

**PS 3:** Urban development implementation and all related action plans of public and private institutions shall be based on urban planning documents

The coordination to achieve good collaboration and complementarity in-between a variety of actors and stakeholders is key to achieving integrated planning and implementation following an agreed goal. The agreed goal will be established in a strategic and effective planning and budgeting procedures at different governance and subject levels.

Coordination in order to achieve the jointly agreed goal has to take place in-between institutions at all levels of governance, as well as within institutions, and requires:

1. Guiding policy concept towards strategic and effective outcomes;
2. Functional institutions including staffing and staff capacity;
3. Practical and applicable administrative, management and communication procedures; and

3.1.2 Integration

Urban planning documents must integrate economic, environmental and physical planning tasks with each other, and shall be aligned to the budget through a strategic investment plan and action plan. An urban planning document further establishes a shared vision, and the strategy of how to achieve the vision. This involves prioritisation of investment locations and projects with the intention to achieve the required servicing and enable quality of life according to guidelines.

For coordinated development toward the intended impact, any development project must therefore be aligned to such integrated urban planning document.
The legal framework which determines hierarchies and correlation of planning documents shall be widely adapted to, and all institutions are required to comply for effective integration.

### 3.1.3 Participation

The establishment of a shared vision and prioritisation of implementation tasks must be done in a participatory manner, involving the public and private sectors, and civil society. The procedures of participation in the plan elaboration processes must be widely disseminated for their institutionalised application. During the participatory process, the views of a variety of peer groups shall be assessed and taken into account.

This implies integration of views of all levels of local community such as low income people in the plan-making process so to effectively impact their lives, and ensure equity and the legitimacy of planning initiatives.

### 3.1.4 Communication

Intra- and inter-institutional communication especially requires well defined responsibilities and information transfer procedures, using dedicated secretariats and communication departments.

For public communication, the use of information and communication technologies should be promoted for facilitation of people’s participation in urban development, and knowledge transfer through data sharing. E-tools may be used to communicate information. Those may comprise:

- Online authorization procedures;
- Online urban planning forums;
- Data and information sharing;
- Conventional media such as newspaper, radio and TV.

Communication is also part of facilitating urban life, by providing indications on the supply of urban service locations and ways to facilitate navigation in cities so by making e city more attractive(gastronomy, accommodation, transport hubs, etc). This in turn supports local economic development.

### 3.1.5 Coordination at National level

At National level, it is important to align all policies, laws and plans to a shared national goal. The shared national goal is based on the National Land Use Development Masterplan which expresses an agreed spatial development framework. Further complementing the principles of development and growth are criteria of green economic growth, efficient use of land, social equity and public benefit, guided by undersigned international treaties, the 7-years government
program, the Vision 2020 and the 5-year Economic Development and Poverty Reduction Strategy papers.

Below are the management responsibilities in the urbanisation process:

 The responsibility to coordinate all action related to urbanisation and human settlement development shall be within the Ministry in charge of urban development and human settlement.

 All Ministries’ action plans shall be based on the requirements of urban planning documents, and shall aim to implement the provisions of urban planning documents.

 The Ministry in charge of economic planning shall ensure and support the harmonisation and prioritisation of budget with the shared urbanisation and human settlement goal.

 A government agency in charge of urban planning shall be empowered to help implement and enforce coordination of activities toward the shared goal of well-managed urbanisation.

3.1.6 Coordination at local government level

The local government is responsible for urban governance and the management of urbanisation and human settlement within its territorial responsibility.

At local government level, integrated urban planning documents are being initiated, elaborated, adopted and revised, with the aim to respond to the demographic, social, cultural, economic, environmental and physical conditions and to strategically outline sustainability of those areas in view of growth projections. Urban planning documents shall provide a development framework in line with principles for the sustainable management of urban land, and determine the principles and requirements for development in the particular area.

The mode of coordinating between the different sectors and actors is through the establishment of Planning Coordination Meetings at District level, or, across District level when more than one District is concerned. The established Joint Action Development Forum (JADF) shall be a key member of the planning coordination, based on their role of representing cross-cutting interests.

In support of an effective coordination at local government level,

 The full ownership and adequate understanding of urban planning documents among the planning authorities is a prerequisite for their effective implementation;

 Manuals and guidelines shall be developed to clearly outline and facilitate urban management processes, such as processes of the Planning Coordination Meetings, urban planning operations, strategies for revenue generation, local financial management, integration of social and environmental programs, and inspection of local development.

 The legislative framework supporting local urban administration and management shall be widely disseminated and staff be intensely trained.
3.1.7 Coordination across governance levels

Coordination across governance levels is first of all to translate government policies into action at local level and secondly to feed information back from local level to help improve government policies and direction. The association of local governments shall be a facilitator of harmonising the interests across governance levels and in building capacity.

Dialogue shall be supported between national and local government to:
- Ensure that local initiatives reflect national sector policies and macro-economic goals;
- Plan for the financial implications and the collaboration in the implementation of District projects with the support of concerned central government agencies;
- Clearly outline the responsibilities and the administrative, implementation and reporting procedures.

3.1.8 Staffing and capacity building

For institutions to be fully functional, it shall be a priority to staff according to the institutional structure and the required areas of expertise to effectively manage and steer urban development. The capacity of institutions shall be enhanced continuously by:
- Well-targeted trainings with contents adapted to the up-to-date technology and local framework, and aiming to provide solutions to local challenges;
- Facilitation of civil servants to enrol in online or on-the-job advanced education programs;
- Making local government positions attractive to professionals.

For an enhanced collaboration between public and private sector, the private sector shall also be offered:
- Capacity support through training and coaching programs;
- Access to business advisory services.

3.1.9 City goals

Every District shall set city goals for its urban area. The city goals shall target to implement the Urbanisation Policy, and especially based on the Urbanization Policy Implementation matrix and the Sector Strategic Plan Implementation matrix. Accordingly, there shall be a District Development Index based on Urbanization Policy principles which will enable monitoring and evaluation.
3.1.10 Monitoring and evaluation

Urban development shall be effectively monitored for the timely response to challenges and for well-managed urbanisation. This would help improve the understanding of how livelihoods of different population groups in urban settlements are impacted.

This necessitates:

- A good urban monitoring system;
- A good geographically referenced information database which is regularly maintained and updated;
- The capacity to use the monitoring system and geographical information in decision-making and implementation;
- Urban governance to guide urban development with adequate enforcement of the urban legal framework.

The mandate shall be given to the government agency in charge of urban planning and housing to ensure the coordination of sustainable urbanisation at national and local levels, and to audit the execution of all defined planning, implementation and inspection operations.

Auditing shall ensure that:

- Urban planning documents are elaborated in compliance with the defined process;
- Urban planning documents reflect the views of the public, private stakeholders and the local communities;
- Public infrastructure projects are carried out in alignment with the adopted urban planning and building documents;
- Any urban planning operation, real estate or building activity follows the relevant legal requirements; and that
- Phasing and public investment plans are being followed.

3.1.11 Knowledge management

The capturing, developing, sharing, and effective use of organizational knowledge is a necessary part of coordination. Knowledge management shall be supported by the use of IT- and web-based applications for the use in both, communication and coordination of external strategies as well as internal and human resource related institutional development.

Internal management shall be enhanced through:

- E-learning;
- Document management; and
- Determination of work flows.

External integration shall be enhanced through:

- Data coordination platform;
- Regularly scheduled coordination meetings.
3.2 **Pillar 2: Densification**

### 3.2.1 Policy statements

The following policy statements are promoted under this pillar:

**PS 4:** Urban development shall reflect the efficient use of land, strategic investment phasing, and be based upon green development principles

**PS 5:** Performance-based guidelines for urban planning and informed decision-making shall support the development of efficiently serviced urban neighbourhoods.

Densification constitutes a strategy to optimize urban land use. It implies achieving urban compactness, well-structured functionality, and connectivity within urban areas and in-between urban areas with a low ecological footprint. Urban planning and management in support of high densities in urban areas shall enable the efficient use of land and the reduced consumption of natural resources.

Densification is a means of optimizing public investment in infrastructure, as well as for improving the vitality of the urban environment.

### 3.2.2 Urban Planning guidelines

The Urban Planning Code shall be a guiding and binding document as it provides the principles for the sustainable development and management of land used for human settlement. It shall be respected as an important tool for the preparation and implementation of physical plans and as a reference for government authorities, planners and professionals who undertake activities in urban planning and development.

The Code and guidelines shall be applied in support to:

- Elaborate sustainable physical plans;
- Improve living standards in human settlements;
- Development land for human settlement sustainably while allocating valuable land resources and location guidelines for urban land uses and facilities;
- Develop housing, socio-economic facilities, and technical infrastructure according to the needs of the people, and apply basic standards to site requirements of development; and
- Plan utilities, facilities and services accordingly, with principles for urban land uses and adequacy of facilities to serve a human settlement.
The respect to permitting requirements shall be enforced both, among the authorizing authorities, professionals, investors and residents who engage in development.

3.2.3 Compact urban areas

The planning of compact urban areas promotes the efficient use of land. It helps:
- Reducing the amount of land consumed for development and especially for housing;
- Providing infrastructure cost-effectively at reduced infrastructure cost per household;
- Delivering services more efficiently;
- Increasing mobility with less consumption of energy and reduced ecological footprint;
- Decreasing trips needed per person to carry out activities, such as going to school, shopping, socialising, or bringing products to a market;
- Creating liveable and green urban neighbourhoods.

3.2.4 Infill and densification

In existing urban areas, incremental methods will be applied to promote densification through infill of existing urban built up areas, targeting more efficient use of underutilized areas.

The planning of intensified land use in built up areas requires:
- A detailed analysis of the existing physical characteristics of the existing neighbourhoods and participatory elaboration of specific urban planning documents;
- The application of adopted urban planning tools;
- Consultation with urban land owners and neighbouring communities for a collaborative and efficient urban land use approach.

Clustered housing and mixed use neighbourhoods

Higher neighbourhood densities with a mix of uses may create sustainable ad liveable community space. The clustering of housing units with the objective of sharing space, facilities and services, is a viable design approach fostering conviviality, social cohesion and direct benefits for the residents.

The mixing of land uses in one neighbourhood location enables a high quality life at lower cost for the residents due to the proximity to services, facilities, recreational and economic opportunities. It also helps increase incomes for the residents, and reduces public expenses.
**Urban expansion**

The increasing urban population may also require urban expansion by opening up and servicing new development areas. This necessitates good land use planning and strategic planning for the most sustainable use of developable land.

Urban expansion shall:

- Include peri-urban densification, area redevelopment, and layout of new higher density areas;
- Integrate the protection of environmentally sensitive areas;
- Not exceed the servicing capacities by identified potential sources of energy and water;
- Not exceed the consumption of agricultural land to a degree whereby food security would be compromised;
- Be designed in way that water and energy provision would be most cost effective in terms of horizontal and vertical condition of the utilities, so that little energy input is required to conduct the utilities.

Geographic Information Systems based mapping methods, aerial photographs and remote sensing play a key role in quantifying developable land and inform physical planners for modelling expansion.

**3.2.5 Urban infrastructure development**

The servicing with infrastructure utilities and facilities is a prerequisite for quality of life in an urban area. Urban areas shall support a variety of lifestyles, economic development, and are an opportunity for the efficient management of public infrastructure and resources for the benefit of a large population.

**Water and Sanitation**

Public health largely depends on the provision of improved water and sanitation services, and such services have to be accessible to all.

Activities shall focus on ensuring:

- Equitable and adequate coverage of urban water service provision;
- Regularity of supply of water meeting adequately the demand;
- Efficient removal and treatment of liquid waste;
- Equitable and adequate coverage of efficient solid waste management;
- Application of appropriate technologies in sanitation and waste management;
- Awareness of hygienic practices.
**Transport**

Life in the city depends on transport to facilitate movements of people from their places of residence to where they must go to pursue all the activities of life, such as work, education, business, shopping and leisure activities; as well as movement of goods.

Transport represents a basic service and enhances spatial relation between locations which provide diversified activities, economic vitality, and socially sound conditions. The economic and social health of urban areas depends a lot on the performance of their transport system.

The alerting challenge is the equilibrium of capacity of transport networks to cope with the forecasted levels of urban travel demand since rapid urbanization induces a rapidly growing travel demand and environmental transport-based externalities.

There is need of mass mobility in urban areas and approaches to sustainably meet urban transport demands, to reduce economic costs of traffic congestion and environment degradation, such air pollution and excessive energy consumption. Public transport in support of adequate mass mobility makes better use of urban space, reduces the dependence on more polluting modes of transport, and remains an affordable means of transport for urban residents.

The following measures shall therefore be pursued:

- Promote an integrated transport system, which give priorities to public transport and non-motorized means of transport;
- Provide adequate urban transport infrastructures to ease the mobility
- Ensure equitable and adequate coverage of public transport route network
- Ensure adequate access to bus stops and motorcycle stops
- Ensure public transport service capacity adequately meeting the demand
- Provide adequate and accessible urban parking spaces and facilities
- Ensure the use of green alternative transport technologies in transportation responding to the challenging terrain;
- Integrate cycling as a mode of transport as part of local planning and decision making;
- Take planning measures promoting safety for cyclists and pedestrians.

**Energy**

A reliable supply of energy is a basic prerequisite for economic development and urban living standards. Only a reliable energy supply can yield in economic growth and viability of the investment in commerce and industries.

Activities shall focus on ensuring:

- Equitable and adequate coverage of energy provision;
- Regularity of supply of energy meeting adequately the demand, and ensuring no intermittence for high rise residential areas, and in Special Economic Zones.

3.2.6 Investment phasing

To strategize public investment is a highly important precondition to reach the highest possible impact from limited resources. This shall help control the cost of infrastructure and of urban sprawl.

Public investment shall be:

- Strategically allocated in accordance to strategic phases in line with urban planning documents;
- Focus on nodal development which may form dense and well-serviced, decentralised poles of growth.
3.3  Pillar 3: Conviviality

The following policy statements are promoted under this pillar:

**PS 6:** Physical planning and development shall aim at improving quality of life and mitigation of disaster risk.

**PS 7:** Social inclusion and cultural preservation shall be promoted in urban development schemes.

Urbanization and urban development should take place in a way that supports interaction and friendliness in urban areas as a means to a better quality of life. This implies the promotion of socially, environmentally, culturally and economically integrated urban areas.

Sustainable city and neighbourhood design is an essential component in urban development, which impacts on people. There is a relation between the design of space and the development of community and society development. Principles of quality of life shall be applied, and equitably benefited by all urban residents.

Urban and neighbourhood design is also crucial in the context of challenges faced in regard to population growth and limited resources, as this requires changes in the design of urban neighbourhood and housing typologies and of mind-set among professionals and users.

3.3.1  Urban quality of life

The development of urban areas shall be guided in a way to ensure that the wellbeing of its community is prioritized. A detailed document shall specify the standards of living of its residents depending on the size of the urban areas.

*Access to business services and opportunities*

Urban residents shall have easy access to:
- Retail shops in close proximity to residential areas;
- Employment opportunities;
- Basic food commodities;

*Access to infrastructure and utilities services*

Urban residents shall have easy access to basic services. The following services shall be availed:
- Public transportation services in all urban neighbourhoods and responding to the demand;
- Clean water, safe and reliable electricity, adequate road network, and ICT utilities;
- Adequate health services and education facilities;
- Information and new technologies facilities at neighbourhood levels;
- Signage within the urban areas.

Healthy environment

A healthy environment refers to quality of air, water, food, living and working environments. In an urban area, the following shall be ensured, and regularly monitored:

- Quality of water;
- Quality of air;
- Noise levels not exceeding defined standard;
- Cleanliness and sanitary conditions;
- Proper management of waste disposal and treatment;
- Availability, attractiveness and user-friendliness of public green spaces;
- Availability of recreational facilities;
- Well maintained public and green spaces;
- Upgrading and prevention of informal settlements;
- Adequacy of shelter.

3.3.2 Disaster risk management, disaster resiliency and urban safety

Safety is a priority concern to ensure the quality of life. Safety and security of persons and goods is a need for urban residents in their daily life.

Disaster Risk Management shall comprise the following areas:

- Advocacy based on research information management, policy and legislation
- Organisational Structures, coordination and planning mechanisms
- Community risk assessment and implementation of risk reduction initiatives
- Early warning systems and possible evacuation
- Training, public awareness and education

Road traffic safety

There shall be measures reducing the risk of a person using the road network being killed or seriously injured, including pedestrians, cyclists, motorists, their passengers, and passengers of on-road public transport.

Strategies shall focus on the prevention of serious injury and death crashes in spite of human fallibility. Therefore, road sites shall be regularly maintained, and the urban road environment shall ensure vehicle speeds within the human tolerances.
**Fire safety**

Fire safety measures shall include measures:
- To prevent ignition of an uncontrolled fire;
- To limit the development and effects of a fire after it starts;
- During the construction of a building or implemented in structures that are already standing;
- To teach building occupants.

Fire safety shall be a component of building safety particularly for public and publicly accessible buildings.

**Flood risk reduction**

Flood probability and potential damage is increasing due to climate change and to continued investment in areas at risk of flooding. There shall be flood risk reduced by reducing potential damage in flood-prone areas through adapted land use planning and zoning, and introducing:
- Water retention areas and upstream land-use adaptations;
- Enhancement of the ecological quality of rivers and floodplains;
- Controlling building activities and permissible technologies.

**Urban violence prevention and security**

There shall be preventive solutions against urban crime and violence as an integral part of planning, design and management of urban neighbourhoods.

Measures to prevent violence shall integrate the key elements of urban governance, i.e. education, employment, health, physical development, support to women and youth, security, law and justice, and infrastructure. They shall be combined with programs to:

- Protect vulnerable population groups,
- Promote peace education,
- Promote and implement urban upgrading.

Urban safety shall further be ensured through:
- Developing an integrated urban emergency response system;
- Integrating crime and violence prevention principles in urban design and management;
- Promoting accountable community policing;
- Adequate coverage of police stations.
3.3.3 Social inclusion and cultural preservation

Social inclusion safeguards that each urban resident has a stake in the development of the location. It shall ensure that those at risk of poverty and social exclusion gain the opportunities and resources necessary to participate in economic, social and cultural life, and to enjoy adequate standard of living and well-being. Social inclusion frames a livable city where all residents have access to opportunities.

The planning, design and management of urban areas shall promote a sense of belonging, enhance cultural preservation, and increase inclusion by ensuring that:
- Social inclusion is an integrated principle of urban governance;
- Urban population living in extreme and moderate poverty are supported;
- Social security is accessible to the poor, self-employed and informal sector workers;
- The principles of quality of life are applied and equitably benefited by all urban residents.
- Neighbourhoods are child friendly

Women empowerment

Rwanda is at the forefront of promotion of gender equality and women empowerment. In the context of urbanisation, there shall be programs which support women as full participants of socio-economic spheres of life, which:
- Support women as part of the urban economic force;
- Promote women and girls participation in urban planning, design and management at city and neighbourhood levels;
- Strengthen prevention of gender-based violence in urban areas.

Cultural preservation and social diversity

The preservation and valorization of the culture shall play an important role in urban management. This concerns family cohesion, social fabrics, and the culture of patriotism. The heritage of building characteristics, as well as nature and wildlife are the physical dimension of culture to be protected and promoted.

There shall be programs to:
- Protect and preserve sites, arts, artifacts and language;
- Promote social diversity in urban areas;
- Build and manage cultural facilities in urban areas;
- Promote culture, tourism, and arts as sources of income and potentialities for economic growth.
- Specific environmental features are integrated and featured in urban design.
3.4 Pillar 4: Economic Growth

3.4.1 Policy statements

The following policy statements are promoted under this pillar:

PS 8: Urban management shall be guided by green economic criteria and market-responsiveness.

PS 9: Urban areas shall be enhanced to become centres for innovation and entrepreneurship and sources for socio-economic services and opportunities.

PS 10: Local revenue development and efficient financial management shall foster urban investment capacities with consideration of principles of equity.

Worldwide, cities contribute 80% of the global GDP, and this highlights one of the major roles played by cities in economic growth. In Rwanda context, economic growth is also one of the main anticipated outcomes of a well-coordinated urbanisation which shall benefit all residents, and provide the basis for socio-economic opportunities, for Rwanda to become a middle-income country. Economic growth shall be guided by criteria of green and sustainable development for its long-term benefit, taking into account not only economic gains but also environmental and social balance. The sustainability of economic growth is further dependent on a continuous culture of entrepreneurship, innovation, and creativity; and also to its level of responsiveness to the market demand.

Urbanisation as a driver of economic transformation requires stakeholders to synchronize their strategies with the objective to increase off-farm employment and in-country production based on an optimum spatial distribution of investments.

3.4.2 Green economic growth

Green growth responds to the dual challenge of expanding economic opportunities for a growing population while mitigating the environmental risks.

Green growth is economic growth, that is compatible with protecting the environment by reducing carbon and other unwanted emissions, improving the rational use of natural resources, mitigating the effects of climate change, securing access to clean energy and water, and simultaneously targeting poverty reduction, job creation and social inclusion. Green growth also concerns the introducing of greener technologies and industries with a controlled impact on the environment whilst promoting development.
Green growth is the cross-cutting principle which is embraced in any development pursued. Fundamental aspects to achieving green growth are:

- The control of environmental and social impact;
- Resource efficiency;
- Clean production;
- Green infrastructure;

**Resource-efficiency**

The efficient use of resources in development and growth ensures the life of future generations. This concerns the effective and efficient use of land and mineral resources, public finances, human resources and other assets, while maintaining an effective functionality under a minimum wasted effort or expense.

A key tool shall be to measure different aspects of resource use (e.g. carbon footprint, land footprint or material use), to identify:

- Where the most resource is used;
- Which resource consumption may be reduced,
- What the resource needs are.

Respective indicators shall guide green urban economic growth strategy for Rwanda.

**Clean production**

Clean production targets the protection of the environment, of the urban residents, and of the workers. The measures to be promoted to achieve clean production are:

- Incentivising green use of raw materials involving recycling and conservation of materials and the strategic procurement of raw material in a sustainable manner;
- Incentivising green manufacturing and production processes toward zero waste and zero pollution;
- Incentivising companies to be green in terms of mission and vision, competitive strategies, core technological systems, performance measurement, and organizational aspects.

**Green infrastructure**

The resource identification, feasibility planning and design of infrastructure shall be considered in a sustainable manner to:

- Reduce the causes of emission of greenhouse gases;
- Reduce the depletion of finite natural resources;
- Protect ground water and environmentally sensitive areas.
The environmental impacts of transport shall be reduced by:

- Reducing reliance on private vehicles;
- Enabling and supporting concepts of walking and cycling within urban areas;
- Enhancing the role of public transport;
- And by encouraging car sharing concepts and the use of small vehicles with reduced emission.

The environmental impacts of energy generation and consumption shall be reduced by:

- Using renewable energies;
- Re-using waste products which embed energy;
- Reduction of energy-inefficient technologies, such as traditional stoves, fuel-based appliances, and inefficient lighting;
- Embarking on non-polluting energy generation;
- Reducing the need for energy intensive technology, such as pumping and mechanical ventilation.

3.4.3 Spatial development Framework

Rwanda’s geographical location provides advantages due to the proximity between national and regional human settlements. The advantages shall be expanded with the help of a Spatial Development Framework by:

- Enhancing the physical connections between resources, business locations and markets;
- Strategically supporting the hierarchical network of urban areas, which provide services and attract economic activities countrywide;
- Pursuing a sense of uniqueness of each major urban area.

Strategic spatial prioritisation

The accommodation of the increasing urban population as part of the urbanisation process requires the strategic prioritisation and preparation for the good management of such growth. Prioritised in this spatial development process are:

- The development of Secondary Cities as poles of economic growth, with:
  - Huye as the city of “Education, Knowledge and Cultural History”
  - Rubavu as the city of “International Gateway City and Tourism”
  - Musanze as the city of “Eco-friendly mountain tourism and industry”
  - Nyagatare as the city of “Cattle and Dairy Region / Commercial Hub of Eastern Region”
  - Rusizi as the city of “Cross-border Trade and Transportation Logistics, Nyungwe Forest”, and
  - Muhanga as the city of “Hydropower and Mining Center; Creative Economy: pottery and fashion”.

- 38 -
- The support to the good urban management of the City of Kigali; and the exploration of the potentiality of the City of Kigali to merge opportunities with its southern located District of Bugesera to become a metropolitan area of regional significance, with Bugesera characterised by a high developability, being the carrier of significant investment due to the planned location of the new International Airport, the planned railway course, and the private real estate market responding to this planned development;
- Support to rural-urban linkages within all District urban areas and their surroundings for an intensifying off-farm economic sector.

3.4.4 Regional integration and rural-urban linkages

Urban areas have a significant role in the development of their surroundings. The linkage between rural and urban locations, people and activities is a key component of supporting livelihoods and local economies, and is an engine of economic, social and cultural transformation. Important in the management of such inter-linkage across physical space and development sectors is, to:
- Embark on the opportunities of rural-urban linkage, such as response to the urban demand for high value horticultural and livestock produce, and diversification of off-farm employment opportunities; and
- Mitigate the risk of urban sprawl, resource depletion and the effects related to environmental degradation in the urban peripheries.

3.4.5 District Development Plans

Local governments play an important role in providing an enabling environment for local enterprises. The planning tool in support of economic development in a local government area is the District Development Plan.
- District Development Plans shall be based on land use and urban planning documents and shall reflect the spatial and sectorial prioritization made in those planning documents.

3.4.6 Local economic development and poverty reduction

The enhancement of Local Economic Development requires a suitable business environment and a vision and leadership from the side of the concerned local government. It further requires conditions, under which a high quality of life is possible. A uniqueness of each major urban area shall be pursued.
For a suitable business environment, the following shall be supported:
- Diverse array of competitive clusters;
- Strong economic linkages between urban area and the rest of a district;
- Physical factors such as basic and specialized infrastructures to support all businesses;
  - Affordable and reliable transportation system;
- Reliable utility provision meeting the demand;
- Good and accessible market infrastructure;
- Good, affordable and accessible produce storage infrastructure;
- Well-planned and adequate delivery, circulation and customer parking space.
- Strong support for businesses including entrepreneurs and start-ups.

**Local economic potentialities**

The potentialities of each specific geographical location shall be identified and enhanced. Supporting planning measures consist in:
- The promotion of mixed use development;
- The expansion of market infrastructures;
- The integrated planning and sensual specialisation of well accessible Special Economic Zones; and
- A good cross-border market infrastructure for border districts;
- Creation, facilitation and capacity development of small and medium local commerce and industries.

**Job creation and skills development**

Specialised urban based jobs require specialised urban based skills. With increasing local economic development, skills development is a complementary necessity, as sectors face, despite high unemployment, significant shortage of technicians and skilled workers. The advice from the private sector shall be exploited in the design, provision, and evaluation of employment-focused education.

Technical vocational education and training centres, and institutions for tertiary education shall be well accessible in all urban areas in support of building a professional work force.

Skills development should be:
- Closely interlinked to the agreed Spatial Development Framework of the country, and to the uniqueness defined for each of the major urban areas;
- Demand-driven and respond to the industries and services created in the urban areas, which may be in public services, education, and health sectors, or in private commercial and industry sectors.
- Quality-oriented, whereby a certification system for firms and technicians should be established, which helps local enterprise to become regionally and internationally competitive.

Job creation efforts shall pursue support to:
- The creation of local SME’s needed to support vocations and supply larger firms;
- Specialised urban service sector with services such as child care, gardening, cleaning, dry-cleaning, cooking, catering, furnishing, repairing, logistics and affluent-removal;
- Manufacturing of products of the ICT and construction industries;
- Labor-intensive programs, such as cobble-stone production and stone-paving;
- Large scale demand driven investment.

Development shall engage predominantly local Rwandan enterprises. Where those do not sufficiently exist, they will be established, trained and engaged. A particular area of focus shall be youth employment, addressing economic inactivity among youth in urban areas.

**Urban farming and horticulture**

Farming and horticulture are the basis of livelihood for many families. During urbanisation, its regulated continuation shall be supported, while helping land holders of formerly agricultural land in the transition toward non-farming opportunities. Urban agriculture is also seen as a contributor to social and emotional well-being.

- An Urban Residential zone which allows for mixed use comprising housing and small-scale commercial activities which do not substantially disturb the housing may contain urban agricultural uses, such as gardening, tree nurseries and small horticulture activity for subsistence and local economic development.
- There may be urban land specifically dedicated to urban agriculture and communal gardens.
- Focus shall be on the sustainable use of urban wetland areas for agriculture and horticulture.
- For any urban farming scheme, ground water protection shall be ensured and the use of untreated affluent for irrigation purposes strictly controlled and prohibited in wetland areas to avoid transmission of water-borne diseases.
- Fruit trees shall be promoted to meet both, greening and food production goals.
- Urban farms may provide a play- and learning experience for children.

### 3.4.7 Local revenue generation and financial management

Fees and taxes constitute revenues generated at local level. They include the fixed assets tax, licenses, the property tax, parking fees, market fees, communication tower fees, and other fees and permits such as those for boats and bicycles.

Revenue generation shall be promoted and enforced through:

- Use of ICT technology, such GIS-based property taxation to reduce the constraints of spatial coverage, inefficient tax management, and constraints to efficient payment;
- Increasing compliance in the collection;
• Introducing systematic accountable processes.

Activities pursued are:
• The application of public administration systems using GIS and web-technology for efficient civil services, and to attract investment;
• Fulfil the requirements of creditworthiness for local governments to have the opportunity to access capital markets;
• Attract local investment by providing an appropriate environment for economic development.

Financial management and accountability

Financial management involves planning, generating, organising, controlling, spending and monitoring financial resources in order to achieve organisational functionality.

There are four components of good financial management:
• Clear finance strategy;
• Plan for generating income;
• Robust financial management system;
• Adequate institutional organisation.

3.4.8 Private sector involvement

The involvement of the private sector is the foundation for local economic development. Especially targeted is higher competitiveness in the industrial sector, comprising manufacturing, construction and mining.

The enabling business environment shall therefore include:
• Provision of fiscal and non-fiscal incentives;
• Offer of technical assistance to companies to ensure competitiveness and growth;
• Facilitation in gaining export market for locally produced products;
• Establishment of industrial zones to facilitate quick project operationalization.

Public-Private-Partnerships shall be explored due to the potential of enhancing the management capacities of a local government through contractual agreement in the areas of service provision, asset management, or asset creation.

Every local government shall identify the possible areas of partnership and actively promote public engagement in such.

Public-Private-Partnership requires a clear regulatory framework at National level and possibly a national support unit.
3.4.9 Strategic investment planning

Strategic investment planning shall be an overarching part of the urbanisation process from both, National budget perspective, and Local government budget perspective.

The national investment and budgeting process shall be guided by:

- The National Land Use Master Plan and Spatial Development Framework;
- An annual cross-sectoral urbanisation action plan involving all development sectors;
- The green growth criteria for national development projects;
- Affordability criteria when concerning public investment in housing projects.

Investment and budgeting process at District level shall be guided by:

- District Land Use Plan;
- Urban Master Plan for the District Urban Area which includes LED development concept and the agreed differentiated positioning of the area, and including a nodal growth concept;
- Green growth criteria for local development projects;
- Local revenue and management capacity of the District;
- The design of bankable projects in support of the District development challenges.
4 POLICY IMPLEMENTATION PLAN

Joint working relations between stakeholders shall ensure the concerted implementation of policy measures under a shared responsibility.

The facilitation of each policy pillar shall be under the responsibility of a leading and a co-leading ministry. The Ministry in charge of urbanization shall supervise, coordinate and oversee the administrative planning and implementation of policy measures and subsequent actions with the support of the agency in charge of urban planning.

1. The Coordination Pillar shall be led by the Ministry in charge of urbanization with the support of the ministry in charge of Local Government.

2. The Densification Pillar shall be led by the Ministry in charge of Urbanization with the support of the Ministry in charge of Lands.

3. The Conviviality Pillar shall be led by the Ministry in charge of Sports and Culture with the support of the Ministry in charge of Gender and Family Promotion.

4. The Economic Growth Pillar shall be led by the Ministry in charge of Economic Planning & Finance with the support of the Ministry in charge of Trade and Industry.

The District governments play the main role in managing the urbanization process locally.

Policy monitoring and evaluation will be done in a participatory manner in respect of shared responsibilities and subsidiarity principles.

4.1 Measuring and Monitoring Performance

The Sector Strategic Plan of the Urbanisation and Rural Settlement Sector (2013-18) is the guiding strategic document to be monitored. This policy provides additional detailed indicators exclusively in the context of the four urbanisation pillars, and based on the comprehensive Sector Strategic Planning document.

In addition to the performance indicators as outlined in the implementation matrix, a specific District Development Index shall be used for the overall monitoring of the urbanisation process and quality of life, referencing social, environmental, economic, and administrative advancement.
4.2 Legal Implications

a) *Mandate to coordinate urbanisation for the government agency in charge of urban planning*
   The provision of a mandate to coordinate tasks of urbanisation to the government agency in charge of urban planning will require a revision of the law establishing the agency, which among defines its responsibility and functioning.

b) *Green certification*
   The introduction and compliance with the principles of green growth should be accompanied by a certification system for green buildings and green production.

4.3 Financial Implications

c) *Strategic investment planning and investment phasing*
   Strategic investment planning and phasing targets the harmonisation and prioritisation of budget with the shared urbanisation and human settlement goal, and with the provisions of urban planning documents. The measure will help use financial resources efficiently for the highest possible impact, and therefore reduce financial implications over time.

d) *Compact mixed use urban development and infill*
   Compact land use and neighbourhoods will help reducing public costs of servicing the urban population, as well as land and resource consumption. It will also trigger the increase of purchase power among residents when using the economic opportunities of a compact mixed use urban area.

e) *Urban facilities and services to serve the growing urban population*
   A growing urban population requires public investment being made in public infrastructure, utilities and facilities, as well as in their operation and maintenance. While this requires increasing budgets, in the long term, well-planned urban development enables the most effective use of the finances, which with unplanned growth would otherwise cause a multiple cost when introducing improvement. Also, quality life in well-planned human settlements reduces costs spent in the health sector for curing.

f) *Skills development*
   The investment cost into skills development will in turn boost socio-economic development and economic growth of the country. Better skills also reduce the waste of resources in any professional service carried out.
   A recognised certification for local enterprises and professionals could make them competitive in the region or internationally.
g) **Public private partnership**
Public – private partnerships are a way of pooling resources which increases the capability of investment and which increases service provision to residents. The partnership may reduce public costs spent, which may increase the population reached by the necessary services.

h) **Local revenue generation**
More coherent revenue generation with a more effective coverage will leverage local revenue, for the use in local development.

i) **Green economic growth**
The requirement to comply with criteria for green development may in cases increase investment cost but will reduce life cycle costs of investment projects, and will reduce social and environmental costs in the long term. Green economic growth will also ensure a long term viability of economic development.

j) **Financial management and accountability**
Good financial management and accountability are part of the requirements for creditworthiness for local governments. This may open up the opportunity to access capital markets and increase financial volumes available for local development.

4.4 **Planning Implications**

All Ministries’ action plans shall be based on the provisions of urban planning documents, with the Ministry in charge of economic planning ensuring the harmonisation and budget prioritisation based on the shared urbanisation and human settlement goal, including the support to secondary cities, to the Kigali metropolitan area and to an environment of economic opportunity in all District areas.
Table 3: Implementation Plan with Policy Actions

Pillar 1: Coordination
Lead: Ministry in charge of Urbanization / Co-lead: Ministry in charge of Local Government

<table>
<thead>
<tr>
<th>Programs</th>
<th>Actions</th>
<th>Outcomes</th>
<th>Indicators</th>
<th>Stakeholders</th>
<th>Budget (RwF)</th>
<th>Time-frame</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy Statement no. 1 Multi-level institutional coordination, good governance and effective urban planning and management shall be fostered</td>
<td>• Empower and build capacity of the government agency responsible for human settlement to coordinate urbanisation processes • Empower and build capacity of the decentralised entities to steer a sustainable urban development</td>
<td>Well-coordinated urban settlement development planning and management (SSP)</td>
<td>Level of coherence of urban planning documents</td>
<td>MININFRA MINALOC MIFOTRA Districts</td>
<td>100 M</td>
<td>6/20</td>
</tr>
<tr>
<td>Policy Statement no. 2 Appropriate tools for urban planning and management shall be promoted and effectively applied</td>
<td>• Operationalize geodata platform and planning support system • Determine spatial development framework</td>
<td>Integrated urban settlements (SSP)</td>
<td>Level of appliance of urban planning and management tools</td>
<td>MININFRA MINIRENA MINEC MINECOFIN MYICT Districts</td>
<td>200 M</td>
<td>6/16</td>
</tr>
<tr>
<td>Policy Statement no. 3 Urban development implementation and all related action plans of public and private institutions shall be based on urban planning documents</td>
<td>• Operationalize planning coordination meetings and hierarchic planning system • Steer private sector and public institutions to comply with urban planning documents in all their strategic development plans</td>
<td>Well-coordinated urban settlement development planning and management (SSP)</td>
<td>Percentage of development projects executed in line with integrated development plans</td>
<td>MINECOFIN MINALOC MINICOM RDB RDB PSF Districts</td>
<td>50 M</td>
<td>6/18</td>
</tr>
</tbody>
</table>
## Pillar 2: Densification

**Lead:** Ministry in charge of Urbanization / **Co-lead:** Ministry in charge of Lands

<table>
<thead>
<tr>
<th>Programs</th>
<th>Actions</th>
<th>Outcomes</th>
<th>Indicators</th>
<th>Stakeholders</th>
<th>Budget (Rwf)</th>
<th>Time-frame</th>
</tr>
</thead>
</table>
| **Policy Statement no. 4**       | • Develop operational guidelines for efficient land subdivision and re-plotting  
• Streamline green spatial and economic growth principles             | Efficient use of land in urban settlement development | Percentage of developed land which was subject to a defined urban planning operation  
Percentage of development projects applying green growth principles | MININFRA  
MINIRENA  
MINECOFIN  
RDB  
PSF  
CoK/Districts | 100 M | 6/17 |
| **Policy Statement no. 5**       | • Develop human settlement planning and design guidelines stating infrastructures and utilities structural requirements for urban areas  
• Elaborate National Informal Settlement Upgrading Strategy             | Urban settlements serviced according to guidelines | Percentage of urban HH’s serviced according to guidelines                  | MININFRA  
MINIRENA  
MINALOC  
CoK/Districts | 200 M | 6/17 |
### Pillar 3: Conviviality
Lead: Ministry in charge of Sports and Culture / Co-lead: Ministry in charge of Gender and Family Promotion

<table>
<thead>
<tr>
<th>Programs</th>
<th>Actions</th>
<th>Outcomes</th>
<th>Indicators</th>
<th>Stakeholders</th>
<th>Budget (Rwf)</th>
<th>Time-frame</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy Statement no. 6</td>
<td>Physical development shall aim at improving quality of life and mitigation of disaster risk.</td>
<td>Healthy and vibrant urban environments</td>
<td>Percentage of HH’s with access to social amenities</td>
<td>MIGEPROF MININFRA</td>
<td>300 M</td>
<td>6/18</td>
</tr>
<tr>
<td></td>
<td>• Elaborate urban standards and indicators for quality of life</td>
<td></td>
<td></td>
<td>MINALOC MYICT MINEDUC</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Develop and integrate mechanism to incrementally meet the standards for quality of life</td>
<td></td>
<td></td>
<td>Districts, CS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Policy Statement no. 7</td>
<td>Social inclusion and cultural preservation shall be promoted in urban development schemes</td>
<td>Socially inclusive communities reflecting cultural identity</td>
<td>Number of Local Land Development Plans integrating historical buildings and features</td>
<td>MINISPOC MINALOC MIGEPROF MYICT</td>
<td>75 M</td>
<td>6/17</td>
</tr>
<tr>
<td></td>
<td>• Develop guidelines for the preservation of cultural heritage</td>
<td></td>
<td></td>
<td>Districts</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Streamline effective participatory planning methodologies in urban governance and development</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Pillar 4: Economic Growth

**Lead:** Ministry in charge of Economic Planning & Finance / **Co-lead:** Ministry in charge of Trade and Industry

<table>
<thead>
<tr>
<th>Programs</th>
<th>Actions</th>
<th>Outcomes</th>
<th>Indicators</th>
<th>Stakeholders</th>
<th>Budget (Rwf)</th>
<th>Time-frame</th>
</tr>
</thead>
</table>
| **Policy Statement no. 8**  
Urban management shall be guided by green economic criteria and market-responsiveness | • Establish an urban monitoring system assisting in timely response to spatial dynamics and market requirements | Sustainable urban settlement | Number of green certified production facilities | MININFRA MINICOM RDB, PSF MINECOFIN MINIRENA Districts | 150 M | 6/17 |
| **Policy Statement no. 9**  
Urban areas shall be enhanced to become centres for innovation and entrepreneurship and sources for socio-economic services and opportunities | • Prioritise investment supportive to local economic development  
• Elaborate options for public-private partnership in urban development and urban servicing | Urban environments enabling socio-economic development | Number of off-farm jobs created in urban areas | MINECOFIN MINEDUC MYICT PSF, RDB MIFOTRA Districts MININFRA | 175 M | 6/17 |
| **Policy Statement no. 10**  
Local revenue development and efficient financial management shall foster urban investment capacities with consideration of principles of equity | • Empower local revenue generation and financial management system to capacitate local economic development | Urban environments enabling socio-economic development | Percentage of local budget generated from local revenues | MINECOFIN MINALOC MINICOM RDB PSF Districts | 250 M | 6/18 |
Bibliography


Government of Rwanda (2003). *Education Sector Policy of Rwanda*


Law N°10/2012 of 02/05/2012 governing urban planning and building in Rwanda.


Law N° 87/2013 of 11/09/2013 determining the organization and functioning of decentralized administrative entities.


Ministry of Infrastructure (2015). *National Housing Policy*


United Nations Division for Economic and Social Affairs(2014). Population Division, World
Nairobi.
Proposal.