

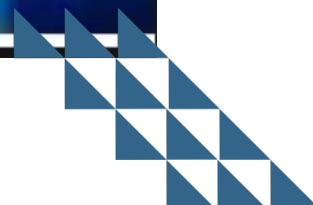
COVID-19 AND INEQUALITY: Issues, Challenges and Policy responses



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Rwanda's Strategic Choices

- **One** — **Unity**: we chose to stay together.
- **Two** — **Accountability**. We chose to be accountable to ourselves.
- **Three** — **Thinking Big**. We chose to think big, politically, socially and economically.



Introduction

- Rwanda's Human Development Index (HDI) increased by 109.6 percent between 1990 and 2017 from 0.250 to 0.524, yet discounted for inequality, the HDI falls to 0.387, a loss of 28.7 percent (HDR, 2020).
- This is due to anti-inequality interventions and programs targeting different categories of people (women, poor, youth, disabled,...)
- The COVID-19 crisis affected the economies, many Rwandan households especially those under **social protection programs**;
- Effects of covid-19 on economies brought inequalities **not only among nations but also among individuals**;
- Shocks like **COVID-19 pandemic** and the **latest food/fuel price shock** correlate with on inequality around the globe and in the African continent;
- Issues differ depending on the country and the efforts to contain the pandemic;
- Rwanda **prioritized the health of its citizens** and put in place stringent measures to protect its **human capital**;
- Despite, the efforts, covid-19 shed the lives of people and affected economy at large. This presentation depicts

Post- COVID-19 challenges

- Still people under **Poverty and extreme poverty**: 38.2% and 16% respectively (EICV5, 2017), approximately 500,000 people fell into poverty due to COVID-19
- Malnutrition and stunting: Stunting stands at 33% countrywide (DHS, 2020)
- **Increased commodity prices** leading to high cost of living; resulting from COVID-19 effects, climate change and Russia-Ukraine war ;
- Unemployment rate worsened by job loss caused by COVID-19: unemployment rate stands at 16.5%;
- VUP introduced in 2007 as one among opportunities to **supplement household incomes by casual labor** to vulnerable households namely public services;
- VUP activities were **not available or limited due to lockdowns and various restrictions** to prevent the spread of the pandemic,
- The measures largely affected rural areas and effects still manifest in program implementation especially to beneficiaries living conditions.

Dynamics of COVID-19

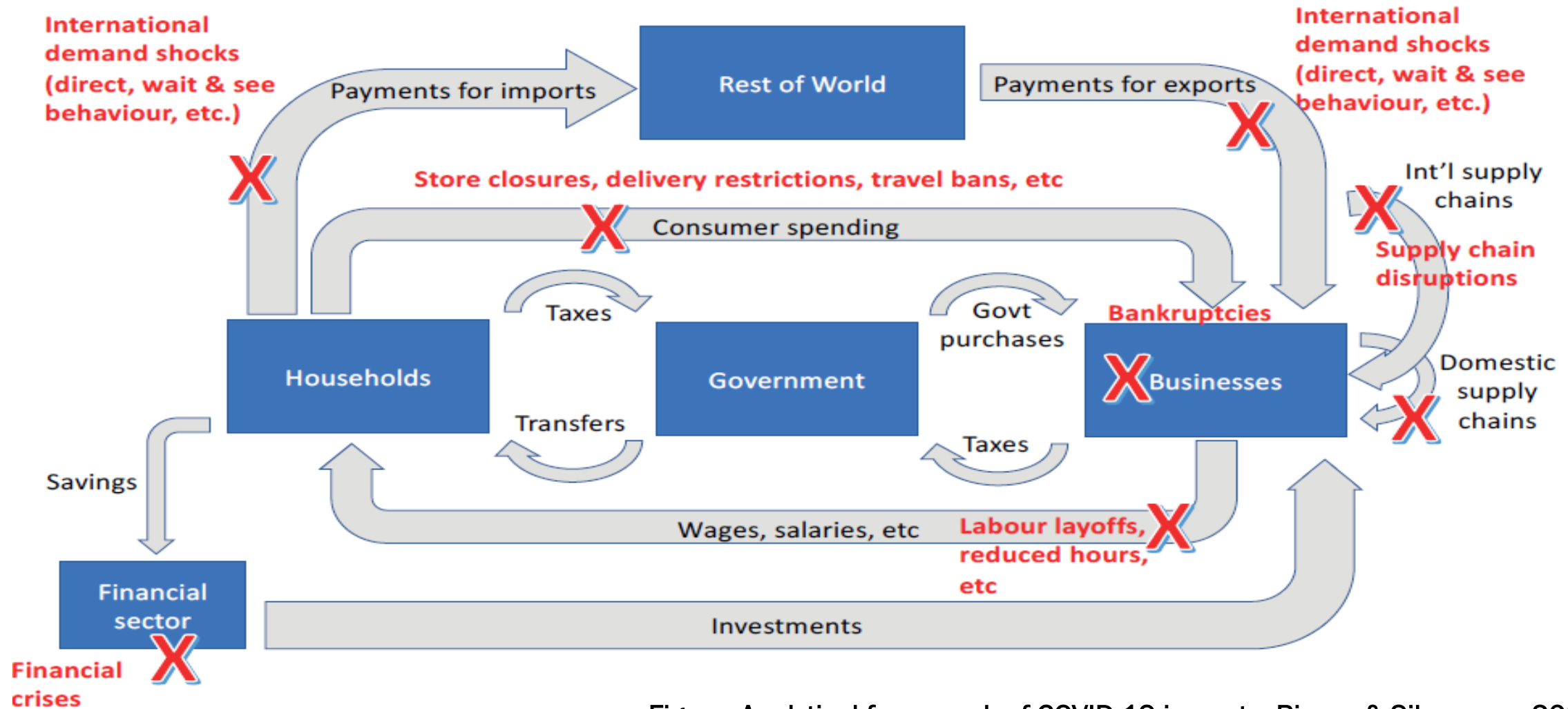
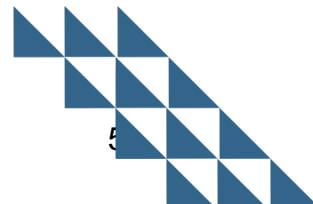
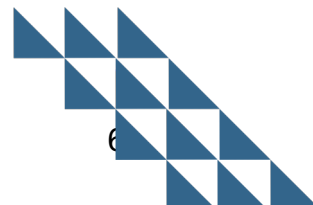


Figure: Analytical framework of COVID-19 impacts, Bizoza & Sibomana, 2022



General Policy actions to confront inequality left by shocks like covid-19

- Development and fostering **health sector capacity** to fight the pandemic with the pro-poor mind: **decentralizing testing and medical services**: Home care approach with CHWs at each village;
- **Vaccination campaign**: acquiring vaccines and easily mobilized citizens to take vaccines for free, efforts of all stakeholders: public institutions and partners
- Distribution and **provision of food and other basic needs to vulnerable** and poor HHs including the ones in covid-19 home-care
- The GoR adopted a **socio-economic recovery plan** implemented in the course and post-pandemic time;
- Establishing the **covid-19 recovery fund** as a booster of the economy of the country
- **Exemption of taxes** to some products especially those most needed by females(pads,...)
- Use of **Umuganda and other HGSs** to deal with **human security issues**



Disability and social inclusion

People with Disabilities

- As a tool to planning and targeting, **classification of PwDs** is done for their needs profiling: done 2016 and 2022(ongoing)
- **Disability policy**
- **Mainstreaming of disability into sectoral programs:** plans, guidelines and budget, inspections on public and private buildings, **represented at all levels**(parliament, local government)
- PwDs are supported through **cooperatives and individuals** in terms of **financial support, medical support, sports and leisure** (teams)other according to needs, each FY

Older persons:

- Older persons are the most affected by shocks
- **Older Persons Policy** adopted by cabinet in 2021
- Direct support under VUP; Planned a **disability grant** to cater for their specific needs

Children

- **NSDS** served as special component to cater for poor children;
- Pro-child programs such as **anti-GBV and other violence;**
- **ECDs** program are very important for the inclusion of children;
- Education reforms to promote **knowledge-based economy;**

Women and youth

Women and gender

- **COVID-19 has not been the great equalizer:** while men have suffered higher mortality, women and girls have been disproportionately affected by the socio-economic impacts of the pandemic (UN Women, 2020)
- **Gender-sensitive public works:** that provide flexible work for women/parents, considerations for young mothers (often abandoned teens).
- With their **representation in all levels of Rwanda Administration**, their participation is always encouraged in Rwanda(education, now with **focus on TVET and hands-on skills**), leadership(recent LG elections)
- Interventions like **NSDS** helps lactating and pregnant women, **home-based ECDs....**

Youth:

- Young people are the future Rwanda;
- Lockdowns and other measures restricted their education;
- Shift from **classic to digital teaching and learning** was a challenging experience
- **Dropouts** had to reintegrated to schools in post-covid-19 period;
- **Schooling and education interventions** were developed to build a capable Rwanda - **School feeding, increase of teachers's salaries, construction of classrooms** among the reforms

Social Protection and economic recovery

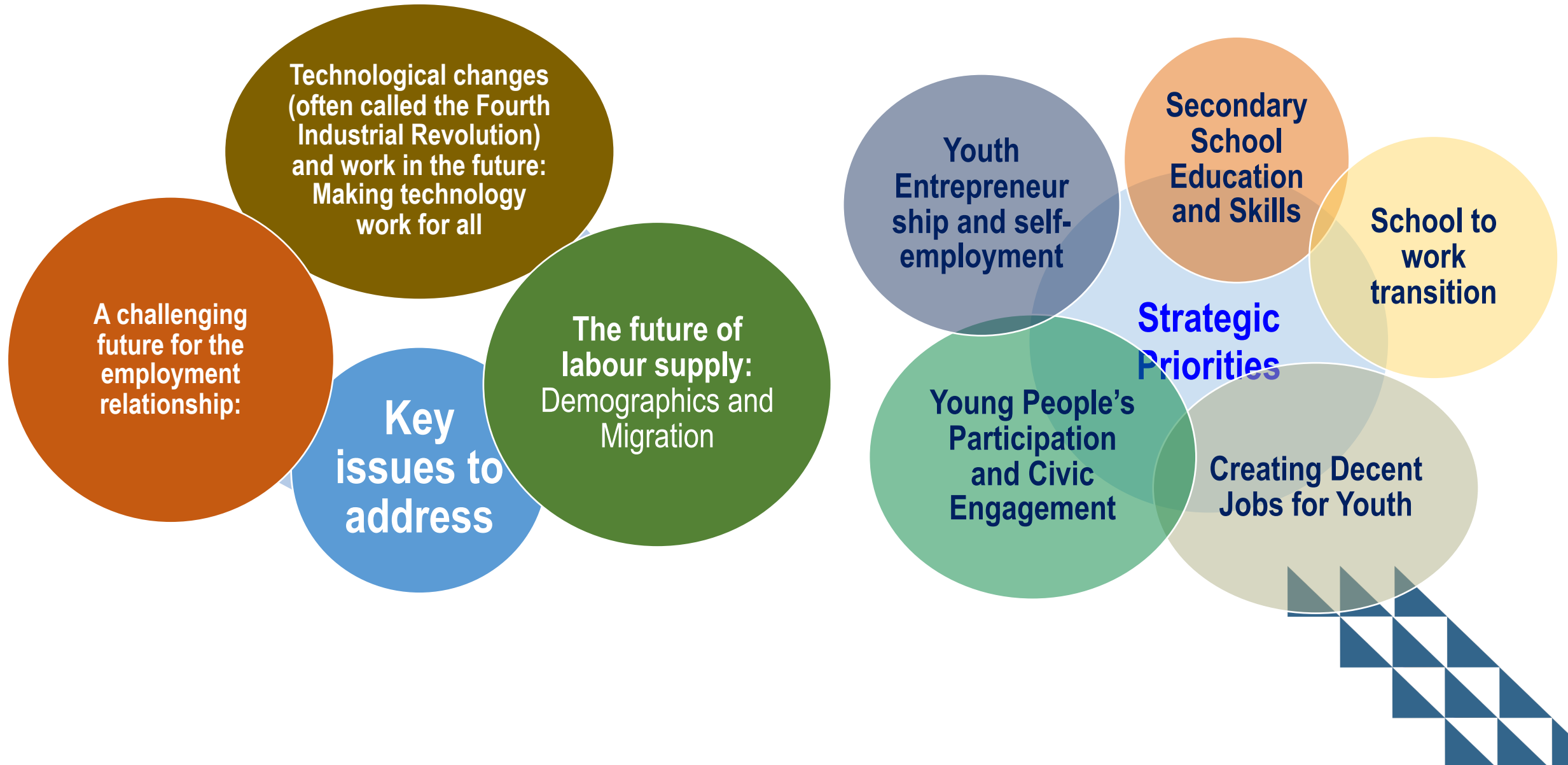
Pro-poor actions:

- Covid-19 effects manifested highly among the poor people;
- A **socio-economic recovery plan May 2020 – December 2021** was adopted by cabinet as a **coordinated response to mitigate the economic impact of COVID-19** ;
- **Food distribution to poor** and vulnerable HHs serves an emergency support;
- **Health insurance** for poor people helped them to have access to health services;
- Pro-poor programs such as VUP played/ still does a key role in supporting the vulnerable people, **VUP FS loans on 2% interest, cash transfers and public works** helps as safety nets programs;
- Work hand in hand with CSOs, FBOs and others to implement the social protection programs during and in post-covid 19 period;
- **Revise targeting, horizontal and vertical scaling up** of SP programs for lifting up poor people

Finance and Inclusion

- GoR through The National Bank of Rwanda continues to support financial inclusion initiatives in collaboration with different stakeholders;
- The Bank initiated and implemented several policies to advance financial inclusion and these policies vary from **financial literacy to financial inclusion** as stipulated in the National financial inclusion strategy;
- The **National financial inclusion strategy** was adopted by the Bank that guides strategic interventions to attain financial inclusion goals;
- **Ejo Heza** mobilization, and other saving and credits cooperatives, VUP with FS loans on **2% from 11%**
- Establishment of tools to periodically track the financial inclusion with focus on different categories of people-that's **Finscope**

Future prospects





MURAKOZE !!
THANK YOU !!
MERCI !!

