

Local Governance for Poverty Reduction (LG4P)

Strengthening the capacities of local governments for poverty oriented good governance

The challenge

Over the past two decades, Rwanda has achieved impressive economic growth and established effective local governance systems through the decentralization reform. However, Rwanda remains a low-income country and economic development has not reached citizens equally.

A large percentage of Rwandan citizens is living below the International and/or national poverty lines, with many still living in extreme poverty. Especially in rural districts poverty is widespread and dependence on transfers from the central government is high. The Government of Rwanda has defined the reduction of poverty as a key objective in its guiding agenda, the National Strategy for Trans-formation 2 (NST) and Vision 2050.

The role of local governments in addressing poverty, local development, pro-poor service delivery, and social inclusion is crucial. At the same time, they face persisting challenges. Notably, the responsibilities of districts to cater for the needs of their citizens are increasing. Yet, the financial means available to them to fulfil these responsibilities are insufficient.

The decision-making autonomy of districts to sufficiently incorporate the priorities of their constituencies is also limited. Finally local governments do not possess the capacities to provide inclusive access to public services, especially to vulnerable groups.

Our approach

The Local Governance for Poverty Reduction project is jointly implemented by GIZ and its Rwandan partners, including among others the Ministry of Local Government, the Ministry of Finance and Economic Planning as well as several civil society

organizations (CSOs) like Never Again Rwanda and Transparency International Rwanda.

Running from January 2025 to December 2027, LG4P aims to strengthen inclusive, poverty-oriented local governance in Rwanda. The project enables local governments to enhance service access for vulnerable groups, supports districts to improve public financial management and accountability, and fosters citizen participation in decision-making.

By building local government capacity and strengthening collaboration with civil society, LG4P promotes good governance, transparency, and sustainable development.

Project name	Local Governance for Poverty Reduction (LG4P)
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Project region	Rwanda
Lead executing agency	GIZ
Duration	01.01.2025 – 31.12.2027

The benefits

The project provides technical advisory services through international and national long- and short-term experts, funding capacity development measures as well as equipment to a certain extent.

LG4P is structured alongside three intervention areas, which are strongly interlinked, informing and complementing each other:

1. Pro-poor and Inclusive Service Delivery



L...to R...

Participant recommendations at the Nyamaseke NCPD General Assembly

Citizen voices during a community dialogue

2. Local Public Financial Management and Own Source Revenue Enhancement
3. Citizen Participation and Accountability.

In the area of pro-poor and inclusive service delivery, the project aims at strengthening institutional capacity of local governments. These activities include supporting a sustainable system for local governance capacity development, promoting peer learning, and fostering female leadership development. Cooperation and coordination among service providers is supported. Efforts are also made to expand equitable service access by reducing barriers to local government services, promoting digital inclusion, and improving outreach initiatives to ensure more effective service delivery. Furthermore, the project promotes climate-resilient development by supporting the implementation of nationally determined contributions (NDCs) and ensuring citizen-led adaptation in the planning and implementation of social infrastructure projects under the Pro-Poor basket fund.

Intervention area two focuses on enhancing revenue mobilization, by supporting districts in developing and implementing own-source revenue strategies. This includes taxpayer education and improved monitoring systems.

A key activity is the rollout of a Computer Assisted Mass Appraisal (CAMA) system for property valuation, which aims to improve property tax collection—an important source of own-source revenues for districts—and contributes to tax equity in Rwanda. Additionally, financial management is enhanced by providing capacity building for local government public finance management teams in areas such as procurement, asset management, and budgeting.

In the intervention area focusing on citizen participation, local Civil Society Organizations (CSOs) are strengthened through peer support and supervision to implement inclusive, pro-poor participation approaches and awareness initiatives. Additionally, participation mechanisms are boosted by supporting the use of tools such as the Citizen Score Card (CSC), Community Complaints Committees (CCCs), and the Integrated Feedback and Action Tracking System (IFATE), while also strengthening feedback systems between local government and communities.

Furthermore, the project seeks to build capacity for inclusive engagement by training local institutions and CSOs to facilitate inclusive community meetings, improve planning processes, and improve long-term needs identification at the village level.



Empowered and connected: Women participants at the Nyamasheke NCPD (National Council of Persons with Disabilities) General Assembly, 2025.



Some participants at the Nyamasheke NCPD General Assembly & District Authorities

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