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MINISTRY OF INFRASTRUCTURE

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Table of Contents

Foreword	3
Executive Summary.....	4
List of Tables.....	6
List of Acronyms and Abbreviations	7
Glossary of Terms	8
1 Introduction.....	13
1.1 Overview	13
1.2 Rationale of policy review	13
1.3 Situational analysis	14
2 Policy Framework	25
2.1 Vision.....	25
2.2 Mission	25
2.3 Goal.....	26
2.4 Guiding Principles.....	26
3 Policy Pillars	28
3.1 Pillar 1: Coordination	29
3.2 Pillar 2: Densification	31
3.3 Pillar 3: Liveability	33
3.4 Pillar 4: Economic Growth	37
4 Annex	40
4.1 Policy and institutional framework	40
4.2 Implementation plan.....	45
References	49

Foreword

Urbanisation and agglomeration stand as a pillar of Rwanda's Vision 2050 and constitute a core component of our continued trajectory of inclusive and sustainable socio-economic growth. It is therefore essential to enhance effective urban growth through an enabling environment for urban economies to mature and for people to enjoy high-quality living standards.

As we have reached ten years since the adoption of Rwanda's first National Urbanisation Policy, the start of the Second National Strategy for Transformation (NST 2) marks an opportune time to review the direction and coherence in our principles and priorities for urban growth and management. This revised National Urbanisation Policy builds on the achievements of the past decade of growth, localised strategies and plans, and major capital projects. Most importantly, it also accounts for the persistence and emergence of critical urban challenges. Through the pillars of Coordination, Densification, Liveability, and Economic Growth, this Policy reiterates our shared commitment to ensuring climate-resilient urbanisation, fostering a coordinated approach to development, aligning urban growth with efficient land use management, and improving the economic productivity and overall quality of life of all urban residents.

This Policy results from a three-year period of extensive consultations with stakeholders of the urbanisation sector, namely civil society organisations, the private sector, academia and research institutions, development partners, local administrative entities, and central government authorities and ministries. I extend my gratitude to you all for the dedicated efforts and constructive feedback that allowed for a comprehensive policy elaboration process. I trust the same spirit of collaboration will guide the successful implementation of this Policy and its related strategic plans, starting with the Urbanisation and Rural Settlement Sector Strategic Plan (USSP 2024-2029).

Let us continue working together to achieve Rwanda's bright and urban future.



Dr. GASORE Jimmy
Minister of Infrastructure

Executive Summary

Rwanda's urbanisation level is targeted to increase from 27.9 percent of the total population in 2022 to 52.7 percent in 2035; by 2050 it is targeted to reach approximately 70 percent. This rapid urbanisation will reshape the social, economic, and political geography of the country. It also presents significant challenges and opportunities in terms of delivering economic development, social services, and infrastructure. For Rwanda to reach the 70 percent target, effective urban management, which includes creating an enabling environment for urban economies to thrive and for people to experience high quality living standards, is imperative.

Ensuring Rwanda's ambitious urbanisation takes place in an inclusive and sustainable way requires effective planning that balances economic imperatives and quality of life. On the one hand, for cities and towns to grow, they need to provide jobs and opportunities for their existing population, while also attracting migrants from rural areas. On the other hand, as they grow, all urban areas must remain liveable, and all urban residents must benefit from urban services in a sustainable and inclusive manner. Further, cities need to remain resilient, managing critical shocks and stresses posed by climate change, while simultaneously mitigating the negative externalities of unbalanced economic growth on society – including inequality and crime – and the environment – such as pollution and biodiversity loss. All this needs to happen in a way that ensures the buy-in and collaboration of a range of stakeholders from the public sector, private sector, and civil society, as urbanisation is a multi-sector, multi-faceted and cross-cutting phenomenon.

Rwanda's National Urbanisation Policy (NUP) (2015) was developed to provide direction, guidance and policy coherence to city growth and urban management. The policy outlined four pillars: Coordination, Densification, Conviviality and Economic Growth. Coordination and densification outlined the *process* by which urbanisation was to be achieved; conviviality and economic growth outlined the *strategic objectives* of the policy. As the first document of its kind, the policy effectively set the scene for Rwanda's urban growth trajectory, impacting the development of downstream strategies, plans and major capital projects.

While the NUP delivered a constructive framework, the persistence of critical urban challenges – and major shifts in policy – necessitate a revision. The major urban challenges that remain in Rwanda include improving the quality of life in unplanned settlements; mitigating the impacts of urban sprawl on the environment, and agricultural land; creating high-quality sustainable jobs and opportunities for new arrivals and existing city residents; boosting the economic productivity of existing urban nodes; and ensuring inclusive growth for all urban residents, but especially the most vulnerable. All these issues are underpinned by limited institutional coordination and capacity for urban governance and a lack of data.

This revised NUP reflects Rwanda's current thinking around the linkages between spatial and economic development. These include the development of several key documents, including Vision 2050 (2022), the National Land Use and Development Master Plan (NLUDMP) (2020), the development of city master plans in Kigali and several secondary and satellite cities (2020-2022), the National Land Policy (2019); and revisions to existing policies and legal frameworks, including the Revised Land Law (2022), the Ministerial Order on Urban Planning and Building Regulations (2019), and the Prime Minister's Instructions relating to the Government Support for Affordable Housing Projects (2022).

This revised NUP sets the strategic direction for urbanisation and identifies pathways to mitigate these urban challenges to achieve Vision 2050. The revised document has considered present-day conditions – including key achievements in strengthening urban development tools and implementing

urbanisation-enhancing infrastructure projects – and identified trends that will influence and shape urbanisation in the medium term. The imperative to ensure green urbanisation forms a major thrust of the revised NUP, as climate resilience and climate change mitigation become ever more important. The revised policy outlines strategic objectives that are detailed through practical policy actions. The document’s core messages are as follows:

- **NUP Vision:** Achieve spatially balanced development of sustainable, productive, and inclusive urban human settlements throughout Rwanda.
- **NUP Mission:** Create sustainable and liveable urban environments that promote economic growth, social equity, and environmental sustainability.
- **NUP Goal:** Accelerate rates of urbanisation and, in doing so, create hubs of inclusive and green growth through well-managed cities, well-coordinated spatial development, and resilient urban infrastructure.

The NUP’s Vision, Mission and Goal will ensure that the right conditions are in place for well-managed urban growth through multi-institutional cooperation and an integrated approach to urbanisation. The NUP also recognises that Rwanda has different types of urban areas, each with different needs and roles to play. In this vein, the NUP recognises the importance of developing satellite cities, secondary cities, district towns, urban centres, and other newly emerging urban areas to unlock transformative economic opportunities.

The revised NUP structure has four policy pillars, each with Strategic Objectives (Outcomes), through which Rwanda’s national urbanisation agenda should be implemented. These pillars are *Coordination*, *Densification*, *Liveability*, and *Economic Growth*. While *Liveability* and *Economic Growth* describe the NUP’s desired outcomes, *Coordination* and *Densification* are the means through which the NUP aims to achieve them:

Coordination Pillar: Engage in inter- and intra-institutional coordination across government, with the private sector and with civil society, focused on cooperation and budget alignment.

Densification Pillar: Encourage the densification of cities to improve land use efficiency, reduce commutes and limit urban sprawl, in a manner that focuses on managing greenfield urban expansion, promotes in-situ upgrades and takes into consideration the impact of development-induced displacement and gentrification.

Liveability Pillar: Improve the quality of life for all residents by enhancing access to basic and social services, green spaces, and promoting clean, healthy, climate resilient, and safe urban environments. Implement culturally responsive and environmentally friendly urban systems that protect urban residents from adverse climate shocks, and limit carbon emissions.

Economic Growth Pillar: Maximize the productivity of urban citizens by prioritizing the efficient development and maintenance of infrastructure that supports economic growth and development, while also facilitating equitable access to high-value green jobs in strategic high-priority sectors across existing and emerging cities.

The four Policy Pillars are supported by, and must be read in conjunction with, several cross-cutting themes: Green and Resilient Development, Social Inclusion, SMART Growth, Robust Urban-Rural Linkages, and Housing Affordability.

List of Tables

Table 1: Summary of key policy and legal documents, of relevance to Rwanda's urban sector	40
Table 2: Coordination Pillar Strategic Objectives.....	45
Table 3: Densification Strategic Objectives	46
Table 4: Liveability Strategic Objectives	47
Table 5: Economic Growth Strategic Objectives.....	48

List of Acronyms and Abbreviations

CMO	City Management Office
CoK	City of Kigali
CSO	Civil Society Organisation
DDS	District Development Strategies
EbA	Ecosystem-based Adaptation
GDP	Gross Domestic Product
GGCRS	Green Growth and Climate Resilience Strategy
GoR	Government of Rwanda
ICT	Information and Communications Technology
MCA	Multicriteria Analysis
MINAGRI	Ministry of Agriculture
MINALOC	Ministry of Local Government
MINECOFIN	Ministry of Finance and Economic Planning
MINICOM	Ministry of Trade and Industry
MININFRA	Ministry of Infrastructure
MoE	Ministry of Environment
NAP	National Adaptation Planning
NbS	Nature-based solutions
NDCs	Nationally Determined Contributions
NGO	Non-government organisation
NISR	National Institute of Statistics Rwanda
NLA	National Land Authority
NLUDMP	National Land Use and Development Master Plan
NMT	Non-motorised transport
NSSS	National Sites and Services Strategy
NST	National Strategy for Transformation
NUP	National Urbanisation Policy
OSC	One Stop Centre
PIDG	Private Infrastructure Development Group
PPP	Public-Private Partnership
RDB	Rwanda Development Board
REMA	Rwanda Environment Management Authority
RHA	Rwanda Housing Authority
FRW	Rwandan Franc
SEA	Strategic Environmental Assessment
SDF	Spatial Development Framework
SDG	Sustainable Development Goals
SEZ	Special Economic Zones
SMEs	Small and medium-sized enterprises
SSP	Sector Strategic Plan
UPC	Urban Planning Code

Glossary of Terms

Circular economies: Circular economies are systems that aim to keep resources in use for as long as possible by reducing waste and maximizing the value of products and materials. This approach involves designing products for durability, repairability, and recyclability, and implementing closed-loop systems for resource management. By minimizing waste and promoting resource efficiency, circular economies can contribute to sustainable development and help address environmental challenges such as climate change and resource depletion.

Compact urban development: Compact cities, opposite to dispersed or sprawling cities, are characterised by higher density and mixed-use development as well as efficient urban patterns linked to public transport systems. It is associated with a wide range of urban benefits, including increased productivity due to agglomeration economies, improved accessibility to urban services, reduced travel times, and a smaller ecological footprint due to lower energy and land consumption. If not managed well, compact cities can result in negative effects related to increased density such as air pollution, loss of open spaces, and increases in land values and housing costs.

Economic infrastructure: Economic infrastructure refers to the facilities, activities and services which support the operation and development of other sectors of the economy. These facilities, activities and services help in increasing the overall productivity of the economy. These can be further subdivided into (i) social infrastructure, which involves supplying services to meet the basic needs of society (education, health, housing) and (ii) physical infrastructure, which is directly involved in supporting economic production in sectors such as agriculture, industry, trade etc. Examples of physical infrastructure include infrastructure to increase productivity in the economy across key sectors such as energy, irrigation, transportation, telecommunication, banking, insurance, technology, and finance.

Economies of agglomeration: Economies of agglomeration refer to the benefits that arise from firms and workers being near one another. This proximity can lead to increased productivity, innovation, and cost savings, as firms can share knowledge, infrastructure, and labour pools. Economies of agglomeration are often associated with urban areas, where a concentration of economic activity can lead to a virtuous cycle of growth and development.

Ecosystem-based adaptation: Ecosystem-based adaptation (EbA) is an approach to climate change adaptation that involves using natural ecosystems to help people and communities cope with the impacts of climate change. This approach involves protecting and restoring ecosystems and their services, such as flood control, erosion prevention, and water regulation, to enhance their resilience and provide benefits to human communities. EbA can provide sustainable and cost-effective solutions that benefit both human well-being and biodiversity conservation.

Environmentally sensitive areas: Environmentally sensitive areas (ESAs) are regions that are recognized for their unique and fragile ecosystems, which are vulnerable to damage from human activity. These areas can include wetlands, forests, coral reefs, and other natural landscapes that provide important ecosystem services and support biodiversity. The designation of ESAs aims to protect these areas from development and other activities that could harm the environment, while also promoting sustainable use and management practices.

Gentrification: Displacement of low-income populations triggered by urban regeneration and property development processes that render these areas unaffordable to the original population in terms of housing as well as goods and services.

Green growth: As defined by Rwanda's Green Growth Strategy, green growth is an emerging concept that recognises that environmental protection is a driver of global and national economic development. It refocuses society on achieving qualitative growth rather than simply increasing gross domestic product (GDP). Green growth refers to environmentally sustainable economic growth; growth that is achieved whilst ensuring that the natural assets, on which our wellbeing relies, are protected and able to provide

resources and environmental services. Green economic growth 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.

This approach seeks to decouple economic growth from environmental degradation by promoting resource efficiency, renewable energy, and sustainable infrastructure. By adopting a green growth strategy, countries can achieve their economic development goals while also addressing environmental challenges, such as climate change, pollution, and natural resource depletion.

Green jobs: Green jobs refer to employment opportunities that contribute to environmental sustainability, such as those in renewable energy, energy efficiency, sustainable agriculture, and green infrastructure. These jobs aim to reduce negative environmental impacts and promote resource efficiency while also creating economic opportunities and social benefits. Green jobs can play a crucial role in the transition to a sustainable and low-carbon economy.

Green urban environment: A green urban environment is a city or urban area that is designed and developed in a way that promotes sustainability and reduces its impact on the environment. This includes incorporating green spaces, such as parks and gardens, into urban design, promoting sustainable transportation options like walking, cycling, and public transit, and implementing energy-efficient building practices. A green urban environment seeks to balance the needs of people and the environment, creating liveable and healthy communities while also protecting and enhancing the natural environment.

Inclusive growth: Inclusive growth reduces inequality. It is economic growth that is distributed fairly across society, creating opportunities for all.

Informal settlements: Areas where two or more of the following conditions apply: 1) Housing precariousness (it does not comply with planning and building regulations /poor construction quality or overcrowding / no security of tenure); 2) located in a hazardous area; 3) low levels of access to infrastructure; 4) lack or poor access to public open space and green spaces; and 5) high socio-economic marginalisation rates¹.

In-situ upgrading: *In-situ* upgrading is a rights-based approach to urban poverty reduction contrary to forced evictions, benign neglect, and involuntary resettlement. It focuses on providing basic services, secure tenure, and socioeconomic development in a progressive manner in an existing informal settlement, minimising relocations and including residents in the planning, implementation and the maintenance and management phases.

Integrated urban plans: Integrated urban planning follows a holistic approach to urban development that interlinks various dimensions of urban life (social, economic, environmental, political, and cultural) with a focus on the spatial aspects to achieve sustainable urban development.

Land pooling/readjustment: In land pooling schemes, a group of landowners of adjacent plots “pool” their land together and hand it to an entity, usually the government, for replotting and/or infrastructure development. Once the replotting and/or development is complete, the land is returned to the original landowners after subtracting a portion to pay for the infrastructure development, if applicable. It defers to land readjustment in terms of the legal process. While in land readjustment process the original owners retain their individual titles throughout the process, in land pooling the original landowners convey their respective titles to the development entity and receive new ones after re-parcelling.

Land-value capture: Land value capture refers to a mechanism for funding public infrastructure projects by capturing the increase in land value that results from those projects. This approach involves capturing

¹ Definition used in the National Urban Informal Settlement Upgrading Implementation Programme (NUISUIP) based on UN-Habitat 2015, Habitat III Issue Papers 22- Informal Settlements and UN-Habitat 2006, State of the World's Cities 2006/7.

a portion of the increase in land values that occurs when public investments, such as new transportation or water infrastructure, are made. Land value capture can help to ensure that the costs of public projects are distributed and that the public captures a portion of the economic benefits of public investments.

Mixed-use development: Mixed-use development is a response to the problems caused by single-use zoning strategies. Mixed land-use areas incorporate compatible land uses close together in appropriate locations with the objective of creating local jobs, promoting the local economy, reducing car dependence, encouraging pedestrian and cyclist traffic, reducing landscape fragmentation, providing closer public services and supporting mixed.

Multi-nodal strategy: Multi-nodal development strategies rely on multiple urban nodes, within a city or within a much larger area, that play complementary functions and are connected to each other through urban corridors. Urban growth and development are distributed in the different nodes and along the corridors to achieve a more balanced territorial development balance and ensure that all residents have access to services.

Nature-based Solutions (NbS): Nature-based Solutions (NbS) are actions to protect, sustainably manage, and restore natural and modified ecosystems that address societal challenges effectively and adaptively, simultaneously benefiting people and nature. Nature-based Solutions address societal challenges through the protection, sustainable management, and restoration of both natural and modified ecosystems, benefiting both biodiversity and human well-being. NbS are underpinned by benefits that flow from healthy ecosystems. They target major challenges like climate change, disaster risk reduction, food and water security, biodiversity loss and human health, and are critical to sustainable economic development.

Non-Motorised Transport: Non-motorised transport (NMT) refers to modes of transportation that do not require the use of motorized vehicles, such as walking, cycling, and skateboarding. This form of transport is environmentally friendly, promotes physical activity, and can help reduce congestion and air pollution. NMT infrastructure, such as bike lanes and pedestrian walkways, can improve safety and accessibility for those who choose to use these modes of transport.

One-health approach: Rwanda's One Health approach is a holistic and integrated approach to health that recognizes the interconnectedness of human, animal, and environmental health. This approach aims to prevent and control diseases at the interface between humans, animals, and the environment by promoting collaboration and information sharing across sectors. Through this approach, Rwanda seeks to address health challenges such as zoonotic diseases, foodborne illnesses, and antimicrobial resistance, while also promoting sustainable development and biodiversity conservation.

Resilient development: Resilient development is an approach that improves the ability of a society exposed to hazards to resist, absorb, accommodate, adapt to, transform, and recover.

Spatial justice: Spatial justice refers to the fair and equitable distribution of resources and opportunities across different geographic areas and communities. This approach recognizes that access to resources and opportunities, such as housing, education, and employment, can vary significantly depending on where one lives. Spatial justice aims to promote inclusive and sustainable development by ensuring that all individuals and communities have access to the resources and opportunities needed to thrive, regardless of their geographic location.

Special purpose vehicles: Special purpose vehicle (SPV) refers to a legal entity that is created for a specific business purpose or project, such as financing a large infrastructure project or managing a pool of assets. SPVs are typically separate from the sponsoring company or organization and are designed to limit the financial risk and liability of the parent company. SPVs can provide a flexible and efficient way to structure complex financial transactions and manage risks associated with large-scale projects.

Structural transformation: Structural transformation refers to the transition from labour-intensive economic activities (low productivity) to skill-intensive economic activities (high productivity).

Sustainable development: Sustainable development refers to the constant improvement of the wellbeing of all people (meeting the needs of the present), without compromising the ability of the future to meet their own needs². Sustainable Development Goals, adopted in 2015, include as part of SDG 11, numerous targets related to the development of 'Sustainable Cities and Communities' by 2030. These include:

- Target 11-1: Access to safe and affordable housing
- Target 11-2: Access to safe, affordable, accessible, and sustainable transport systems for all
- Target 11-3: Enhancing inclusive sustainable urbanisation and capacity for participatory integrated and sustainable human settlement planning and management.
- Target 11-4: Strengthening efforts to protect and safeguard cultural and natural heritage.
- Target 11-5: Reduce the adverse effects of natural hazards.
- Target 11-6: Reduce the environmental impact of cities.
- Target 11-7: Provide access to safe and inclusive green and public spaces.

Sustainable human settlements: Sustainable human settlements are communities that are designed and developed in a way that promotes social, economic, and environmental sustainability. This includes ensuring access to basic services like clean water, sanitation, and healthcare, while also promoting energy efficiency, sustainable land use, and reducing the environmental impact of development. Sustainable human settlements aim to create liveable and healthy communities that support economic growth and improve social well-being, while also protecting the natural environment.

Sustainable urbanisation: Sustainable urbanisation is the process of developing and managing cities and urban areas in a way that promotes social, economic, and environmental sustainability. This involves creating liveable and healthy communities that provide access to basic services like clean water, sanitation, and healthcare, while also promoting sustainable land use, reducing the environmental impact of development, and encouraging economic growth. Sustainable urbanisation seeks to balance the needs of people and the environment, creating vibrant and inclusive cities that support economic prosperity and social well-being, while also protecting and enhancing the natural environment.

The principle of subsidiarity: The principle of subsidiarity is a guiding principle of governance that suggests that decisions should be made at the most local level possible (i.e., most local level capable of carrying out decision/task). This principle emphasizes the importance of decentralisation, allowing decisions to be made closer to the people who are affected by them. The principle of subsidiarity seeks to promote accountability, transparency, and effectiveness in decision-making, while also respecting the diversity and autonomy of local communities.

Transit-Oriented Development (TOD): Transit-oriented planning or development (TOD) refers to development that is physically oriented to a public transport station. TOD relies on the integration of public transport nodes in high-density, mixed-use, and pedestrian-friendly urban environments and aims to reduce private-vehicle dependency in favour of public transport and non-motorised transport (NMT). By integrating the planning of public transport systems and the built environment, mutually reinforcing synergies are created: high density increases ridership, making public transport viable, while public transport provides opportunities for dense, accessible, mixed-use urban environments. Consequently, shorter trips can be completed on foot or bicycle.

Urban node: Urban nodes refer to urban areas, either part of a city (e.g., a neighbourhood, an industrial area or the city centre) an entire city or town, that are connected to the rest of the city or surrounding area through transport infrastructure. Urban nodes have a unique character and, while they are usually mixed-

² <https://sdgs.un.org/goals>

use, they tend to focus on a particular function within a city or a region (e.g., manufacturing, culture & creativity, sports, education, etc.).

Urban regeneration: Urban regeneration describes a wide range of interventions in the built environment, with a focus on the physical and spatial aspects, to restore existing urban areas deemed to be in decline or that are underutilized.

Urbanisation: Urbanisation is the increase in the proportion of people living in towns and cities. Urbanisation occurs because people move from rural areas (countryside) to urban areas (towns and cities).

1 Introduction

1.1 OVERVIEW

Urbanisation plays a vital role in Rwanda's strategy to stimulate growth. Rwanda's urban population is expected to grow from 27.9 percent in 2022 to 52.7 percent in 2035; by 2050 it's expected to reach 70 percent (or around 18.5 million people). This rapid urbanisation will reshape the social, economic, and political geography of the country. It also presents significant challenges and opportunities in terms of delivering economic development, social services, and infrastructure. As such, the priority is to leverage the benefits of well-planned urban development. Cities are centres of economic activity and innovation. They also tend to have higher levels of economic productivity and income per capita than rural areas. Urbanisation also creates opportunities for increased trade and investment and can lead to greater access to markets and services. Additionally, as urban areas continue to grow, there is a need for investment in housing, transportation, and other infrastructure, which can further boost economic growth.

While it is evident that Rwanda's 2015 National Urbanisation Policy (NUP) has offered a constructive framework for driving progress and more effectively managing cities, several factors have changed and have created a need for the policy to be revised. First, rapid urbanisation has brought challenges such as informality, spatial inequalities, and environmental degradation which need to be addressed to ensure sustainable and inclusive urbanisation. In Rwanda, informality is a major challenge, and the proportion of the urban population living in unplanned settlements will need to decrease over time. Ensuring access to high-quality affordable housing therefore remains a priority. Second, spatial inequalities across the country also need to be managed. The steady flow of rural-urban migrants and migration into the City of Kigali (CoK) driven by the prospect of jobs and better standards of living have resulted in lopsided development across specific economic nodes and corridors rather than across the country as a whole. Third, the spectre of climate change looms large, bringing into focus the need for new mechanisms to drive growth and ensure long-term resilience and quality of life.

The revised NUP seeks to address the gaps that exist in the current 2015 NUP as well as address issues that have developed in the process of urbanisation. The revision aims to better reflect present-day conditions and current and anticipated trends that are influencing or will influence the urbanisation agenda in the medium term, as well as support the country's long-term vision and growth targets. In addition, strategic objectives to implement each policy pillar and policy statements form a core part of the revised NUP's overall forward-looking thrust.

1.2 RATIONALE OF POLICY REVIEW

The first NUP was adopted in 2015 to promote the coordinated, sustainable, and spatially integrated development of urban settlements in Rwanda. The 2015 NUP sought to provide a framework and direction for managing Rwanda's urban growth. The document outlines the importance of harnessing the powerful forces of urbanisation to improve developmental outcomes and proposes four policy pillars (Coordination, Densification, Conviviality and Economic Growth) and ten policy statements to guide the country in achieving this goal.

A revision of the 2015 NUP was needed to ensure the national urbanisation policy continues to play a critical role in guiding Rwanda's inclusive and sustainable urbanisation trajectory. The rationale behind reviewing and updating the 2015 NUP is to ensure the NUP remains responsive and relevant to Rwanda's current urbanisation needs, opportunities, and challenges. Rwanda's thinking around the linkages between spatial and economic development has evolved, especially regarding how urbanisation needs to be managed to promote sustainable growth. In addition, climate resilience and climate change mitigation have emerged as major areas of focus and should be treated as cross-cutting issues.

The NUP revision was based on gaps in the existing policy and on areas relating to the understanding of urbanisation and urban development in Rwanda and globally. Firstly, the UN-Habitat's Guide to Formulating a National Urban Policy provided a best practice in policy formulation by five key principles, namely: participation, inclusion, affordability, sustainability, and ease of implementation. It serves as an up-to-date, globally accepted approach to urban policy formulation, which was adapted to Rwanda's specific context through a detailed Multicriteria Analysis (MCA) approach. The MCA was adopted to systematically analyse six key dimensions (and various subdimensions) of urbanisation in Rwanda: urban governance and spatial, economic, social, financial, and environmental sustainability. The analysis of each dimension was informed by a combination of desk-based literature review, analysis of quantitative and geospatial data, and consultations with stakeholders in the urbanisation sector. The below Situation Analysis section details the findings and recommendations of the MCA analysis.

1.3 SITUATIONAL ANALYSIS

1.3.1 Spatial sustainability

To achieve the urbanisation target of 70 percent by 2050 indicated in the Vision 2050, Rwanda has established the National Land Use and Development Master Plan 2020-2050 (NLUDMP) with a settlement hierarchy. This hierarchy was designed to minimize the primacy of Kigali and support the development of growth poles by including, in addition to Kigali, 3 satellite cities, 8 secondary cities, 16 district towns, and 73 emerging cities. Each urban area is limited in terms of population and geography with the intention of reducing urban sprawl and increasing population density, with population projections and land use demand and allocations until 2050 detailed through the NLUDMP and district land use master plans. The urban population in Rwanda has been steadily increasing over the past two decades, with an urbanisation level of 27.9 percent in 2022. The annual growth rate of the urban population has accelerated to 7.8 percent between 2012 and 2022, higher than the natural population growth rate. Nonetheless, concerted efforts are required to reach the ambitious long-term urbanisation targets. Policy initiatives are needed to create favourable conditions for urban development, particularly in terms of economic opportunities. Empowering cities to identify and develop their competitive advantages and promoting better urban-rural linkages will be crucial in aligning cities and their rural surroundings economically.

Rwanda's urban population has grown steadily over the past two decades. In 2002, 1,372,604 people lived in urban areas; as of 2012, the number of people in urban areas reached 1,732,175 (NISR 2012); and, as of 2022, the country's urban population stands at 3,701,245, representing an urbanisation level of 27.9 percent. Over the decade of 2012 to 2022, the annual growth rate has equalled 7.8 percent, up from an annual growth rate of 6.3 percent between 1994 and 2012, indicating an accelerated pace of urban growth. The pace of urban growth over the 2012-2022 decade has been faster than natural population growth (2.3 percent), highlighting that part of the reason for urban change is the result of increased migration into cities. This annual growth in the urban population remains one of the highest in East Africa and the world.

Despite the strong focus on planned urbanisation processes and growth outside the CoK, results have been limited. Kigali, the capital city, remains the largest urban agglomeration in Rwanda and has attracted migrants from other parts of the country due to its economic and social activities. As of 2022, Kigali made up 41% of the total national urban population. Other satellite and secondary cities have also experienced growth, although starting from smaller bases. For example, urban Bugesera, Rwamagana, and Nyagatare have seen significant annual population growth rates between 2012 and 2022. However, overall urbanisation targets, such as reaching 35 percent by 2024 as outlined in Vision 2050, were not achieved. Several explanations explain slower growth outside Kigali, including the appeal of the capital as a key labour market and the lack of any clear pull (economic or social) factors and rural-urban linkages for cities outside the capital.

Ensuring that the Vision 2050 and NLUDMP targets are achieved will require a set of policy initiatives that enable cities to create and sustain the right ‘pull’ factors. Much of this will centre on economic pull factors. This, in turn, will require an approach that empowers cities to identify their critical economic competitive advantages and enables them to develop these factors. Moreover, urban development approaches that include better urban-rural linkages, including will be needed to better align how cities complement each other and the rural hinterland economically.

1.3.2 Economic sustainability

Urbanisation has been a driving force behind Rwanda's economic growth, leading to higher productivity and income per capita in cities compared to rural areas. Urbanisation has accounted for 37 percent of national structural change and urban areas have accounted for 48 percent of national labour productivity growth (World Bank 2020). These statistics highlight the importance of agglomeration effects in Rwanda's cities helping workers and firms by providing access to a growing pool of skilled labour, fostering knowledge-sharing and learnings, and enabling cost savings through shared infrastructure and services.

While off-farm employment remains low nationwide, urban areas have a higher percentage of individuals working in non-farm jobs, indicating an avenue for economic diversification. However, informality is a persistent problem, particularly outside of Kigali, with a significant proportion of firms operating informally. As of 2023, close to 75% of non-agricultural employment was considered informal, with 47.9% of these informal employments operating in urban areas (NISR 2024). Informal firms face low productivity, low wages, limited access to social protection, and difficulties in accessing formal finance. Addressing informality is crucial for promoting inclusive and sustainable urban development in Rwanda.

Poverty rates are lower in urban areas, but they still remain a concern, especially among specific vulnerable groups. Urban poverty is concentrated among female-headed households, households with more dependents, and those with lower education levels. Tackling the root causes of urban poverty, such as limited access to education, skills development, social protection, and job opportunities, requires coordinated efforts from both the public and private sectors.

To sustain economic growth and absorb new entrants into the labour force, Rwanda needs to create employment opportunities in productive sectors such as commodity-based agro-processing, services trade, and high-productivity industries like export crops, agro-industry, tourism, and ICT. Continued investment in industrial parks, like the Kigali Special Economic Zone, and the development of new parks in other urban areas can stimulate job creation in the manufacturing, construction, and services sectors. Investment in human capital through skills development, vocational training centres, and increased access to higher education is essential for driving economic growth and meeting development

objectives. The development of tourism clusters within and between cities can also unlock the potential of the urban economy.

Attracting private sector investment, particularly in energy, ICT, and housing sectors, is crucial for sustainable development and reducing reliance on public investment. Rwanda's government has played a significant role in economic growth, but there is a need for private sector funds to co-finance infrastructure projects. Balancing public and private investments will be essential to ensure a sustainable development trajectory for Rwanda.

Rwanda will need to continue creating employment opportunities in highly productive sectors to absorb new workers entering the labour force. The commodity-based agro-processing and services trade holds great potential for growth. These industries use extensive technology-based tools and employ unskilled and semi-skilled labourers. In addition, these industries account for high-productivity export crops, agro-industry, tourism, and ICT, and will therefore become an essential source of jobs for young individuals and women entering the labour market. To further stimulate job creation, the government has established industrial parks, such as the Kigali Special Economic Zone, which provides an enabling environment for investors by offering a range of incentives, including tax holidays and duty exemptions. Continued investment in these industrial parks and the development of new ones in other urban areas will create more job opportunities, particularly in the manufacturing, construction, and services sectors.

1.3.3 Urban governance

At the national level in Rwanda, multiple ministries are involved in coordinating urbanisation efforts.

The Ministry of Infrastructure (MININFRA) plays a key role in coordinating the sector and works closely with the Ministry of Environment (MoE), Ministry of Local Government (MINALOC), Ministry of Finance and Economic Planning (MINECOFIN), and Ministry of Trade and Industry (MINICOM) for strategic direction on land use planning, governance, and economic development. The Rwanda Housing Authority (RHA), under MININFRA, is responsible for implementing housing and urban development policies at the national level, while land use planning is led by the National Land Authority (NLA) under MoE. Other sector ministries, such as the Ministry of Education (MINEDUC) and the Ministry of Health (MoH), are also involved in urbanisation-related activities.

At the local level, districts have a significant role in managing urbanisation, although their functions are not clearly defined. Law N° 065/2021 outlines the responsibilities of districts for development, services, and infrastructure. However, the functional assignments for districts are determined on a sector-by-sector basis, leading to blurred lines of service delivery responsibilities between district and central government. The City of Kigali is an exception, as it has its own law that consolidates the city and its three districts into a single urban local government. This consolidation aimed to streamline decision-making and improve urban development management.

To address the challenges posed by rapid urbanisation in Rwanda's satellite and secondary cities, new management arrangements are needed. The central government's priorities often overshadow district-level plans and budget constraints (with limited own-source revenues at the district level) hinder the implementation of local priorities. Inadequate funding allocation formulas and staff assignments outside their areas of expertise further exacerbate the challenges. Proposed City Management Offices (CMOs) can improve urban management by overseeing day-to-day operations, handling technical responsibilities, and coordinating with other district departments and national government agencies.

Addressing the lack of data and urban analytics is crucial for effective urban management. Comprehensive systems for data collection, analysis, and dissemination should be developed and implemented to provide real-time information on urban services and infrastructure. These systems should

involve collaboration between government agencies, academic institutions, and civil society organisations (CSOs). Capacity building efforts will also be necessary to ensure stakeholders can effectively interpret and utilize the data generated by these systems.

1.3.4 Social sustainability

Well-managed urbanisation is crucial to mitigate the negative impacts of demographic and economic growth on liveability. Unplanned urbanisation can lead to inadequate infrastructure, environmental degradation, and social inequalities. To ensure liveable, healthy, inclusive, and sustainable cities in Rwanda, investments are needed to deliver basic services, provide affordable housing, and develop efficient transportation systems.

Access to safe water remains a challenge for some urban households in Rwanda, although there has been improvement in recent years. Around 4 percent of urban households still lack access to improved drinking water, emphasizing the need for continued efforts to improve water access (NISR 2023). Sanitation access also shows a significant disparity based on wealth, with low-income households having limited access. Interventions should therefore focus on improving sanitation access for low-income urban households.

Rwanda has made significant progress in electricity provision to urban areas, with an electrification rate of 85 percent (NISR 2023). However, disparities exist across different cities, highlighting the need for targeted and inclusive approaches to address energy access inequalities. The affordability of electricity is crucial, as it empowers households and businesses to benefit from reliable and efficient electricity services. Investments in energy infrastructure, promotion of energy-efficient technologies, and targeted social support programs are necessary to address affordability challenges.

Solid waste management services in urban Rwanda still need improvement, with only about one-third of urban households having access to waste collection services. The National Integrated Solid Waste Management Strategy aims to enhance access to efficient and sustainable waste management systems, promoting waste reduction, recycling, and proper disposal. Embracing a circular economy approach can minimize waste generation, maximize resource utilization, and contribute to economic growth.

Affordable housing is a pressing challenge in urban Rwanda, particularly in Kigali. Limited supply and affordability barriers hinder access to formal housing. Measures to prevent, improve, and reduce unplanned settlements are being implemented, including land regularization, capacity building, and public-private partnerships. Further initiatives are needed to address demand and supply-side challenges and ensure access to affordable housing for all income levels.

Building secure and resilient health systems is essential to address urban health threats in Rwanda. Multi-factorial determinants of health, such as poverty reduction, sanitation, and education, should be considered in tailored curative, preventative, and promotional health services. Social inclusion and spatial justice should be prioritized in urban regeneration and development projects to ensure equitable access to social services and housing.

Urban transportation in Rwanda has undergone significant transformations, improving connectivity and mobility. Motorcycle taxis and public buses are popular modes of transportation. Challenges remain, including traffic congestion, air pollution, and greenhouse gas emissions. Promoting sustainable and climate-friendly modes of travel, such as non-motorized transit, electric vehicles, and cleaner public transport options, is crucial for a more sustainable transportation system. Interventions for climate-friendly transportation will align with efforts to improve connectivity, including inter-city transportation

which plays a vital role in connecting urban centres and supporting economic growth and social integration. Continued investment in transportation infrastructure and efficient inter-city transportation systems is necessary to facilitate regional development and connectivity in Rwanda.

The provision of ICT services has become critical for urban living in Rwanda, alongside basic necessities like water, sanitation, and electricity. The GoR has recognized the transformative power of ICT and has implemented ambitious plans to position the country as a knowledge-based economy and regional ICT hub. Notably, the capital city of Kigali has witnessed substantial advancements in ICT infrastructure, including improved internet access (with 52% of households with access, compared to a 22% national average), expanded mobile coverage (with 92.4% of households with at least one member owning a mobile phone, compared to a 78.1% national average), and integration of digital services across various sectors (NISR 2023). These developments have not only enhanced the quality of life for urban residents but also stimulated innovation and economic growth.

The future of ICT services in Rwanda looks promising, as the country continues to invest in digital infrastructure and innovations outlined in key documents such as the Rwanda Smart City Master Plan and the National Strategies for Transformation. These strategic plans emphasize the importance of bridging the digital divide and leveraging ICT to enable better living conditions for all Rwandans, both in urban and rural areas. The Rwanda Smart City Master Plan, for example, envisages a comprehensive approach to smart urban solutions, focusing on areas such as e-governance, public Wi-Fi hotspots, intelligent traffic management systems, and e-health and e-education services. By implementing these initiatives, Rwanda aims to improve the delivery of public services, enhance citizen engagement, and create more efficient and sustainable urban environments. The National Strategy for Transformation (NST 1), which ended with the fiscal year 2023-2024, also prioritized the development of ICT services and infrastructure as a critical enabler for socio-economic development. The NST 1 outlined several key targets, and improvements in fostering a vibrant start-up ecosystem and promoting digital literacy and skills development will continue to be implemented in the Second National Strategy for Transformation (NST 2).

1.3.5 Financial sustainability

Developing sustainable patterns of urbanisation requires cities and decentralised bodies to not only identify but also be able to fund economic opportunities and social infrastructure improvements. In Rwanda today there is insufficient own-source revenue generated by districts to address the priorities of urban residents. Districts own-source revenues – including districts with major secondary cities - are limited, amounting to an average of 10 percent of total budgets. For instance, the average annual per capita revenue collected over the two-year period 2018/19–2019/20 was FRW 2,159 in Nyagatare District, FRW 3,523 in Huye, FRW 4,356 in Muhanga, FRW 4,607 in Rusizi, FRW 4,695 in Rubavu, and FRW 5,072 in Musanze. In these districts with satellite and secondary cities, central government grants accounted for the most significant portions of total budgets, ranging from 84 percent to 92 percent (World Bank 2022).

Limited financial autonomy reduces districts’ discretion on spending decisions. Most of these grants are earmarked or conditional transfers, which are subject to the priorities set by line ministries. Sometimes priorities involve providing necessary social infrastructure such as schools and hospitals; sometimes they involve large economic development projects, such as industrial parks (World Bank 2022). Limited financial autonomy means that districts have limited discretion to channel resources that effectively respond to other sets of locally specific priorities. This is especially problematic given the need for districts to take on growing responsibilities for Rwanda to achieve greater in-situ urbanisation.

Decentralised bodies should look to improve the efficiency of their own-source revenue collection.

As per the Law n° 048/2023 of 05/09/2023 determining the sources of revenue and property of decentralised entities and the Presidential Order n° 075/01 of 04/12/2023 determining fees levied on services and certificates delivered by decentralised entities, districts are permitted to collect and levy a range of taxes and fees. The three types of taxes that districts can levy are immovable property tax, trading license tax, and rental income tax. District councils can vary some of the tax rates within legally defined limits. Districts can also levy a range of fees for services and activities within their jurisdictions, such as market fees, parking fees, and advertising fees. Fees and charges account for the greatest share of district own-source revenues, followed by property tax. To increase revenues from property tax and rental tax, better systems of property identification and tax enforcement are needed, especially in Rubavu and Musanze, which have a large built-up area. Districts can also streamline the collection of fees and charges by automating the small portion that is still collected manually.

One way of enabling this will be to ensure that land value capture mechanisms in Rwanda are continually strengthened.

As seen in recent years, the increasing demand for urban land by citizens and the private sector has increased public investment and led to rising land prices. To ensure that part of these increased land values is funnelled back into sustainable, equitable growth, as well as providing necessary infrastructure and housing for the urban population – to increase district budgets and expenditures - new means of generating local government revenue are needed. Other than property tax, there are several options for land value capture in Rwanda that can be explored. One of the most promising mechanisms is the use of land readjustment schemes, which can generate revenue by reallocating land parcels and distributing the resulting increased land values. This approach has been used successfully in other countries and has the potential to unlock the value of underutilized land, generate revenue for local governments, and promote more efficient land use. In addition, land value capture can be achieved through the use of public-private partnerships (PPPs), which can generate revenue for local governments through the provision of services or the development of assets on public land. PPPs can also incentivize private sector investment in infrastructure and housing, creating a more sustainable and inclusive urban development model.

1.3.6 Environmental sustainability and climate resilience

Rwanda faces significant vulnerabilities to weather and climate shocks, making adaptation and climate resilience crucial for sustainable urban development. Urban areas, particularly the growing population, are at risk of floods, landslides, and extreme temperatures. The urban poor, residing in informal settlements lacking adequate measures, are especially vulnerable. Resilient infrastructure is vital, but financial limitations pose a challenge. However, awareness of the demands of disaster risk reduction has improved, starting with Rwanda's Ministry in charge of Emergency Management (MINEMA) which focuses on enhancing institutional capacity and coordination of adaptation mechanisms, including risk assessments and data integration.

Rwanda has integrated adaptation and resilience measures into key policy documents such as the Nationally Determined Contributions (NDCs), Green Growth and Climate Resilience Strategy, and National Disaster Risk Management Plan. The transition to a green economy, guided by the National Strategies for Transformation (NST 1 and NST 2), aims to support private sector-led economic growth for sustainable urbanisation. Improving urban form and spatial organization through agglomeration and densification reduces greenhouse gas emissions by promoting energy-efficient practices and reducing the need for private vehicles. Nature-based solutions (NbS) and ecosystem-based adaptation (EbA) have gained importance in Rwanda, with projects like the National Adaptation Planning Process (NAP) and the

Second Rwanda Urban Development Project (RUDP II) focusing on flood and landslide resilience and sustainable infrastructure development.

Several initiatives are underway, including the Flood and Landslide Risk Assessment and Mitigation project, the NAP Readiness Support project, and the RUDP II, which funds Nature-based Solutions for urban resilience. The CoK is implementing NbS, exemplified in its wetland rehabilitation initiatives. These efforts aim to enhance Rwanda's capacity to plan, fund, implement, and monitor long-term climate change adaptation solutions, particularly in flood and landslide resilience, while improving access to sustainable infrastructure and strengthening urban management in low-income areas.

Climate-compatible urbanisation will reduce vulnerability to climate hazards in urbanising areas. As captured as a strategic priority in Rwanda's Country Climate and Development Report, climate-compatible urbanisation will require measures such as incorporating climate concerns into master plans, engaging key sectors in urban planning, promoting energy efficiency, incentivizing low-carbon transport, and generating revenue through property tax enforcement and other increased own-source revenues (World Bank 2022).

1.4 KEY ACHIEVEMENTS

Master plans and urban instruments

Since 2015, Rwanda has made progress in managing urbanisation through the implementation of laws, policies, master plans, and guidelines. These initiatives aim to develop secondary and satellite cities as well as rural settlements. Master Plans have been revised for Rubavu, Nyagatare, Rusizi, Huye, and Musanze, and satellite cities like Muhanga and Rwamagana, aligning with the National Land Use and Development Master Plan (NLUDMP 2020-2050). These are currently being implemented. Furthermore, District Land Use Plans (DLUPs) for urban and rural areas in Nyagatare, Huye, Musanze, Muhanga, Gicumbi, and Gisagara have been completed. A community-based land readjustment practice guide has also been developed by the NLA to guide districts in working with community landowners during planning initiatives. Other important urban-related tools include the revised National Land Policy of 2019, the Law N° 27/2021 of 10/06/2021 governing land, and Ministerial Instructions (N 003/MIN/022 of 29/12/2022) that determine requirements related to government support for affordable housing.

Development of various urbanisation-enhancing infrastructure projects countrywide

Improvements to basic urban infrastructure and services in Rwanda, including roads, electricity, water supply, and public lighting on major national and district roads, have contributed to a better quality of life in urban areas, especially in secondary cities. The Rwanda Urban Development Project Phase 1 (RUDP1) was completed in two phases, resulting in 84 km of access roads and 25 km of standalone stormwater drainage in secondary cities. RUDP1 also supported the upgrading of 111 hectares of unplanned settlements in Kigali, where 9.2 km of access roads, 2.5 km of stormwater drains, and 6.2 km of footpaths with street lighting were constructed to improve the livelihoods of residents in unplanned settlement areas. RUDP II is ongoing and is expected to enhance resilience and strengthen integrated urban planning and management in the CoK, Huye, Muhanga, Musanze, Nyagatare, Rubavu, and Rusizi. It includes interventions in wetlands restoration, flood control, urban planning, and technical assistance. Other initiatives include the Bugesera International Airport, the BK Arena, stadiums in Nyagatare and Ngoma, the relocation of people from scattered and high-risk areas to planned settlements and Integrated Development Programme (IDP) model villages, and the development of Special Economic Zones (SEZs).

Green urban development

Since 2015, Rwanda has made significant strides in mainstreaming green urbanisation into its development policies and practices. One example is the Kigali Green City which aims to develop a sustainable and resilient mixed-use neighbourhood, incorporating green spaces, sustainable transportation, and energy-efficient buildings. Another example is the country's commitment to expanding renewable energy sources, such as solar and hydropower, with plans to achieve 100% access to electricity by 2029. Additionally, the government has prioritized waste management and circular economy initiatives, including the Kigali Waste-to-Energy Plant, which converts waste into electricity, and the country-wide ban on single-use plastics.

Another key focus has been on promoting sustainable transportation. For instance, the government has sought to invest in public transportation systems like the Bus Rapid Transit (BRT) system that reduce emissions and provide efficient mass transit. Additionally, the country has encouraged the use of electric motorcycles and bicycles, while also implementing car-free zones in Kigali to promote walking and cycling.

ICT tools

The GoR has instituted several ICT tools to strengthen coordination and service delivery. For example, all districts in Rwanda are currently using digital information systems in construction permitting and

management and the Irempo Portal was set up to facilitate service delivery to citizens. The Irempo Portal has digitalised over 100 services. E-Recruitment system and e-procurement are also good examples.

Another example of how ICT tools are being used to improve urban governance in Rwanda is through the development of a centralized database for land management. The Land Administration Information System (LAIS) is a web-based platform that allows citizens to access information related to land management, including land tenure, registration, and land use planning. This tool has improved transparency and accountability in land management and has helped improve the efficiency of the system.

1.5 KEY CHALLENGES

Environment and climate change-related challenges

Urban planning and development must prioritise mitigation and adaptation to climate change as climate shocks are increasing in frequency and intensity. This includes promoting innovation in low-carbon materials for housing and green, climate-resilient infrastructure development, securing water and wastewater management facilities, prioritizing stormwater management in urban areas, upgrading unplanned settlements, and resettling households living in high-risk zones.

Continued reliance on Kigali as the country's primate city

One of the key challenges in Rwanda's urban development is the continued reliance on Kigali as the country's primate city. This has resulted in imbalanced growth and underdevelopment of satellite and secondary cities and smaller district towns. The NLUDMP outlines strategies to promote inclusive and balanced urbanisation across the country by decentralising economic activities across an urban hierarchy ranging from the capital to rural settlements. However, achieving this goal requires significant investment in infrastructure, including transport networks, water and sanitation systems, and energy supply. The plan also highlights the need for improved governance structures and strengthened local institutions to support decentralisation efforts and ensure that resources are allocated effectively. By taking a comprehensive approach that accounts for the unique needs and characteristics of each city, Rwanda can promote more balanced and inclusive growth across the country and reduce its reliance on Kigali as the main economic hub.

Insufficient budget

The progress of Rwanda's urbanisation has been hindered by insufficient funding, resulting in a lack of resources to address the needs of urban residents and implement infrastructure, housing, employment, and road construction projects. To achieve the objectives of urbanisation and implement policy measures, additional resources are required to finance proposed interventions. Innovative land management tools and land-value capture mechanisms should be utilized to mobilize sufficient resources. The private sector should also be encouraged to play a larger role in funding critical capital projects.

Limited capacity in local government entities

Limited capacity in local government entities presents a challenge, especially due to a shortage of skilled and specialized urbanisation and urban planning professionals, limited staff capacity, and a lack of necessary facilities to facilitate urban planning and monitoring of physical urban growth (e.g. enforcement of district master plans, of urban planning and building codes regulations, etc.). To address this, staff working for the CoK and other secondary and satellite cities need to be equipped with the necessary skills and tools for effective urban development management. Increasing capacity will have a ripple effect, breaking the current vicious cycle where budget increases are implausible due to the limited capacity. Importantly, professional bodies involved in the built environment need to be actively engaged to support the planning, monitoring, and evaluation of small to large-scale urban growth initiatives.

Limited access to urbanisation-related data

There is a lack of spatially disaggregated data on urbanisation-related issues such as productivity, employment, population, mobility, land use, and constraints faced by businesses. This limits the ability to match interventions with locations that have the greatest impact on strategic economic sectors.

Coordination-related challenges

To promote sustainable and inclusive urbanisation, coordination among stakeholders including government agencies, local governments, CSOs, and the private sector is needed. Although progress has been made in improving coordination through existing frameworks, such as Sector Working Groups, clusters, Joint performance-based contracts (imihigo) clusters at the national level, and Joint Action Development Forum (JADF) at the district level, there are still gaps that need to be addressed. Mechanisms for effective collaboration among agencies in urban planning and implementation of related plans are needed and these should be used to fast-track unblocking implementation challenges and enhance delivery.

There are various central government institutions with different urbanisation mandates within districts. For instance, the Ministry of Trade and Industry (MINICOM) is responsible for developing industrial parks, while the districts are responsible for securing land banks for these industrial zones. The Rwanda Development Board (RDB) is responsible for attracting investors within the industrial zones in the satellite and secondary cities, while the Rwanda Energy Group (REG) and the Water and Sanitation Corporation (WASAC) are responsible for providing utilities such as electricity and water to these new industries. The coordination of these intersecting interventions needs to be further strengthened. Additionally, District Development Strategies need to align with the NLUDMP and the capacity of district urban planners needs to be improved to implement these master plans within districts, satellite, and secondary cities.

1.6 KEY LESSONS

Robust institutions and leadership

Strong and consistent government is critical to the success of the NUP. Further, effective application of the NUP requires sound operational leadership, the fostering of a results-based culture (imihigo), decentralisation, and improved public awareness of the role of urbanisation and human settlement in the country's development agenda.

Coordination and cooperation between government institutions are crucial for reducing redundancy and ensuring a more efficient allocation of resources towards urban development in Rwanda. One mechanism to achieve this is through joint imihigo, which encourages collaboration and collective action among government institutions to achieve shared goals and objectives. By working together in a coordinated and collaborative manner, government institutions can better prioritize resources and avoid duplicating efforts, leading to more effective and efficient urban development outcomes.

Ownership of urban projects by local entities and people.

Local entities play a critical role in implementing Rwanda's national development agenda. By taking ownership of their own development, communities can address local challenges and tailor solutions that align with the national development vision. In many neighbourhoods and communities across Rwanda, residents have already taken the initiative to implement their neighbourhood physical plans by funding roads and infrastructure services. This demonstrates the potential for local entities to lead the way in

promoting sustainable urbanisation outcomes. By empowering communities to take ownership of their own development, cities can effectively align with the national development vision, promote local ownership, and ensure sustainable urbanisation outcomes.

As urban areas continue to grow, cities become centres of economic, social, and political power, giving them the potential to lead the way in implementing national development visions and plans. With their unique perspective and understanding of local needs, local entities are well-positioned to develop and implement initiatives that reflect the priorities and values of their communities.

Jobs and economic opportunities as a means of achieving in-situ urbanisation in satellite cities, secondary cities, and district towns

In-situ urbanisation can only take place if jobs and economic opportunities – ‘pull factors’ - are available for people in urban areas outside Kigali. This is an important consideration for promoting inclusive and sustainable urban development across Rwanda. The NLUDMP emphasizes the need to promote economic growth in satellite cities, secondary cities, and district towns as a way to reduce pressure on Kigali and promote more balanced and equitable urbanisation across the country. This includes investments in infrastructure, such as transport networks, as well as investments to support the development of small and medium-sized enterprises in these areas. By promoting economic growth across the country, the GoR can create opportunities for people living in designated urban areas outside of Kigali, which will in turn support in-situ urbanisation and help to reduce the imbalanced growth that has characterized Rwanda’s urban development in the past.

Improved service delivery with the support of ICT solutions

ICT solutions have played a crucial role in improving service delivery and enhancing the quality of life. The use of digital platforms and mobile applications has enabled more efficient and transparent delivery of essential services, such as healthcare, education, and utilities, to urban residents. For instance, the use of mobile applications has facilitated real-time reporting of issues related to service delivery, allowing for swift response and resolution of problems. Additionally, the integration of ICT in the provision of public services has improved accessibility, such as electricity, particularly for low-income urban residents. Overall, ICT solutions have not only improved service delivery but also enhanced the quality of life in urban Rwanda by promoting efficiency, transparency, and inclusiveness in the provision of public services.

Monitoring, Evaluation and Learning (MEL)

Monitoring, evaluation and learning are critical for cities to continually improve and learn. Going forward, emerging cities will need to learn from the implementation gaps observed in Kigali, satellite and secondary cities early on to avoid experiencing similar shortfalls. In the same vein, budgets allocated to the urbanisation sector need to be tracked to assess whether and how well this budget is contributing to the urbanisation target, creating job opportunities, and providing services in cities to attract people.

Long-term financial sustainability

Insufficient budget severely limits the long-term financial sustainability of urbanisation projects. For example, some roads have been constructed with no drainage, which leads to flooding and erosion. This is a consequence of the fragmented planning across sectors and districts. Achieving sustainable development will require more careful consideration of climate change and extreme weather events, and collective responses through integrated projects.

2 Policy Framework

2.1 VISION

To achieve a balanced spatial development of sustainable, productive, and inclusive urban human settlements throughout Rwanda.

Achieving this vision will require that the right conditions are in place for well-managed urban growth that generates vibrant urban environments, inclusive economic growth, and sustainable, climate-resilient development³. These include the following:

- Promoting decentralisation by empowering local bodies to take greater responsibility in urban management across land use planning, urban development, revenue recuperation and the economy, in close collaboration with national institutions.
- Improving high-quality urban living and increasing social and economic integration, by prioritising incremental improvements in housing and transportation. Encouraging and incentivising dense urban living to reduce sprawl and align with efficient land use principles. Recognising the importance of climate adaptation and resilience in urban areas and developing a long-term approach to addressing these challenges. Using spatial planning of land use and urban development as one of the primary tools to strategically align these objectives, while encouraging the use of smart technologies as the best way of delivering them in an efficient way.
- Facilitating structural transformation by creating the enabling environment for urban economies to identify their competitive advantages and create off-farm job opportunities, particularly in green industry. Focusing on a three-pronged approach to economic development centred on: building the capacity of urban workers, including informal workers; encouraging economic clustering initiatives and enabling networking and cooperation between the private sector and government; strengthening the enabling environment for business, including facilitating access to finance, and fostering an entrepreneurial culture.

2.2 MISSION

To create sustainable and liveable urban environments that promote economic growth, social equity, and environmental sustainability.

³ See Glossary for definitions

2.3 GOAL

To accelerate rates of urbanisation and, in doing so, create hubs of inclusive and green growth through well-managed cities, well-coordinated spatial development, and resilient urban infrastructure.

2.4 GUIDING PRINCIPLES

In pursuing prosperous, inclusive, and sustainable urbanisation, Rwanda is guided by the following principles:

1. Decentralised urban governance.

At all levels of government, the strengthening and introduction of adequate and effective urban governance and sufficient financial resources are crucial to promote social inclusion vis-à-vis the growing complexity of social life in cities.

2. The principle of subsidiarity

Harness local knowledge, enable experimentation and navigate uncertainty by devolving to the lowest level of government where functionality is possible.

3. Integrated and participatory planning

To ensure a coherent and integrated approach, pay attention to inter-departmental economic planning, physical planning, and environmental planning, which are in turn integrated with budgets. Ensure that decision-makers consider a wide range of needs and interests by exercising participatory planning with the relevant stakeholders, including vulnerable groups.

4. Appropriate tools for urban management

To ensure balanced spatial and economic development, develop strategic tools to guide decision-making processes.

5. Sustainable financial management

To strengthen the sustainability of financing urbanisation, improve the capacity of local institutions to harness urbanisation as a municipal revenue-generating opportunity; and improve the redistribution of economic benefits across the various population strata (income brackets).

6. Flexible and market-responsive decision-making

To harness economic opportunities (particularly off-farm jobs) and develop appropriate development solutions, understand market demand, and consider the potential of the informal sector.

7. Climate-compatible urban areas⁴

Develop resilient, low-carbon, safe and healthy urban environments to ensure that today's development does not compromise the ability of future generations to meet their needs.

⁴ In line with the National Environment and Climate Change Policy, Nationally Determined Contributions (NDCs), and the third strategic priority of the Rwanda Country Climate and Development Report (CCDR) (World Bank 2022)

8. In-situ urbanisation and in-situ urban upgrading

Create pull factors in urban areas across the NLUDMP urban hierarchy, to achieve the targeted rate of urbanisation (70 percent) by 2050, and limit social dislocation incurred through relocation by ensuring informal settlement upgrading is done in-situ.

9. Preventative measures for unplanned settlements

Adopt a proactive approach to urban land management by establishing preventative measures for unplanned settlements, including managing urban peripheries.

10. SMART City approach

In line with the Smart City Masterplan, harness the twin processes of digital transformation and urbanisation through digital technologies, civic participation, and innovation to make urban areas better for citizens and businesses.

11. Sustainable land use

Use area-based development to promote more integrated and compact urban areas. Area-based development includes the improvement of existing urban areas (retrofitting), urban renewal (redevelopment) and city extension (Greenfield development).

12. Urban-rural linkages

Strengthen urban-rural linkages to support economic activities and exchanges between the rural and urban populations.

13. Local economic development

Local firms hold the greatest opportunity for local job creation. Support local firms (including smaller firms) to incrementally create entrepreneurial human capital and upskill.

14. Social inclusion and cultural preservation

Promote policy coherence and a people-centred approach to urbanisation by fostering social inclusion and cohesion, with a focus on vulnerable groups.

15. One-health approach in urban planning

‘One Health’ is an integrated, unifying approach to balance and optimise the health of people, animals, and the environment. Contribute to preventing and mitigating health threats by linking urban development to opportunities to improve the health of people, animals, and the environment.

16. Incrementalism

Urban development projects will adopt an incremental approach and avoid overplanning to remain responsive to changing needs and context over time. Incremental development breaks down the long-term planning horizon into smaller and more manageable phases.

17. Data-driven monitoring, evaluation, and learning

Track progress and encourage learning for successes and failures. Ensure specific, clear, measurable targets across the NUP’s pillar.

3 Policy Pillars

The NUP's four policy pillars reflect both what Rwanda has already achieved in the urbanisation sector as well as what still needs to be achieved:

1. Coordination:

Engage in inter- and intra-institutional coordination across government, with the private sector and with civil society, focused on cooperation and budget alignment.

2. Densification:

Encourage the densification of cities to improve land use efficiency, reduce commutes and limit urban sprawl, in a manner that focuses on managing greenfield urban expansion, promotes in-situ upgrades, and takes into consideration the impact of development-induced displacement and gentrification.

3. Liveability:

Improve the quality of life for all residents by enhancing access to basic and social services, green and recreational public spaces, and promoting clean, healthy, climate resilient, and safe urban environments. Implement culturally responsive and environmentally friendly urban systems that protect urban residents from adverse climate shocks, and limit carbon emissions.

4. Economic Growth:

Maximise the productivity of urban citizens by prioritising the efficient development and maintenance of infrastructure that supports economic growth and development, while also facilitating equitable access to employment opportunities. Additionally, promote the creation of high-value green jobs in strategic high-priority sectors to foster sustainable and inclusive economic growth.

To ensure that they are suitably embedded within all the policy pillars, several themes are treated as cross-cutting and feature throughout the pillars' related strategic objectives.



Green and Resilient Development refers to development measures that promote environmental sustainability, climate change adaptation and/or climate change mitigation.



Social Inclusion refers to the proactive inclusion of women and other vulnerable groups in society such as the elderly, children, and people with disabilities.



SMART Growth refers to using technology to better provide services and solve problems.



Robust urban-rural linkages refer to the integration of rural and urban areas by identifying and building complementarities, thereby reducing the gaps between rural, peri-urban, and urban areas, and controlling urban sprawl.



Housing affordability refers to proactive measures to ensure that Rwanda's low-income urban citizens can, and will be able to, afford formal housing in urban areas near basic and social services, and economic activity.

3.1 PILLAR 1: COORDINATION

In Rwanda's strategic documents, institutional coordination is crucial, referring to aligning and synchronising activities within or across organisations. Effective joint action requires aligning efforts, sharing information, resources, and efforts, and working together. Achieving Rwandan urbanisation goals involves joint action in overcoming obstacles and maintaining the public good, requiring both basic coordination and focused cooperation for controlling processes, executing actions, and building partnerships.

The following strategic objectives are promoted under the Coordination pillar:

Coordination pillar: *Engage in inter- and intra-institutional coordination across government, with the private sector and with civil society, focused on cooperation and budget alignment.*

- **Strategic Objective C1:** Increased cooperation arrangements amongst government, private sector, civil society, and academia stakeholders
- **Strategic Objective C2:** Improved and streamlined spatial planning and implementation tools.
- **Strategic Objective C3:** Improved mechanisms for institutional exchange and knowledge retention

Strategic Objective C.1: Increased cooperation arrangements amongst government, private sector, civil society, and academia stakeholders

Linked to SDG Indicator 11.3.2.

Rwanda has made significant progress in its urbanisation efforts, with a focus on achieving inclusive, sustainable, and smart growth. Going forward, the GoR should enhance cooperation arrangements and mechanisms to enable better communication and promote joint and coordinated actions across government, private sector stakeholders and civil society to ensure their contribution to achieving the country's sustainable urbanisation.

To ensure effective successful implementation of urban development flagship programs and projects, existing inter and intra-governmental cooperation systems must be enhanced and new systems established. Existing forums, such as the Joint Development Action Forum (JDAF), can be further leveraged to enhance collaboration at the local and district levels. Also, ensuring effective feedback and joint action between different government levels is essential, which can be achieved through initiatives like joint imihigo and coordinated planning meetings. Setting up new initiatives such as City Management Offices (CMOs) in secondary and satellite cities can enhance the management of city functions by coordinating with districts, and national government entities. These CMOs can facilitate the coordination of vital functions at the decentralised level, such as strategic planning, budgeting, revenue collection, service delivery, and citizen engagement. The establishment and operationalisation of CMOs will rely on the implementation of a comprehensive roadmap that emphasises the importance of providing CMOs with adequate resources, skills, and autonomy to effectively perform their roles.

Private sector involvement in urban development is crucial to complement government-led initiatives. The private sector can contribute to urban development through innovative delivery mechanisms, including Public Private Partnerships (PPPs). The higher the proportion of the annual budget allocated to private sector initiatives, the stronger the partnership between these actors. To increase the number and size of PPPs, the Government should pursue policy frameworks and regulations for the private sector to contribute to urban development. Existing frameworks, such as the existing PPP Framework and

Ministerial Orders for Affordable Housing, may be used as a model for developing new PPP arrangements focusing on other sectors in the urban economy, such as the provision of basic services as well as developing new catalytic projects intended to bolster and strengthen the urban economy. Experimental cooperation can build on and improve existing coordination mechanisms between the government and the private sector. It can also deliver innovative responses to the challenges associated with cross-sectoral and joint actions, including structural issues and financial and/or regulatory difficulties. Specific responses might include ad-hoc mechanisms, such as the establishment of Special Purpose Vehicles (SPV) to achieve strategic national or local targets, as well as for the joint development and implementation of strategic projects. As such, cities and towns should be the focus of innovative programmes and build on new forms of cooperation to implement their strategic objectives. The GoR can support local governments in exploring PPPs by identifying opportunities and offering financial support, technical assistance, and capacity building.

Civil society organisations (CSOs), professional bodies, and academic institutions also have an important role to play in Rwanda’s urban development efforts. Formal cooperation agreements with these actors can reflect the importance of those stakeholders in achieving the country’s urbanisation goals and provide an avenue to support the growth and capacitation of those actors. Effective participation of CSOs, including community-based organisations (CBOs) can ensure that the needs and aspirations of communities are adequately addressed in urban planning and development. CSOs can provide feedback on urban planning and design processes, and their participation can help promote social inclusion and ensure that all stakeholders benefit from urban development initiatives. To support the enhanced urban governance institutional and operational frameworks, the planning, implementation, and monitoring and evaluation of urban development projects will require the active participation of professional bodies to ensure those initiatives are delivered with the highest standards of professionalism. Moreover, the engagement of professional bodies as key stakeholders will promote the growth in membership of trained professionals in the built environment. Academic and research institutions remain a source of knowledge generation and dissemination about critical urban challenges and opportunities. Strengthening the involvement of such institutions in practical urban development projects is therefore essential, especially as this cooperation provides a platform for students to gain first-hand experience.

Strategic Objective C.2: Improved and streamlined spatial planning and implementation tools.

Linked to SDG Indicators 11.A.1 and 11.B.1

To better respond to the complex nature of cities, urban planning should become more integrated at all levels. Given the multi-faceted nature of urbanisation, the planning and implementation of urban development initiatives should reflect the socio-economic and environmental conditions of specific contexts while aligning with national strategies and policies. This entails careful consideration of policies and plans that outline, among others, disaster risk areas and disaster risk reduction approaches, infrastructure networks, tourist corridors, and critical economic opportunities. It is essential to incorporate recommendations from these sectors to ensure that environmental, social, and economic sustainability considerations are integrated into the planning and implementation process.

Integrated urban planning that effectively considers local conditions and national priorities can be facilitated using spatial development framework (SDF) tools, especially Urban Dynamic Maps (UDM). The operationalisation of the SDF’s suite of tools can inform planning and decision-making and monitor the efficacy of sectoral and inter-departmental cooperation. By incorporating tools such as UDM into their planning and implementation processes, relevant institutions can promote more efficient and effective planning, ultimately leading to better-coordinated urban growth and infrastructure development. The continuous application of SDF can facilitate a data-centred, evidence-based approach to assist cities and

districts in localising national and international principles, increasing data openness and enabling better outcome accountability, and encouraging innovation in data gathering for planning and monitoring purposes.

Strategic Objective C.3: Improved mechanisms for institutional exchange and knowledge retention

To enable knowledge-building and foster innovation, government institutions and local governments should invest in new types of partnership and cooperation mechanisms with other stakeholders. The first step in establishing those formal partnerships is to undertake an assessment of the priority areas and key urban functions to be explored as part of capacitation frameworks. These knowledge-building activities could involve city-to-city or country exchanges with international partners, participation in regional and international platforms and events focused on urbanisation topics, and partnerships with the private sector and higher learning institutions. In particular, cross-pollination of knowledge through joint experimental learning-by-doing projects, applied research, and hands-on training with higher education institutions and the private sector should yield positive impacts. Collaborating with research and higher learning institutions to implement formal training programs is essential for equipping public sector officials with theoretical and practical knowledge in urban development. In partnership with the private sector and educational institutions, creating opportunities for young public sector officials to gain hands-on experience and technical skills through learning-by-doing in real-world urban development projects, applied research, and internships is also crucial. These various institutional exchange approaches should be supported by knowledge retention mechanisms through structured repositories that will prevent redundancy and enable effective and incremental knowledge-building.

3.2 PILLAR 2: DENSIFICATION

Urban densification is a high-level priority in Rwanda and refers to the efficient use of land and compact development of cities. It primarily aims to increase the number of people residing in a given area. Densification is not to be confused with overcrowding, which refers to a situation where a high number of people live in a given area but with inadequate resources, infrastructure, and amenities to support the population. High-density urban environments, unlike overcrowded areas, are well-planned and designed to accommodate this concentration effectively. This can be achieved through the redevelopment of underutilised or underdeveloped areas, the planning and monitoring of urban expansion in greenfield areas, infill development, and the construction of higher-density buildings. The benefits of urban densification are making better use of existing urban infrastructure and resources, and promoting urban development that aligns with broader efficient land use principles as outlined in the NLUDMP (e.g., preserving and not encroaching on other essential land uses such as agricultural and natural resources) and provides diversified and active land uses in proximity to one another.

The strategic objectives below are to support the Densification pillar:

Densification pillar: *Encourage the densification of cities to improve land use efficiency, reduce commutes and limit urban sprawl, in a manner that focuses on managing greenfield urban expansion, promotes in-situ upgrades, and takes into consideration the impact of development-induced displacement and gentrification.*

- **Strategic Objective D1:** Balanced urban and territorial development
- **Strategic Objective D2:** Compact, mixed-use, and inclusive urban areas

Strategic Objective D.1: Balanced urban and territorial development

Linked to SDG indicator 11.a.1

Ensuring balanced urban development occurs country-wide requires achieving the urban hierarchy targets set out in the NLUDMP. Ranging from the capital city of Kigali to rural centres, the urban hierarchy provides key targets to achieve territorial development and relies on adequate pull-factors to sustain it. The development of complementary urban nodes, as identified in national- and local-scale masterplans, will contribute to creating such pull-factors. At the national scale, urban nodes are key urban centres or hubs that drive economic growth and development across a broader geographical area. At the city scale, urban nodes are typically smaller centres within a larger urban area that serve as focal points for commercial, cultural, and social activity. Systematically developing the urban nodes (by identifying complementarities between them and prioritising strategic corridors) will support structured development and attract public and private sector investment in areas with the highest potential for gains. Strengthening linkages between these urban nodes will promote economic development and foster in-situ urbanisation by establishing networks of connected “systems of cities.”

Prioritising critical economic nodes within cities for Transit Oriented Developments (TOD) is essential. These nodes can include transport hubs, tourist areas, nightlife hubs, educational hubs, cultural hubs, institutional hubs, and sports hubs, or a combination thereof. Refocusing these nodes as TODs strengthens the relationship between public transport and urban density, encouraging land uses that create an urban hierarchy and facilitate the development of dense urban clusters. This can be achieved by concentrating commercial, residential, and leisure activities within walking, wheeling, or cycling distance of one another, and close to dense public transport networks. To promote sustainable mobility, public transport, and non-motorised transport (NMT) infrastructure will be prioritised within nodes and along corridors.

Strategic Objective D2: Compact, mixed-use, and inclusive urban areas

Linked to SDG Indicator 11.3.1

To address the challenge of rapid urbanisation while avoiding low-density urban expansion and environmental degradation, the implementation of tools for inclusive housing provision and efficient infrastructure provision is required. This includes developing and implementing a national housing strategic document that creates pathways for affordable housing through a range of demand and supply-side mechanisms and supports densification by ensuring compliance with the master plans and promoting infilling and upgrading existing neighbourhoods. In terms of infrastructure provision, the implementation of the National Sites and Services Strategy (NSSS) will ensure orderly development and reduction of low-density urban expansion in current greenfield areas while simultaneously supporting access to formal, better quality and affordable housing. The NSSS provides tools for the identification of suitable areas for urban expansion and development, the incremental provision of essential infrastructure, services, and amenities to these areas, and encouraging mixed-used neighbourhoods. These approaches will contribute to the creation of inclusive and sustainable housing options for all Rwandans.

Mixed-use development can make Rwandan cities more inclusive and efficient by providing residents with access to employment, leisure, services, and social connections. Multi-functional buildings and spaces at the plot level can improve resource efficiency by accommodating various functions in one location. Urban land diversification also reduces commute times, encouraging walkability and non-motorised transport (NMT), as residents do not need to travel to other parts of the city for jobs, services, or daily activities. This, in turn, promotes healthy lifestyles and fosters a sense of community and belonging. Safer, diverse, and integrated neighbourhoods with residential areas close to schools, health

facilities, and jobs can reduce gender disparities. Such principles can be captured in mixed-use design guidelines that can assist planners, architects, and developers in designing neighbourhoods that are functional, appealing, and responsive to community needs

In-situ, high-density urban upgrading to accommodate low-income households is essential to inclusive urbanisation. This approach entails using mechanisms like land readjustment and rehousing to redevelop unplanned areas throughout urban Rwanda. The rehousing approach, as successfully piloted in the CoK, provides a tangible example of successful in-situ urban upgrading that promotes inclusivity and advances densification. Inclusivity is a key benefit as rehousing enables the existing residents – the majority of which tend to be lower-income – of an upgraded unplanned settlement to remain in the same neighbourhood, therefore safeguarding their social ties and means of economic livelihood. Through upgrading, rehousing transforms an overcrowded settlement into a well-planned and denser community that can host additional households through the provision of additional dwelling units and infrastructure and services.

It is also important to mitigate the potential negative externalities of urban redevelopment projects, including sites and services as well as in-situ upgrades, on lower-income populations. Improvements in basic and social services, along with enhancements to public spaces, make neighbourhoods more appealing, leading to increased demand for land and property. This can drive up prices, potentially causing gentrification and forcing poorer residents, particularly tenants, to relocate to less well-serviced areas of the city or urban region. Mechanisms such as low-income housing quotas and cross-subsidisation for social housing and affordable basic services can proactively mitigate the negative impacts of rising property prices typically linked with neighbourhood redevelopment projects. As rental housing is the predominant tenure in urban areas across Rwanda, the rental market should be regulated to protect the security of tenure of poor households.

3.3 PILLAR 3: LIVEABILITY

The Liveability pillar in this policy aims to encompass considerations for the overall quality of life that were not fully captured under the Conviviality pillar of the 2015 NUP. ‘Conviviality’ refers to the degree to which people feel connected to others and their community and is associated with the concept of ‘civility,’ or the manners and behaviours that allow people to live together in a shared space. Liveability, on the other hand, refers to the overall quality of life and considers a wider range of factors, such as economic, environmental, and social values. It describes the conditions of a decent life for all city inhabitants, including their physical and mental well-being and is useful to evaluate the suitability of a place as a location to live, work and play. In general, conviviality can be seen as an aspect of liveability, as a convivial urban environment contributes to a sense of community and social well-being, which are important components of the overall quality of urban life.

Liveability places the urban environment as a central element in achieving human health and wellbeing, ensuring that urban planning can take place through the lens of public health following a ‘One Health’ approach.⁵ It is thus sensitive to nature and the protection of natural resources, using targeted criteria

⁵ ‘One Health’ is an integrated, unifying approach to balance and optimise the health of people, animals and the environment (WHO 2017)

such as environmental quality, safety, short commuting times, and access to amenities and services, as well as other socio-cultural dimensions.⁶

Fulfilling the Liveability pillar relies on the below strategic objectives:

Liveability pillar: *Improve the quality of life for all residents by enhancing access to basic and social services, green and recreational public spaces, and promoting clean, healthy, climate resilient and safe urban environments. Implement culturally responsive and environmentally friendly urban systems that protect urban residents from adverse climate shocks, and limit carbon emissions.*

- **Strategic Objective L1:** Access to basic and social services provided to all residents
- **Strategic Objective L2:** Built environment preserves the local culture and promotes green urbanisation
- **Strategic Objective L3:** Green cities that contribute to the preservation of natural ecosystems
- **Strategic Objective L4:** Safe and healthy cities built on strong social cohesion

Strategic Objective L1: Access to basic and social services provided to all residents.

Linked to SDG Indicators 11.1.1 and 11.6.1

Increased public investment is important to improve access to basic and social services. The need for improvement is particularly urgent in smaller cities and towns. Concerted efforts should be made to improve access to water, electricity, and improved sanitation. In terms of social services and facilities, access to education, health, child- and eldercare, and cultural, sports and recreational activities is key to social development and to promote healthy lifestyles. These facilities and amenities should be equitably distributed within and across cities, with a focus on improving access for lower-income areas. The access to basic and social services will be supported by physical plan implementation guided by technical guidelines from the NSSS. By creating a comprehensive and well-coordinated plan, the NSSS can ensure that urban growth is managed sustainably and efficiently, with resources allocated in a manner that optimises accessibility and meets the needs of all residents. In addition to technical guidance on the provision of basic infrastructure, there is clear emphasis on the need for physical plan implementation to allocate sufficient space for social amenities.

All services should be designed and managed to ensure access for vulnerable groups. This entails considering the needs of women and other vulnerable groups such as the elderly, youth, orphans, people with disabilities, and single-headed households. Vulnerable groups tend to be more reliant on social services and facilities and it is essential that these groups have equitable access. Inclusion requires considerations around both the physical design of buildings and spaces, as well as the operating systems. Buildings that meet certain capacity thresholds and are open to the public shall ensure universal accessibility to differently abled people. Also, such buildings can offer gender-inclusive facilities (such as breast-feeding rooms) to promote gender equity and cater to the unique needs of users of all genders.

⁶ “A liveable community is one that has affordable and appropriate housing, supportive community features and services, and adequate mobility options, which together facilitate personal independence and the engagement of residents in civic and social life” (AARP 2005).

Strategic Objective L2: Built environment preserves the local culture and promotes green urbanisation.

Linked to SDG Indicator 11.c.1 and 11.4.1

Promoting green architecture and urban design is essential for creating environmentally friendly and resilient cities. Vernacular architecture and spatial patterns make use of local and traditional resources, materials, and knowledge. Homegrown forms of building help to preserve the local identity of a place. Moreover, building processes that respond to local needs and context may present opportunities for improved affordability and contribute to the increase in the affordable housing stock. Further, some of these materials, such as bamboo, have by-products that can stimulate the circular economy. Topographically sensitive traditional human settlement patterns and structures are critical in areas characterised by steep slopes. Compared to standard gridlock patterns, vernacular urban patterns and settlements tend to be more resilient to natural hazards as they adapt to the natural topography.

The application and the improvement of existing frameworks can ensure principles of culturally sensitive and green urbanisation are applied. Urban master plans have identified cultural and heritage assets and nodes that require preservation, rehabilitation, or development to ensure the future-oriented growth of cities pays homage to Rwanda's rich cultural history. Environmental regulatory frameworks require that Strategic Environmental Assessments (SEAs) and Environmental and Social Impact Assessments (ESIAs) be conducted before any plans and projects can be endorsed or implemented. It is essential to incorporate recommendations from these assessments to ensure that environmental and sustainability considerations are integrated into the planning and implementation process. The Green Building Minimum Compliance System encourages all buildings to focus on materials with a low carbon footprint, high energy efficiency, and minimal environmental impact but specifically demands buildings in Categories 4 and 5 to abide by those requirements. As a result of these cultural and environmental principles and frameworks, Rwandan cities will benefit from the preservation of cultural assets and natural assets, improved air quality, reduced energy consumption, and enhanced climate resilience.

Strategic Objective L3: Green cities that contribute to the preservation of natural ecosystems.

Linked to SDG Indicator 11.4.1, 11.5.1-3, 11.7.1 and 11.b.1-2)

Urban development must prioritise ecological-focused projects to ensure green and blue assets and infrastructure networks (both within and between cities) are created, restored and protected. This might first involve prioritising green and blue assets in all districts based on their socio-economic and environmental value, including carbon sequestration potential, and devising a range of urban greening projects country-wide, inclusive of preservation and restoration efforts. To ensure the long-term success of ecosystem protection projects, it is important to develop approaches that not only benefit the environment but also local livelihoods and communities. This can be achieved by combining initiatives that protect ecosystems and biodiversity with a socio-ecological approach that actively involves residents in conservation efforts, fostering a sense of environmental stewardship in communities. A clear opportunity that links natural ecosystems with livelihood is urban agriculture, where master plans have allocated land uses in urban areas for agricultural activities (and that require to be protected from the pressures of the built environment) which can be a source of socio-economic growth of urban communities.

Ecological-focused initiatives should emphasise the use of ecosystem services for environmental protection and risk mitigation, including protection against floods and landslides. In fact, nature-Based Solutions (NbS) and ecosystem-based adaptation (EbA) are essential strategies for climate change mitigation and adaptation in Rwanda. As adverse climate-related shocks become more frequent and

intense, there is an increasing need for effective flood and landslide management and mitigation measures. Mainstreaming and intensifying the use of NbS in basic service delivery as an alternative to, or in conjunction with, grey infrastructure with a focus on stormwater management, soil erosion control, ecosystem, and biodiversity conservation can effectively protect and strengthen natural urban green and blue corridors within and between cities. For instance, given the prevalence of wetlands in Rwanda's key cities, there is strong potential for cities to be developed into 'sponge cities' that mitigate flood risk by absorbing and re-using rainwater.

Additionally, mainstreaming access to urban nature in cities can greatly contribute to the general well-being of urban residents. In alignment with SDG Goal 11, Target 11.7, cities must dedicate a share of their overall area to accommodate open space available for public use (e.g. parks). Access to urban nature can be supported by a public green space activation strategy. This strategy should focus on creating accessible and well-maintained public green spaces that promote community engagement, physical activity, and social cohesion. By developing parks, gardens, and other green spaces in urban areas, the strategy can further enhance the connection between residents and their natural surroundings, supporting overall well-being and environmental awareness. Ultimately, by linking ecosystem protection to community development and urban green space activation, urban areas can have a sustainable future that benefits both the environment and the people who depend on it.

Strategic Objective L4: Safe and healthy cities built on strong social cohesion

Linked to SDG Indicator 11.6.2, Indicator 11.7.1-2

Improvements to the built environment should be used to promote urban safety and vibrancy. Rwanda is already well-known as one of the safest places in Africa and in the world and its urban development should strive to further preserve safety and foster social cohesion. With the right types of mixed-use development and urban design guidelines that encourage active frontages, low walls, clear lines of sight, street lighting, and uninterrupted pedestrian routes, large parts of the city can remain safe and active during the day and night. To cater to a diverse range of resident and visitor groups, complementary public spaces should be designed to promote a range of public spaces at both a city and neighbourhood scale. In fact, well-designed public spaces encourage social interaction, promote a sense of community, and can also serve as catalysts for further development and investment in surrounding areas. Further, to incentivise healthy lifestyles, NMT should be encouraged through improved sidewalks and street crossings, pedestrian and bicycle routes along green corridors, and shorter commutes (enabled through compactness, integrated and multi-nodal planning).

To create safer cities in Rwanda, it is essential to also mitigate public health risks. By mainstreaming the One Health approach in collaboration with various sectors (health, environment, agriculture, etc.), urban planning and development initiatives can better tackle the complex challenges facing modern cities, ultimately creating safer and more attractive spaces for all inhabitants. In addition to their environmental benefits, the promotion and protection of green spaces and biodiversity can directly benefit public health by encouraging active lifestyles through walkable streets and accessible recreational facilities. Also, as recommended by the SEA of the Urbanisation Policy, air quality monitoring systems should be installed and maintained across cities to consistently measure and analyse air pollution levels. These systems will help identify pollution sources and enable targeted interventions to improve air quality, ultimately enhancing the health and well-being of urban residents.

3.4 PILLAR 4: ECONOMIC GROWTH

Urbanisation is a key driver of economic growth. Economic growth contributes towards improved living standards, higher wages, and better access to goods and services for its citizens. As an indication of how efficiently an economy is using its resources to produce goods and services, productivity is a key driver of economic growth. Productivity gains allow cities to create new jobs and attract businesses, leading to increased economic diversification and stability. As Rwanda further urbanises, it is critical to align with green development approaches that decouple economic growth from the use of fossil fuels by shifting society and the economy toward greater reliance on renewable energy, energy efficiency, and green transportation. This pillar captures the aspirations of Vision 2050 and the Green Growth and Climate Resilience National Strategy for economic growth guided by green and sustainable principles.

The alignment of spatial and economic planning ensures people across all urban areas have access to job opportunities. A key outcome of this alignment is the creation of urban density which improves productivity. It unlocks the power of agglomeration economies, with benefits such as economies of scale and intangible information spillovers. Ensuring that the socio-spatial context informs economic infrastructure project planning will allow for local strengths, constraints, and potentials to be considered when crafting plans towards the establishment of productive clusters. Enabling the structural transformation of the economy will ensure that urbanisation is accompanied by the creation of modern employment opportunities.

National and local coordinating bodies need to be adequately capacitated to develop and implement these strategies and linkages. At the national level, the efforts to decentralise should continue to be supported. Decentralisation is a key theme in Rwanda's economic strategy, with district-level documents highlighting both the unique economic characteristics of each district and the necessary investments to unlock latent potential. At the city and district levels, government entities need to focus on urban densification and local economic development. Both the national-level and district-level imperatives require economic and spatial planning. Effective planning creates policy direction and incentives for density; and fosters the necessary conditions for agglomeration economics. Targeted incentives will be used to promote green growth.

For urbanisation to adequately support economic growth, the following strategic objectives are a priority:

Economic growth pillar: *Maximise the productivity of urban citizens by prioritising the efficient development and maintenance of infrastructure that supports economic growth and development, while also facilitating equitable access to employment opportunities. Additionally, promote the creation of high-value green jobs in strategic high-priority sectors to foster sustainable and inclusive economic growth.*

- **Strategic Objective E1:** Improved own-source revenue generation to fund enabling infrastructure, public and social amenities, and economic catalysts
- **Strategic Objective E2:** Sustainable growth in industry, MSMEs, and the green economy

Strategic Objective E1: Improved own-source revenue generation to fund enabling infrastructure, public and social amenities, and economic catalysts.

Strengthening Rwanda's urban infrastructure, which can facilitate economic development, will be enabled by more fiscal autonomy at the local level. Critical enabling reticulation infrastructure such as transportation linkages, water and wastewater systems, stormwater channels, and digital telecommunication will allow cities to grow, while providing the supporting mechanisms for catalytic

megaprojects, such as new economic districts, industrial zones, tourist attractions, and large-scale logistics facilities, intended to transform the urban landscape create new growth opportunities. These infrastructure projects demand that decentralised entities play a bigger role in funding those initiatives. Increased contributions in the planning, financing, and implementation of projects will advance Rwanda's decentralisation journey. This entails secondary, satellite and key district cities taking on greater responsibilities in terms of raising revenue and allocating expenditures. This in turn requires the establishment of prudent capital-raising processes and practices, that can involve various forms of municipal finance and own-source revenue-raising approaches.

To increase and diversify own-source revenue, cities and towns in Rwanda should also explore ways to leverage untapped sources of revenue. Land Value Capture (LVC) is one important source of municipal revenue, and Rwanda has already improved its property tax regime to allow for LVC to be scaled up. Going forward, other LVC mechanisms – especially land pooling/readjustment schemes – should be scaled up to provide additional sources of revenue to support urban development. In the long run, these will offer a revenue stream that can ensure the recuperation of real estate value gains generated by infrastructure upgrades. For instance, this can be achieved through the existing mechanisms of collecting taxes on property transfers given that higher property values (resulting from infrastructure provision) would yield higher transfer amounts. Enabling national frameworks and legislation will incentivise local government's LVC financing of sustainable infrastructure and set the appropriate LVC assessment parameters. All mechanisms should be deployed in a way that increases and diversifies revenue generation without becoming a disincentive for private developers or denying low-income residents access to land or housing.

The government should also expand the scale of municipal finance. In addition to own-source revenue and inter-governmental fiscal transfers, local governments can mobilise finance through municipal bonds and blending sources of project finance. Critically, finance should be appropriately matched to investment/expenditure. Pension funds are a significant source of patient, upfront capital, and a potential investor in municipal bonds. Importantly, a local government's ability to generate revenue is a prerequisite to raising finance through bond issuance.

Strategic Objective E2: Sustainable growth in industry, MSMEs, and the green economy

Developing adequate infrastructure is crucial for reducing the cost of doing business and fostering green and resilient development in Rwandan cities. The private sector has a major role to play in promoting sustained urban productivity, with urban businesses needing an enabling environment through the sound implementation of a supportive regulatory environment and critical public services. The existing Special Economic Zones (SEZs) across the country hold the potential to increase economies of scale and generate off-farm jobs. Improving connectivity and infrastructure in SEZs and industrial parks – including water, roads, and electricity – will positively impact their productivity. Maximising the use of existing infrastructure through efficient operations and maintenance mechanisms is also essential.

The principles that underlie eco-industrial parks can be adopted to encourage circularity and green industry zones in urban areas. Circular economy is a concept that goes beyond zero waste and decouples economic activity from the consumption of finite resources: designing waste out of the system. Green industry zones will promote industrial symbiosis and the emergence of business models that incorporate the use of renewable energy, circularity, and energy efficiency. Programmes that develop low-carbon technologies for sectors such as manufacturing and logistics should be prioritised.

Through the strategic location and promotion of synergetic businesses, clustering can be used to increase economic density and diversification in urban areas⁷. Increased economic density will help to foster synergetic relationships. Benefits related to activities taking place near one another include reduced costs and knowledge spillovers. Examples of clusters might include tourism clusters, knowledge and innovation clusters, agro-food clusters, and manufacturing clusters. Clustering can help to create new MSMEs and scale existing ones. While the major beneficiaries of this process are micro and small businesses, this process is not automatic; supporting policies and interventions are required to ensure the economic benefits remain inclusive. Special attention needs to be given to promoting green and circular economy principles and supporting the formalisation of informal businesses by incrementally integrating them into formal value chains.

⁷ This notion of clustering includes a plethora of actors and assets along a value chain, from large companies, SMEs and startups, to suppliers of specialized inputs, providers of specialized infrastructure, large scale customers and manufacturers of complementary products, and also extending to governmental and other institutions such as universities, standards-setting agencies, think tanks, vocational trainers and trade associations.

4 Annex

4.1 POLICY AND INSTITUTIONAL FRAMEWORK

Urbanisation is legislated through a series of legal provisions, policies, strategies and plans focusing on three core themes: land use, urban development and the economy. A summary of these plans is included in the table below.

Table 1: Summary of key policy and legal documents, of relevance to Rwanda's urban sector

Name (year)	Institution (Level)	Summary
Organic Law determining the administrative entities of the Republic of Rwanda (2005)	Government of Rwanda (GoR)	This organic law, pursuant to Article 5 of the Constitution, provides for the territorial breakdown of Rwanda into a hierarchy of administrative entities (provinces and the City of Kigali, districts, sectors, cells, and villages).
Law Creating and Organizing Condominiums and Setting Up Procedures for their registration (2010)	GoR	This law provides the legal framework that governs the establishment and management of condominium properties in Rwanda. The law provides guidelines for the division of buildings into separate units or apartments, along with the allocation of ownership rights and responsibilities among individual unit owners. It outlines the process for creating a condominium regime, including the registration and documentation requirements. The law also establishes the rights and obligations of unit owners, the responsibilities of the condominium association, and the procedures for resolving disputes.
National Industrial Policy (2024)	Ministry of Trade and Industry (MINICOM)	This policy provides guidelines to support Vision 2050 and achieve the target of becoming a high-income country by 2050. The guidelines are aimed at promoting the growth of Rwanda's economy, by increasing GDP, implementing structural transformation, increasing non-farm jobs and increasing national investment.
Law Governing Urban Planning and Building in Rwanda and its implementation orders (2012)	GoR	This Law provides the legal framework governing urban planning and building in Rwanda. Urban areas are classified into three categories: (a) cities, (b) municipalities, and (c) agglomeration. The aim of urban planning is the progressive and provisional development of agglomerations within the framework of economic and social development policy, rural planning and environmental protection. Additionally, the purpose for building planning is to promote the harmonisation of professional practice in construction.

Presidential Order establishing the list of fees and other charges levied by decentralised entities and determining their thresholds (2012)	GoR	This order serves as the main legal guide for establishing land-related revenues. Article 3 of the order sets the fees and other charges which may be collected by a decentralised entity including land-based revenues. The Presidential Order provides for minimum and maximum tax rates, but states that the exact amounts of taxes should be fixed by the council of the decentralised entity.
Law determining the organisation and functioning of decentralised administrative entities (2013)	GoR	This law sets out the structure and functioning of decentralised local administrations, including their governance and functions. Its provisions for the City of Kigali and its three districts have been revised in a new and separate law. The recently enacted Law N° 065/2021 of 09/10/2021 governing the district now applies to the other 27 districts (and their subsidiary entities).
National Roadmap for Green Secondary City Development (2015)	Ministry of Infrastructure (MININFRA)	The National Roadmap for Green Secondary City Development (NR) is a practical guide for planning of the six secondary cities, identified in EDPRS 2. It is also an operational tool for the National Strategy for Climate Change and Low Carbon Development, paving the way for climate-resilient development in Rwanda by addressing climate change adaptation and mitigation until 2050.
National Housing Policy (2015)	MININFRA	The National Housing Policy strategizes in a holistic approach the way toward a positive impact on increasing employment rates, skills transfer, and quality enhancement in the local construction industry – all seen as factors contributing to a vision of increasing wealth for all. A wide approach to making housing affordable is needed. In 3 policy pillars, the document 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.
Prime Minister Instructions determining the Conditions and Procedures for Obtaining Government Support for Affordable Housing Projects (2015)	GoR	The Prime Minister's Instructions on affordable housing are a commitment to the financing of inner-neighbourhood infrastructure from the side of the Government under set conditions. The conditions relate particularly to the profiles of beneficiaries of the housing units, to the affordability of access schemes to housing which may either look at the sales prices or affordability of financing schemes, and to resource-efficiency and local skills enhancement through collaboration with local SME's.
Expropriation Law (2015)	GoR	The law sets out the conditions under which government can expropriate land in the public interest for planning and infrastructure development purposes.
National Informal Settlements Upgrading Strategy (2017)	MININFRA	The NISUS provides the guiding principles and establishes the procedures for urban upgrading in Rwanda. It aims to guide the inclusion of existing, currently informal housing stock as part of the formal stock of housing in support of sustainable settlement, affordability of housing, improvement of living conditions and asset value increase. The NISUS establishes several priority issues related to physical accessibility, erosion control, stormwater management and service delivery.

National Strategy for Transformation (NST1) (2017)	Ministry of Finance and Economic Planning (MINECOFIN)	This policy (NST1) combines the 7-year Government Programme (2017-2024) with the national medium-term development strategy, which were previously standalone documents. The strategy is implemented through Sector Strategic Plans (SSP) and District Development Strategies (DDS). The strategy also prioritises the 7 cross-cutting areas and presents a macroeconomic framework as well as a monitoring and evaluation strategy.
Rwanda National Land Use Planning Guidelines (2017)	National Land Authority (NLA)	The NLUPG aims to guide the efficient use of land by addressing land use conflicts and managing both natural and anthropogenic disasters through the promotion of sustainable land management.
Law determining the sources of revenue and property of decentralised entities (2018)	GoR	This law describes the revenue assignments for local government.
Revised SEZ Policy (2018)	MINICOM	Rwanda's SEZ Policy was adopted in 2010 with the objective to ensure the successful development of existing and new SEZs. SEZs were to contribute to the achievement of several of the government's ambitious developmental targets. Specifically, SEZs would contribute to: Increased foreign and domestic private sector investment; Increased employment and income generation (Direct and Indirect); Export growth and diversification and increased foreign exchange; Development of industry and other sectors; Skills upgrade and technological transfer
Urbanisation and Rural Settlement Sector Strategic Plan 2018-2024	MININFRA	The Strategic Plan echoes the NUP recommendations and focuses on specific themes such as: (i) Integrated human settlement planning and coordination (Outcome 1) (ii) City of Kigali, Secondary cities and other potential Towns developed to spur socio-economic growth (Outcome 2); (iii) Liveable, well-served, connected, compact, green and productive urban and rural settlements with a cultural identity (outcome 3), (iv) Access to social and affordable housing (Outcome 4); and (iii) informal settlement upgrading (Outcome 5).
District Development Strategies (2018-2024)	Districts	District Development Strategies (DDS) are inclusive 6-year development strategies that guide different actors in the district development over the medium-term. It is the result of a consultative and iterative process of priorities definition, target setting and quality assurance to ensure coherency and alignment with the National Strategy for Transformation (NST-1). Its elaboration has generated sustainable strategies that are inspired by and aligned with the various national policies such as Vision 2020, Vision 2050, the National Strategy for Transformation (NST-1) and Sector Strategic Plans. The DDS is aligned with national outcomes and targets as determined by the NST-1.
Revised National Land Policy (2019)	Ministry of Environment (MoE)	The 2019 National Land Policy builds on the achievements of the 2004 Land Policy. It focuses on the efficient use and management of land to support the national transformation goals without compromising the benefits of future generations. The policy establishes a set of policy actions for each thematic area. These policy actions range from specific interventions such as the production of the National Land Use and Development Master Plan (and other land use planning documents) and the introduction of IT-based solutions to ease access to land documents, to broader interventions such as promoting locally produced and environment-friendly construction materials.
Law governing the City of Kigali (2019)	GoR	This law, enacted to strengthen the authority of the City of Kigali with respect to the three districts within its territorial jurisdiction, replaces the provisions of Law N° 87/2013.
Ministerial Instructions determining Urban Planning and	MININFRA	The Ministerial Instructions provide guidelines and procedures for urban planning, construction, and maintenance of buildings in the country. The instructions aim to promote sustainable urban development, ensure safety, and protect the environment. The instructions outline requirements for building permits, zoning regulations, environmental impact assessments, and building codes. They also establish procedures for inspection, supervision, and enforcement of regulations. The instructions encourage public participation in the planning

Building Regulations (2019)		and development process and prioritise the use of local materials and resources. The instructions also provide for penalties for non-compliance and establish a system of appeals for aggrieved parties.
Vision 2050 (2020)	MINECOFIN	"Prosperity and high quality of life for all Rwandans" is the theme of Rwanda's Vision 2050. The framework lasts from 2020-2050, with regular reviews every five years and a mid-term review in 2035. It has been framed with the overarching goal of economic growth, and more specifically to become an upper-middle income country in 2035 and high-income in 2050, and prosperity and high quality and standards of life.
National Land Use Development Master Plan 2020-2050 (2020)	MoE	The NLUDMP is a space-based national spatial plan. It is one of the most important policies in the land and agricultural domains. The 2020 review updates the 2011 NLUDMP and aligns it with the Vision 2050, NST1, the new National Land Policy of 2019, the Secondary Cities Approach, Green Growth Policies, and sector databases provided by national and authority custodians. It addresses poor land use management and planning, high competition over land by sectors, settlement sprawl, loss of agriculture and strategic lands for investment, Infrastructure planning, and management challenges, and issues related to rainwater management. In short, the overall objective of the new NLUDMP 2020-2050 is to find solutions for these issues and generate specific guidelines for implementation and primarily to design a new and updated spatial structure for Rwanda. As a means of departing from competition and conflict between land users caused by land scarcity, the NLUDMP's main target is to assess the current land users' status and issues and find the best solutions while showcasing orientations and measures for implementing the Vision 2050's goals. With this, the NLUDMP 2020-2030 strives to find the best land-use balance sheet based on spatial and economic analysis.
Entrepreneurship Development Policy (2020)	MINICOM	The Entrepreneurship Development Policy (EDP) seeks to provide an overarching ecosystem to support entrepreneurs with an enabling environment for private sector dynamism, innovation and risk-taking required for a modern, sophisticated, and rapidly growing economy.
Kigali City Masterplan 2050	City of Kigali (CoK)	The revised Master Plan is projected to 2050 and will guide the growth and development of Kigali for the next 30 years. The most important aspect of the Kigali Master Plan is to provide a road map for Kigali's future growth.
Green Growth and Climate Resilience Strategy (2021)	MoE	Rwanda's GGCRS was revised in 2021 (10 years after the first GGCRS was developed, in 2011) to reflect Rwanda's ambitions of becoming a developed, climate-resilient, and low-carbon economy by 2050. The Strategy revision reflects the country's long-term aspiration and policy orientation for Rwanda to position itself as a green industrial leader and an African pioneer of smart, eco-innovative cities, while also supporting rural economies and protecting its biologically diverse and pristine areas.
Revised Land Law (2021)	MoE	Determines modalities of acquisition, registration, allocation, possession, transfer, management and use of land. The new land law in Rwanda has five key points. Firstly, subdivision of agricultural, livestock, and forests land is now allowed to help reduce informal land transactions and disputes. Secondly, the new law provides two land tenure regimes: freehold for nationals with a maximum of 2 hectares per person, and emphyteutic lease with a longer lease period of up to 99 years for residential and commercial areas. Thirdly, all state land will be registered to the GoR through the Ministry of Environment, with specific emphyteutic lease for strategic private sector investments. Fourthly, the registrar of land title now has the power to apply prescription on land, which is expected to reduce the number of court cases related to land. Lastly, the new law enforces penalties for permits granted in contradiction with land-use plans and required standards.
District Land Use Plans	Districts	Local land use plans developed by districts, aligned to the National Land Use Plan

Law determining the organisation and functioning of decentralised administrative entities (2021)	GoR	This law sets out the structure and functioning of decentralised local administrations, including their governance and functions. The provisions for the City of Kigali and its three districts are provided in the 2019 Law Governing the City of Kigali.
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4.2 IMPLEMENTATION PLAN

Table 2: Coordination Pillar Strategic Objectives

Strategic Objectives	Policy Actions	Lead Institutions	Other institutions involved	Estimated budget (in FRW)
C.1. Increased coordination and cooperation arrangements amongst government, private sector, and civil society and academia stakeholders	Establish of City Management Offices (CMOs) that are fully capacitated and operational in secondary and satellite cities	MININFRA, MINALOC	Districts	400,000,000
	Increase in urban infrastructure budget provided by Private Sector and/or through PPPs	MININFRA PSF	MINECOFIN, RDB, CoK, Districts, DPs, etc.	150,000,000
	Implement urban development projects or programmes through operational cooperation agreements with CSOs (including CBOs), professional bodies, and academic institutions	MININFRA, MINECOFIN MINALOC	Districts, CSOs, Civil Society platforms, private sector partners	94,000,000
C.2. Improved and streamlined spatial planning and implementation and monitoring tools	Roll out SDF tools (specifically UDM) for the planning (e.g. DDS, Annual Plans), implementation, and/or monitoring of all urban development infrastructure and utilities in districts	MININFRA	MoE, MINALOC, MINECOFIN, the private sector, Civil Society platform, Development partners, etc.	1,100,000,000
C.3. Improved mechanisms for institutional exchange and knowledge retention	Establish agreements for practical exchange programmes (internships, City-to-City exchanges, hands-on training through international platforms, country exchanges through cooperation MoUs, partnerships with higher learning institutions, etc.)	MININFRA MINALOC	Capacitation partners, partner cities, relevant ministries, sector experts	N/A

Table 3: Densification Strategic Objectives

Strategic Objectives	Policy Actions	Lead Institutions	Other institutions involved	Estimated budget (in FRW)
D.1. Balanced urban and territorial development	Ensure balanced population distribution across key cities in line with NLUDMP projections	MININFRA MINECOFIN NISR	MINALOC, Districts, CoK, etc.	1,000,000,000
D.2. Compact mixed-use and inclusive urban areas	Increase area of higher density residential mixed-use zone as per the masterplans	MININFRA RHA MINICOM RDB BRD	MoE, MINALOC, MINECOFIN, Districts, CoK, DPs, Property developers	100,000,000

Table 4: Liveability Strategic Objectives

Strategic Objectives	Policy Actions	Lead Institutions	Other institutions involved	Estimated budget (in FRW)
L.1. Access to basic and social services provided to all residents	Support integrated neighbourhood planning and implementation to facilitate access to infrastructure (improved sanitation, water, and electricity) and social amenities (<i>e.g health, education, community/recreational facilities, green open spaces</i>) based on Urban Planning Code (UPC) requirements	MININFRA	NISR, MoE, MINECOFIN, MINALOC, CoK, Districts,	TBD
	Ensure new buildings (categories 3, 4 and 5) comply with universal accessibility requirements (<i>i.e. accessible to differently abled people, etc.</i>) and consider gender-inclusive facilities (<i>i.e. breast-feeding rooms</i>)	MININFRA	MINALOC, CoK, Districts, Property developers, etc.	N/A
L.2. Built environment preserves local culture and promotes green urbanisation	Enforce all occupancy permits for new buildings (categories 4 and 5) to meet Green Building Minimum Compliance requirements	MININFRA MoE	MINECOFIN, MINALOC, CoK, Districts, Construction companies, Property developers, etc.	N/A
	Integrate cultural and green urbanisation principles across cities in all new land use planning documents	MININFRA	MoE, MINECOFIN, MINICOM, MINALOC, CoK, Districts, Property developers, etc.	150,000,000
	Ensure new relevant projects complete ESIA (as it relates to building and infrastructure development) and comply with environmental management plans (<i>Relevant projects = projects required to conduct ESIA</i>)	MININFRA REMA	MoE, MINECOFIN, MINALOC, CoK, Districts, Property developers, etc.	N/A
	Perform SEA for any new urban policies, strategies, land use plans and national and subnational programmes	MININFRA REMA	MoE, Ministries as relevant to the policy/strategy	TBD
	Rehabilitate, maintain and/or develop cultural and heritage assets or zones in the capital and secondary cities as per the existing masterplans	MININFRA Ministry of Youth and Arts	MINECOFIN, MINALOC, CoK, Districts, DPs, etc.	TBD
L.3. Green cities that contribute to the preservation of natural ecosystems	Create, restore, protect and/or facilitate access to green and blue infrastructure and/or natural assets within and between cities through new urban development projects	MININFRA MoE	RDB, MINECOFIN, MINICOM, Ministry of Agriculture (MINAGRI), MINALOC, CoK, Districts, DPs, etc.	600,000,000
	Increase the average share of the built-up area of cities that is open space for public use for all (SDG indicator)	MININFRA MoE	RDB, MINECOFIN, MINICOM, MINALOC, CoK, Districts, DPs, etc.	
	Facilitate allocation of designated areas for urban agriculture, in line with city masterplans, district land use plans and national strategy	MININFRA MoE MINAGRI	MINALOC, MINECOFIN, MINICOM, CoK, Districts, DPs, etc.	N/A
L.4. Safe and healthy cities built on strong social cohesion	Support the provision of NMT access (<i>i.e. pedestrian access at minimum</i>) and public lighting in urban roads	MININFRA	MINECOFIN, CoK, Districts, etc.	TBD

Table 5: Economic Growth Strategic Objectives

Strategic Objectives	Policy Actions	Lead Institutions	Other institutions involved	Estimated budget (in FRW)
E.1. Improved own-source revenue generation to fund enabling infrastructure, public and social amenities, and economic catalysts.	Support the increase in own-source revenue generation at the local level (district and/or city)	RRA Districts CoK	MINECOFIN, MININFRA, DPs, etc.	600,000,000
E.2. Sustainable growth in industry, MSMEs, and the green economy	Accelerate infrastructure provision (according to phasing) to industrial parks and economic zones in urban areas	MININFRA MINICOM RDB Districts	MINECOFIN, MINALOC, CoK, Districts, DPs, etc.	TBD
	Facilitate MSMEs and large-scale enterprises to operate in urban areas in support of the objective of off-farm job creation, including green jobs	MINICOM CoK Districts	RDB, NISR MININFRA	N/A

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