



A JOURNEY OF TRANSFORMATION AND LOCAL LEADERSHIP

Catholic Relief Services and the Catholic Church in Rwanda



“Many of the problems that led to crises in the Church are due to archaic structures without a system of control.”

Bishop Philippe Rukamba of Butare Diocese

In the early 2000s, the Church in Rwanda was struggling to recover from dwindling external support and the 1994 genocide against the Tutsi, and to respond to the overwhelming need of those left vulnerable by this social upheaval. Key leaders with exposure to management principles sparked reflections within the Church and reached out to Catholic Relief Services for support. In 2004, CRS and the Catholic Church in Rwanda began a unique collaboration, with CRS providing technical assistance, accompaniment and modest funding to build the capacity of Church leaders and structures.

The project’s first phase ran from 2004 to 2010, and its second phase, the Rwanda Church Institutional Capacity Strengthening Project, ran from 2010 to 2020 and centered on professionalizing Church management systems and strengthening its accountability structures at all levels. CRS’ investment was \$2.2 million, while the Rwanda Church contributed an estimated \$6.6 million in terms of cash, level of effort and in-kind resources.

Currently, the Catholic Church in Rwanda has nine dioceses, 220 parishes with 989 sub-parishes, and 33,672 basic ecclesial communities, which represent exponential growth since 2010. The CRS–Church partnership includes all nine dioceses, having begun with two pioneering dioceses—Cyangugu and Kibungo—and expanding to Gikongoro, Butare, Byumba and Ruhengeri. More recently, Kabgayi, Nyundo and Kigali dioceses also joined.

The project has benefitted 139,200 direct participants and 2,692,458 indirect participants, including those working in the targeted dioceses, parishes and congregations. The interventions continue to yield tangible institutional changes.

These include:

- Awareness-raising, development and implementation of **strategic plans** for the episcopal conference and the Diocese of Cyangugu.
- Development, adaptation, validation, rollout and monitoring of **management tools** specific to Church needs and context.
- Recruitment, training and accompaniment of—and provision of relevant equipment for—**skilled accountants**.
- Implementation of consistent and comprehensive financial and programmatic management and reporting procedures and systems.
- Dramatic **shifts in mindset** among stakeholders who now appreciate the value of management principles in pursuit of the Church’s practical and spiritual missions.

CRS encountered challenges while working with the Church in Rwanda:

- **Strong financial dependence due to a significant reduction in external subsidies.**
- **Weak management systems and lack of management tools.**
- **A high rate of staff turnover** in both institutions. Uncompetitive salaries, the reassignment of staff and the time-bound nature of assignments were not helpful in retaining employees.
- **More than half of Church resources were unused or underused** When more dioceses became interested in joining the initiative, there were limited resources to support this. Lay people make up a valuable human resource that has also been underused.
- **A lack of systematic data** to document and monitor progress. There was also a lack of general monitoring, evaluation, accountability, and learning (MEAL) support for this initiative.

Challenges



Financial dependence



Weak management systems and tools



High staff turnover



Church resources unused or underused



Lack of data



The Bishops of Rwanda celebrate the silver anniversary of Bishop Philippe Rukamba in his Diocese of Butare. Photo by Fr Evariste Nshimyumemyi for CRS



Bishop Vincent Harolimana of Ruhengeri Diocese, one of the Church leaders who engaged his entire team in designing a series of management tools.

Photo by Pascasie Musabyemungu for CRS

Through the strategic planning process, the Church in Rwanda identified four primary factors in need of capacity strengthening:

- **Financial independence:** External subsidies are in decline.
- **Human resources systems and structures:** These entities are poorly managed, and there is low accountability within the Church's workforce. Minimal involvement of laypersons and non-compliance with new national labor laws, rules and regulations are also of concern.
- **Financial systems and structures:** These are marked by poor adaptation to new tax legislation and weak administration of income-generating activities.
- **Use of land resources and infrastructure:** Land is a primary asset for income generation, sustainability and community engagement, and should be used to its full extent.

Based on inadequate workforce management, a weak understanding of taxes, the underutilization of diocese-owned physical assets, and the insufficient involvement of laypersons, the Church cited four significant goals:

- Development, adaptation, validation and deployment of resources, tools and practices to support resource management and management tools, which resulted in nearly 100 processes reflective of the needs and context of the Church in Rwanda.
- Restructuring, competency development and accompaniment of qualified staff and senior Church leaders to sustain this change process.
- Mobilization, awareness and training of lay people and priests to better contribute to the sustainability of their parishes.
- Valorization of local opportunities through the creation of income-generating activities to finance the shortfall due to the significant reduction in external subsidies.

As a result, the Church reported more than \$19 million in gains—mostly in the form of prevented losses—attributable to implementing effective management systems across Rwanda over the project's 10-year lifespan.

The initiative reached 139,200 individuals as direct participants across 21 Episcopal commissions, 97 congregations and religious orders operating in the nine dioceses, 2,970 schools (including kindergartens, primary and secondary schools, colleges and institutes of higher education), 118 health facilities, and 200 profitable businesses.

After all the bishops in 2015 committed to follow and adapt the Cyangugu pilot, operations and management improvements within all dioceses, the Episcopal Conference, and the respective commissions accelerated and led to the following outcomes:

- Increased adherence to tax codes and other legal and regulatory requirements substantially reduced, and in some cases eliminated, penalties and fees.
- Tax compliance generated new funding sources for investment in income-generating activities (IGAs) that benefited the Church and local communities. The impact of various capacity building approaches unlocked the potential of the Church as a credible social actor, transforming it into an influential leader among civil society organizations.
- The dioceses reported a decrease in litigation and bankruptcy, strengthened collaboration with key stakeholders, transparency in creating project reports for public consumption, and pride in compliance with the government's legal and regulatory requirements.



Bishop Celestin Hakizimana continues to lead capacity building through the Bureau Technique under the economic and strategic planning episcopal commission.

Photo by CRS Congo staff

1,100%

INCREASE IN TAX
PAID TO THE RWANDA
GOVERNMENT
(2010-2020).

\$32,500

IN SOLIDARITY FUNDS
FROM PARISHES
ASSISTED NEW
PARISHES AND THE
VERY POOR.



Religious congregations
attended training on the
new taxation system.

Photo by Innocent
Nzabagerageza for the Church

SOLIDARITY FUNDS

Solidarity funds are paid by the parishes from their own income. The funds are used for vehicle renewal and to finance the IGAs of newly created parishes. A committee at the diocesan level manages the funds.

“ We don't look at the diocese to help us; we know how to manage our situation and how to search for resources and financial support.

Fr Paulin Habimana
Muyange parish priest,
Cyangugu Diocese

- An improved understanding of and technical proficiency in the local labor laws and national legislation governing nonprofit organizations led to decreased risk and litigation. For instance, the Catholic Church paid 53 million Rwandan francs (RWF) (about \$50,000) in fines for non-declaration and nonpayment of workforce-related taxes in 2010. By 2020, 25 major risks (e.g., debts, fines, penalties and litigation) were reduced by 98% in 100 parishes across six dioceses. Standardized formats for tax-related financial statements and prompt reporting improved compliance with 12 types of mandatory taxes in 2020, up from four in 2010. This resulted in 150 billion RWF (about \$145 million) in payments to the government, a 1,100% increase on 2010.
- The number of effectively managed IGAs rose to 62 medium-to-large profitable projects in 2020, up from 13 projects operating at a deficit in 2010.
- 90% reduction in land-related disputes and court cases between 2010 and 2020.
- 35 new service units (i.e., HR recruitment panel, land assets officers, etc.) established across nine dioceses and more than 200 new profitable businesses. Moreover, 1,137 new staff were added in six targeted dioceses.
- The creation of 35 million RWF (about \$32,500) per year in solidarity funds by parishes assisted the very poor, as well as new parishes, and enabled vehicle renewal.

Positive changes observed within the diocese:

- Internal planning, monitoring and control was standardized.
- Exchange visits took place between dioceses.
- Lessons learned and stories of success persuaded those who were resistant to the new approaches.
- Jobs were created to oversee the more than 200 resulting new profitable businesses across all dioceses.
- Diocesan budgets rose.

Priests and laypersons have recognized their shared obligation to the financial well-being of their parishes and Church structures.

Newly created financial councils, composed of laypersons and skilled accountants and auditors, manage parish resources. Tools, such as accounting software to generate consistent reporting at the diocesan level, have contributed to greater confidence among parishioners. Other changes are summarized below:

- **Parishes gained greater knowledge and skills** by tapping existing resources and opportunities. Laypersons cocreated budgets, built financial reserves, built churches and collected funds to buy vehicles for priests' transportation to carry out their pastoral duties. Importantly, this level of capacity development has led to a reduced financial reliance on the dioceses to subsidize Church finances.
- **Growing lay participation.** The percentage of laity involved in parish management rose to 70% from 30% (2012-2020), based on more transparent comanagement.
- **Innovated employment of accountants and cashiers.** Before 2010, there were no accountants and cashiers at the parish level. As of 2020, 205 accountants and 205 cashiers with a clear separation of duties were employed at the parish level.
- **Budget deficits erased.** Due to CRS-provided technical assistance on multi-level management systems, practices and tools, deficits and debts have been addressed.

Emerging from this collaborative reflection between the Church in Rwanda and CRS, the following factors were confirmed as overarching contributors to success:

- **A supportive external environment** that protected and, in some instances, required the institutional changes that were achieved.
- **Leadership and commitment** showed by both parties. Besides support provided by senior-level leadership, it was essential to invest in mid-level competent leads to guarantee the initiative's stability and continuity.
- **Meaningful relationships and trust** allowed the CRS-Church partnership to grow and evolve. This level of transparency has allowed for equitable negotiations and genuine accompaniment in all areas.
- **Equitable negotiation** by partners to navigate change and uncertainty together.

When viewing possible emerging scenarios of partnership and work between the Church and CRS in Rwanda, the following areas garner most attention:

- **Sustain ongoing development.** There is a need to consolidate and expand competency areas with current staff, new hires and new Church entities, as long as apostolic personnel operate by rotating position.
- **Design and implement a periodic face-to-face capacity development offering** for Church actors, beginning with competency areas and expanding capacity development to new competency areas, and to the Church in other countries to better respond in solidarity.
- **Conduct a feasibility study on the untapped potential of Church actors.** There is a consistent perception that less than 50% of assets are actively used, thus it would be beneficial to leverage these assets to advance pastoral work.
- **Explore the feasibility of establishing national networks** that can efficiently coordinate the work conducted by Church and other faith-based actors beginning with a Catholic Health Network as a unified interlocutor with the government.
- **Invest in advocacy and influence** to scale up competencies to support the advancement of both pastoral and programmatic outcomes.



Members of Congo-Brazzaville and Rwandan dioceses at a knowledge-sharing event on Church management.

Photo by CRS Congo staff

GENERAL TIPS FOR REPLICATING AND ADAPTING INSTITUTIONAL STRENGTHENING APPROACHES

