

REPUBLIC OF RWANDA

SOCIAL SECURITY FUND OF RWANDA

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BUSINESS PLAN 2009

October 2008

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1. STATEMENT OF THE CHIEF EXECUTIVE OFFICER

We are pleased to introduce the business plan for the year 2009 to our stakeholders. It is now three years since our corporate plan was revised to incorporate the CSR modernisation and reform proposals. During this post-restructuring period, the four strategic goals of:

- a. Ensuring financial sustainability of social security regime;
- b. Ensuring efficient management of resources;
- c. Developing a capable, efficient and responsive organisation and
- d. Providing quality services to members and meet other stakeholder requirements;

have been the guiding principles in the designing of annual business plans and constitute the pillars of the revised 2005-2009 corporate plan.

As highlighted in the performance monitoring reports, CSR has done a lot in matters pertaining to the achievement of the four objectives stated above. Some reforms have been proposed to improve sustainability of the Fund, the business processes and procedures have been refined to enhance efficiency in managing financial and other resources.

The Fund has also designed policies on key functions like accounting, risk management and human resources management and development to ensure good governance. The service delivery standards have also been put in place to streamline the delivery of services to members and other stakeholders and the staff capacity development plan was elaborated and is being implemented. However, there are other areas that need more attention if the goals are to be fully achieved. Some of these issues include the extension of coverage and compliance.

The business plan for 2009 has been designed basing on the achievements and challenges encountered in the implementation of post-restructuring business plans and the needs and priorities for the year 2009.

The key priorities for the year 2009 include the implementation of the new policy proposals especially the introduction of the Provident Fund and Housing Scheme. The other priority is the implementation of RRA/CSR project where Rwanda Revenue Authority will collect social security contributions on behalf of CSR. Other prioritised activities include real estate projects.

CSR will maintain the strict monitoring of the business plan implementation through performance monitoring reports, a performance monitoring strategy that has proved to be effective.

Based on this performance monitoring technique and previous performance as well as strategies and structures in place, the forty nine activities presented in the business plan for 2009 will be effectively executed.

We highly appreciate the roles of different stakeholders in the implementation of the business plan for 2008 and based on their commitment and support, we are optimistic that the 2009 business plan will be effectively implemented.

Dear members, on behalf of the Social Security Fund Management and Staff, I wish you a merry Christmas and a Happy New Year 2009!

GAPERI K. HENRY
Chief Executive Officer

2. INTRODUCTION

The Social Security Fund of Rwanda is a scheme fashioned during the colonial rule to cater for contractual workers in Congo-belge (current DRC) and Rwanda – Urundi (current Rwanda and Burundi), and was working under the colonial decrees. After independence, the decrees were amended by the Government of Rwanda to formulate the Law of 15/11/1962 that marked the official existence of CSR and mandated it to administer social security in Rwanda. The law was later abrogated by the decree law of 22/08/1974 as modified and completed to date.

Since its inception, CSR has been administering two broad branches of Pension and occupational risks despite the current initiatives to introduce more products. The operations of the Fund converge on the two branches and are all geared towards the achievement of three principle objectives of collecting contributions, paying benefits and investing surplus funds.

As enshrined in the corporate plan 2005-2009, every year, CSR has to prepare annual action plan detailing the set of activities to be undertaken and the timeframe within which the activities are to be accomplished. In designing the action plans, the following issues of sustainability, efficiency, transparency and responsiveness serve as key guiding principles.

The plan is drawn in a tabular form, the format of previous action plans, clarifying action to be undertaken, the performance indicator, the timeframe and the unit responsible.

3. CORPORATE STATEMENTS

3.1. Vision

“To be the best social security service provider in the region”

3.2. Mission

“Efficiently manage members’ funds and provide high quality service to beneficiaries and other stakeholders.”

3.3. Corporate values

- Fairness and professional excellence;
- Openness and accountability;
- Creativity, innovation and integrity;
- Efficiency and transparency in service delivery;
- Cooperating and working with others;
- Information Technology oriented;
- Being responsive to challenges and opportunities.

4. OPERATING ENVIRONMENT (SWOT Analysis)

The SWOT analysis for CSR is detailed in the table below.

Table 1: CSR's SWOT analysis

STRENGTHS		WEAKNESSES	
1.	Revised processes and procedure manuals	1.	Lack of information systems to analyse, appraise and monitor the investments
2.	The adopted decentralization system helps to improve service delivery	2.	Un-updated data base
3.	Committed and devoted management team	3.	Lack of appropriate application software relevant to CSR Operations
4.	Existence of updated investment guiding documents like investment policy and guidelines.	4.	Absence of experienced actuaries and other industrial expertise
5.	Spirit of team working	5.	Poor documentation
6.	Availability of online services will further improve service delivery and compliance		
7.	Experienced staff with the capacity to learn		
OPPORTUNITIES		THREATS	
1.	Support from the government	1.	Incompliance culture among employers
2.	Growing partnership with other government institutions	2.	Increasing informal sector
3.	Growing economy	3.	Narrowness of Financial market
4.	Set up of National policy on Social security	4.	Unfavourable macroeconomic changes
5.	Economic integration widening investment opportunities	5.	Delays in tender processing
6.	Stable political environment	6.	High costs for the publicity campaigns
7.	Growing cooperation with ISSA and other Social security institutions		
8.	Good cooperation with other local investors		
9.	Introduction of capital market and financial sector development programs		
10.	Government efforts to promote good governance and transparency		
11.	Development of ICT programs in Rwanda		

5. IMPLEMENTATION DETAILS

The CSR action plan is financed by its own resources. There are no projections for the funds to be mobilised from external sources. This section clarifies the revenue projections for the year 2009 and relates those projections to the anticipated expenditures.

5.1 Resource availability

It should be reminded that the CSR's major revenue sources are:

- Members' contributions and
- Investment returns.

Table 2. 2009 Revenue projections

Source	Amount in Rwf
Opening balance	4 500 000000
Members' contributions	24 355 237 034
Investment and other revenues	23 020 672 387
Total	51 875 909 421

5.2 Anticipated Expenditures

CSR expenditures, according to our budget, are categorised into four types, namely:

- Benefits expenditure (like pension payouts),
- Operating expenditure (like administrative expenses)
- Equipment expenditure (like purchasing computer equipments and other durable equipments)
- Investment expenditure (covers all investments to be effected in 2009)

The details of the above-stated expenditures are presented in the table below.

Table 3. Budget for 2009

Expenditure type	Amount in Rwf
Benefits expenditure	4 979 204 260
Operating expenditure	6 128 485 941
Equipment expenditure	686 110 000
Investment expenditure	38 780 000 000
Total expenditure	50 573 800 201

Based on the projected revenue and expenditure figures, CSR action plan for 2009 will be implemented with a surplus amounting to Rwf **1.3** billions

6. THE ACTION PLAN FOR 2009

This section presents a detailed action plan for the year 2009. The action plan is presented in a tabular form and comprises five items;

- i) **The goals:** As shown in the introduction, there are four major goals that provide the new strategic direction of CSR. These goals are outlined in the introduction.
- ii) **Main activities:** There are 49 main activities for CSR for the year 2009. These activities significantly contribute to the realisation of the four goals.
- iii) **Timing:** Each activity set has to be accomplished in a period of time that is specified in the table. This facilitates control process.
- iv) **Performance indicators:** Each activity has got performance indicators that guide the action plan implementation monitoring. Performance indicators/ key output are evidences that a given activity has been delivered.
- v) **Responsibility:** Each planned activity falls under the responsibility of departments. It is important to mention here that there are 10 departments. These departments are responsible for implementing the planned actions with in time limits set.

The details regarding the planned actions for the year 2009 are presented in the table below.

Table 4: CSR ACTIVITY PROGRAM FOR 2009

Goal 1: Ensure financial sustainability of social security regime under CSR				
Main Activity		Key output/ Performance Indicator	Delivery time	Responsibility
1.1	Improve the coverage rate	At least 2,800 new employers identified and registered (mandatory insurance)	December 2009	DC&B
		At least 2,000 workers in the informal sector affiliated (voluntary insurance)	December 2009	DC&B
1.2	Promote employer compliance	100% filing compliance achieved	Quarterly, annually	DC&B
		100% of filed returns processed	One month after the declaration period	DC&B
		All non-filers are identified and pursued	March 2009	DFIN
		100% of technical revenue target achieved	Quarterly, annually	DC&B
1.3	Strengthen employers' Inspection	800 employers are audited and audit reports produced	December 2009	DC&B
		Establish the CSR 's Arrears situation		
Main activity		Key output/ Performance Indicator	Delivery time	Responsibility
1.4	Strengthen the enforcement of arrears	At least 70% of contribution arrears outstanding at the commencement of the reporting period recovered.	Monthly, Quarterly	DFIN
		Government loan repayment plan respected.	Quarterly and Annually	DFIN
1.5	Maintain mechanisms of gathering information on the working population.	Information gathering channels maintained (formal links with institutions like; MINAGRI, NISR, MINICOM, BNR, RIEPA, MIFOTRA, RRA, KCC and RPSF maintained)	Continuous	DPR&S
1.6	Arrange an actuarial study (phase II)	Study draft report produced	March 2009	DPR&S
1.7	Follow-up the approval of social security reform proposals	Follow-up reports produced	Monthly, quarterly	Modernization Team

1.8	Implement the social security reform proposals	Reform proposals implemented		DPR&S, modernization Team
1.9	Draft the new social security laws	Draft laws in place	January 2009	DL&CA
1.10	Follow-up the adoption and enactment of the new social security laws	Follow-up reports produced	Monthly, quarterly	DL&CA
1.11	Draft rules and regulations in line with the new law stipulating organisation and functioning of CSR	Rules and regulations documented	March 2009	DL&CA
1.1 2	Ensure that the reserves are optimally invested and monitored.	Investment revenue target achieved	Quarterly, Annually	DI&SP
		Investment project appraisal conducted for right decisions.	Continuous	DI&SP
		A system to help in the Investment portfolio risk management designed	Continuous	DI&SP
		New investment opportunities identified	Continuous	DI&SP
		Investment monitoring reports produced to ensure implementation of the investment plan	Monthly, quarterly and annually.	DI&SP
		Enhanced cooperation with other investors and stakeholders.	Continuous	DI&SP
1.1 3	Review of the investment regulations	Investment regulations reviewed	December 2009	DI&SP
1.1 4	Ensure the effective implementation of CSR real estate projects	CSR real estate projects are implemented as planned and reports produced	Monthly, quarterly and annually	DRE

GOAL 2. Ensure efficient management of CSR resources

Main activity		Key output/ Performance Indicator	Delivery time	Responsibility
2.1	Maintain proper records and ensure effective financial accountability	Financial reports prepared and submitted on time	Weekly, Monthly Quarterly and Annually	DFIN
		Financial statements for 2008 produced	March 2009	DFIN
		Standard books of accounts kept	Continuous	DFIN

		All revenue receipts are recorded and bank reconciliation done	Daily	DFIN
		Liquidity status effectively monitored and reports produced	Monthly	DFIN
2.2	Modernise accounting system	International Accounting standards adopted	June	DFIN
2.3	Ensure efficient management of CSR's assets.	The budget allocated not exceeded	Monthly	DFIN
		CSR real estate in proper sanitary conditions	Continuous	DRE
		CSR assets re-valued	December 2009	DHR&A
		Procurement plan of stock items drawn and monitoring reports produced	Monthly	DHR&A
2.4	Supervise construction works of district branch offices (phase I)	Project of constructing CSR branch offices (phase I) implemented.	Dec. 2009	DRE
		Second phase construction of district branches tendering carried out	June 2009	DRE

GOAL 3. Develop a capable, efficient and responsive organisation

Main Activity	Key output/ Performance Indicator	Delivery time	Responsibility
3.1 Improve the computerisation system	All existing inaccuracies in the database ironed out	March 2009	DIT
	Investment project analysis and expenditure management systems designed	December 2009	DIT/DI&SP
	IT equipments (switches, Router, servers and Firewall Racks, WAAS, TV set and Storage) purchased	April 2009	DIT
	CSR 30 branches connected to Government optic fibre	March 2009	DIT
	Anti-virus server installed and Active directory improved	February 2009	DIT
	The disaster and recovery site designed and set up	February 2009	DIT
	CSR's IT system Modernised	December 2009	DIT
	Wide area network upgraded and maintained	Continuous	DIT
	CSR website updated	Continuous	DIT

Main Activity		Key output/ Performance Indicator	Delivery time	Responsibility
3.2	Evaluate and review 12 CSR system operations	3 system operations reviewed per quarter	Quarterly	QA&IA
3.3	Carry out quarterly evaluation of SMT recommendations implementation	Evaluation conducted	Quarterly	QA&IA
3.4	Liaise with the external auditors (auditor general office) to prepare and arrange the annual independent audit for the year 2008	Independent audit report for the financial year 2008	May 2009	QA&IA
3.5	Update CSR data bank for appropriate decision making	Statistical data bank updated and reports on key statistical data produced.	Monthly, Quarterly and Annually.	DPR&S
3.6	Design appropriate information flow mechanisms with in CSR.	E-management in CSR introduced	February 2009	DIT
3.7	Prepare corporate plan 2010 -2014	Corporate plan prepared	September 2009	DPR&S
3.8	Design CSR business plan for the year 2010	Business plan for the year 2010 designed	August 2009	All departments
3.9	Prepare the budget for 2010	2010 Budget prepared	August 2009	DFIN
		Budget execution reports produced	Monthly, quarterly, annually	DFIN
		2009 budget revision made	July 2009	DFIN
3.10	Conduct recruitment to fill vacant posts	Recruitment conducted and vacant posts filled	Continuous	DHR&A
3.11	Implement the training plan	Training plan implementation reports produced.	Monthly, quarterly and annually	DHR&A
3.12	Promote partnership with key institutions like RRA, Kigali City and Housing Bank	Partnership strengthened	Continuous	All departments

Main activity		Key output/ Performance Indicator	Delivery time	Responsibility
3.13	Establish fraud policy and fraud awareness programs	Anti-fraud guidelines and 2 staff awareness workshops arranged and reports produced.	August 2009	DQA&IA
3.14	Investigation on corruption and other malpractices conducted	Investigation reports produced	February 2009	DQA&IA
3.15	Set Individual SMART objectives and distribute them to all staff	SMART objectives set and distributed to all staff	January 2009	All departments
3.16	Conduct CSR staff performance evaluation exercise	Staff performance evaluation for the year 2008 conducted and evaluation report produced.	February and December 2009	DHR&A
3.17	Implement the designed staff motivation scheme and assess its impact	Staff motivation scheme implemented	Quarterly and annually	DHR&A
		Employee satisfaction survey conducted	November 2009	DHR&A
		Medical support to CSR staff for treatment abroad	Continuous	DHR&A
3.18	Promote sports activities within CSR	All necessary equipments for sports purchased	March 2009	DHR&A
		All sports activities coordinated	Continuous	DHR&A
3.19	Sensitise CSR staff against HIV/AIDS	CSR staff sensitised on HIV AIDS	February 2009	DHR&A
		Voluntary HIV AIDS tests carried out	April 2009	DHR&A
3.20	Carry out corporate governance audit.	Corporate governance audit report issued out.	October 2009	DQA&IA
		Quarterly evaluation of SMT recommendations	Quarterly	DQA&IA
		Computerise the internal audit to improve the efficiency of the audit exercise	May	DQA&IA
		Risk management workshops conducted and risk management policy designed	June 2009	DQA&IA
3.21	Modernize CSR documentation Center	Documentation equipped with up-to-date text books and other documents	June 2009	HR&A
		Computerised documentation	December 2009	HR&A
3.22	Handle court cases and provide other legal services	<ul style="list-style-type: none"> - Follow up court cases and report on cases handled produced - Contracts between CSR and other parties prepared 	Continuous	DL&CA
3.23	Promote corporate Social responsibility	Number of Social support cases handled	Continuous	DCE&CR and DHR&A

GOAL 4. Provide quality services to customers and meet other stakeholders' requirements

Main Activity		Key output/ Performance Indicator	Delivery time	Responsibility
4.1	Improve the functioning of help desk system	Online support systems improved	February 2009	DCE&CR/DIT
4.2	Devise measures to speed up the processing of pension files and other dossiers	Customers' correspondences and other requests responded to within 1 day after the date of receipt.	Continuous	DCE&CR
		Processing time for pension files reduced to 3 days	Quarterly	DCE&CR
		Carry out regular control of benefits payment system	Continuous	DC&B
4.3	Ensure accurate and timely payment of benefits to members	Timely payment of Benefits	Continuous	DC&B
4.4	Finalise payment of benefits to all pending files	All pending files paid	March 2009	DC&B
4.5	Conduct customer satisfaction survey	Report produced	November 2009	DCE& CR
4.6	Develop information exchange and promote cooperation with local and international partners	Work in synergy with both local and international partners and reports on cooperation activities produced	Continuous	DCE& CR & DPR&S
4.7	Sensitise the working population and the general public on their social security rights and obligations	Sensitisation seminars conducted	123 sensitisation campaigns per quarter	DCE&CR and DCB
		Plan for publicity arrangements drawn and implemented	February 2009	DCE&CR
		Prepare and issue out magazines on social security	One per quarter	DCE&CR
		Visits to districts conducted to establish partnership with employers, employees and other stakeholders	2 visits per month	All departments
4.8	Prepare and distribute CSR Annual reports for 2008	CSR annual performance and Statistical reports for 2008 published and distributed to key stakeholders.	May 2009	DPR&S

Abbreviations

1. **DC&B** : Department of Contributions and Benefits
2. **DI&SP** : Department of Investment and Special Projects
3. **DPR&S** : Department of Planning, Research and Statistics
4. **DIT** : Department of Information Technology
5. **DQA&IA** : Department of Quality Assurance and Internal Audit
6. **DHR&A** : Department of Human Resources and Administration
7. **DL&CS** : Department of Legal and Corporate Services
8. **DCE&CR** : Department of Contributors Education and Customer Relations
9. **DFIN** : Department of Finance
10. **DRE** : Department of Real Estate
11. **CSR** : Caisse Sociale du Rwanda