



DANIDA



Norwegian Ministry
of Foreign Affairs



SWEDEN



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

State and Peacebuilding Fund



MANAGED BY
THE WORLD BANK
IBRD • IDA | WORLD BANK GROUP



UKaid
from the British people



WORLD BANK GROUP

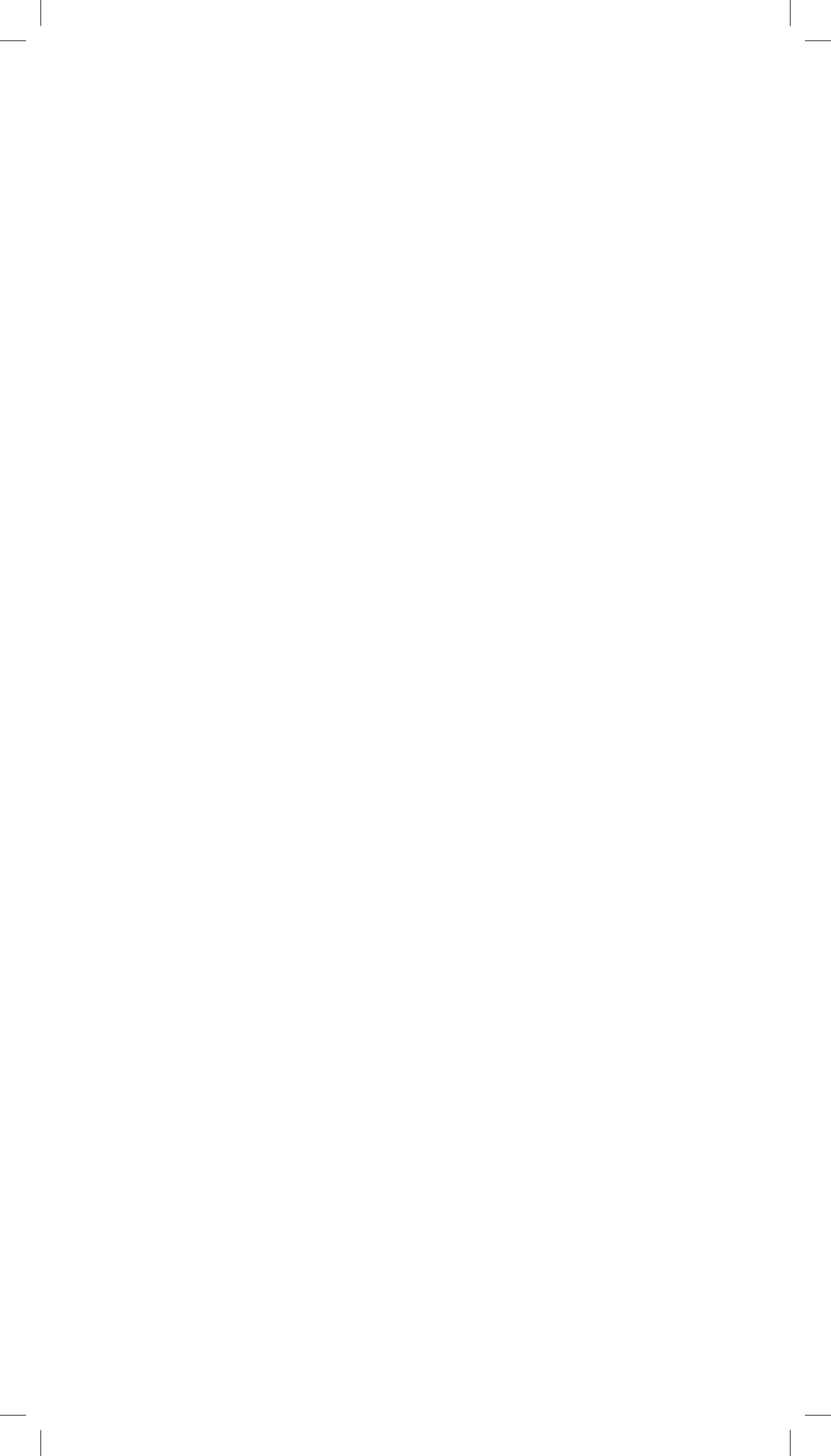


zimref

ZIMBABWE RECONSTRUCTION FUND

ANNUAL REPORT 2016





ACRONYMS

AA	Administrative Agreement
AfDB	African Development Bank
AMDTF	Analytical Multi Donor Trust Fund
BCI	Business Confidence Index
BE	Bank Executed
BEEP	Business Enabling Environment and Policy
BEFSIP	Business Environment, Financial Sector and Investment Policy
BOC	Basis of Commitment
BPC	Budget Planning and Consolidation Module
CAAT	Computer Assisted Audit Tools
CSC	Cold Storage Commission
CSOs	Civil Society Organizations
EDBI	Ease of Doing Business Initiative
EFO	Externally Funded Output
EPFMTRG	Economic Public Financial Management Technical Review Group
EMIS	Education Management Information System
EU	European Union
FNC	Food and Nutrition Council
GMB	Grain Marketing Board
GMM	Grants Management Module
ICT	Information Communication and Technology
ICTRG	Investment Climate Technical Review Group
IDBZ	Infrastructure Development Bank of Zimbabwe
IFC	International Finance Corporation
IFMIS	Integrated Financial Management Information System
IPRSP	Interim Poverty Strategy Report
ISN	Interim Strategy Note
ITRG	Infrastructure Technical Review Group
M & E	Monitoring and Evaluation
MEWC	Ministry of Environment, Water and Climate
MDAs	Ministries, Departments and Agencies
MLRR	Ministry of Lands and Rural Resettlement
MLSWPS	Ministry of Labour, Social Welfare and Public Service
MoAMID	Ministry of Agriculture, Mechanization and Irrigation Development
MoEPD	Ministry of Energy and Power Development
MoFED	Ministry of Finance and Economic Development
MoHCC	Ministry of Health and Child Care
MoMMD	Ministry of Mines and Mining Development

MoPSE	Ministry of Primary and Secondary Education
MoTID	Ministry of Transport and Infrastructural Development
MSME	Ministry of Small and Medium Enterprises and Cooperative Development
NCCG	National Code for Corporate Governance
NHA	National Health Accounts
NHFS	National Health Financing Strategy
OAG	Office of the Auditor General
OECD	Organization for Economic Cooperation and Development
OPC	Office of the President and Cabinet
PAD	Project Appraisal Document
PECG	Public Enterprises Corporate Governance
PEFA	Public Expenditure Financial Accountability
PICES	Poverty Income Consumption Expenditure Survey
PIM	Public Investment Management
PFM	Public Financial Management
PFMS	Public Financial Management System
PIU	Project Implementation Unit
POC	Policy Oversight Committee
POTRAZ	Postal and Telecommunications Regulatory Authority of Zimbabwe
PSC	Project Steering Committee
PSIP	Public Sector Investment Program
PST	Project Steering Team
QER	Quality Enhancement Review
RBB	Results Based Budgeting
RBZ	Reserve Bank of Zimbabwe
RDC	Rural District Council
RE	Recipient Executed
RVP	Regional Vice President
SABER	Systems Approach for Better Education Results
SADC	Southern African Development Community
SERA	State Enterprise Restructuring Agency
SEP	State Owned Enterprises and Parastatals
SOE	State Owned Enterprises
SORT	Systematic Operations Risk Tracking
SPF	State and Peace-Building Fund
TA	Technical Assistance
TDIS	Teacher Development Information Systems
TFSCB	Trust Fund for Statistical Capacity Building
TPS	Teacher Professional Standards

TTL	Task Team Leader
TRG	Technical Review Group
UNDP	United Nations Development Program
UNFPA	United Nations Population Fund
UNICEF	United Nations Children’s Fund
USAID	United States Agency for International Development
WASH	Water, Sanitation and Hygiene
WBG	World Bank Group
WRS	Warehouse Receipt System
ZETDC	Zimbabwe Electricity Transmission and Distribution Company
ZIMASSET	Zimbabwe Agenda for Sustainable Socio- Economic Transformation
ZIMPOST	Zimbabwe Post
ZIMRA	Zimbabwe Revenue Authority
ZIMREF	Zimbabwe Reconstruction Fund
ZIMSEC	Zimbabwe Schools Examination Council
ZIMSTAT	Zimbabwe Statistical Agency
ZINARA	Zimbabwe National Road Administration
ZINWA	Zimbabwe National Water Authority
ZPC	Zimbabwe Power Company

TABLE OF CONTENTS

INTRODUCTION	5
TRUST FUND OPERATIONS	8
GOVERNANCE.....	10
SUMMARY OF RESULTS AND RISKS	13
PROGRAM ACTIVITIES (OUTPUTS)	16
1. Business Environment, Financial Sector & Investment Policy TA	16
2. Capital Budgets TA.....	21
<i>Component 1: Public Investment Management TA</i>	<i>21</i>
<i>Component 2: State Owned Enterprises (SOEs).....</i>	<i>22</i>
<i>Component 3: Transport and Energy TA.....</i>	<i>23</i>
3. Public Financial Management Enhancement Project.....	25
<i>Component 1: Financial management and accounting.....</i>	<i>26</i>
<i>Component 2: Enhance effectiveness of internal controls and internal audit.....</i>	<i>27</i>
<i>Component 3: Enhance accountability through strengthening of external audit</i>	<i>27</i>
<i>Component 4: Strengthening the demand side of transparency and accountability.....</i>	<i>28</i>
<i>Component 5: PFMEM Management:.....</i>	<i>28</i>
3B. Public Procurement Modernization Project	29
4A. Results-based Budgeting TA	30
<i>Component 1: Program Budgeting TA.....</i>	<i>30</i>
<i>Component 2: Health Sector TA.....</i>	<i>31</i>
<i>Component 3 Education Sector TA.....</i>	<i>32</i>
4B. Poverty Monitoring and Evaluation TA	35
5A. National Water Project.....	37
<i>Component 1: Growth center water and sanitation improvements... </i>	<i>37</i>
<i>Component 2: Technical assistance</i>	<i>38</i>
<i>Component 3: Project Management</i>	<i>38</i>
5B. Climate Change TA.....	39
ANNEX I: FINANCIAL REPORT	41
ANNEX II: ORGANOGRAM	44
ANNEX III: ZIMREF PROGRAM RESULTS FRAMEWORK	46

INTRODUCTION

The **Zimbabwe Reconstruction Fund (ZIMREF)** is a country-specific umbrella-type Multi-Donor Trust Fund approved by the Board of Executive Directors of the World Bank on 9 May, 2014. The development objective of ZIMREF is: *contribute to the strengthening of Zimbabwe's systems for reconstruction and development with a focus on stabilization and reform, reconstruction, development and poverty alleviation.*

ZIMREF has remained the key instrument for implementing the World Bank's Third Interim Strategy Note for Zimbabwe and for supporting the implementation of Zimbabwe Agenda for Sustainable Socio-Economic Transformation (ZIMASSET).

At the beginning of 2016, contributing donors comprised of Denmark, European Union, Norway, the State and Peace Building Fund, Sweden, Switzerland and the United Kingdom. Of these donors, Denmark closed operations in Zimbabwe as part of a regional reorganization of their portfolio and exited ZIMREF by June 30, 2016. To date, ZIMREF has raised contributions and programmed activities amounting to just over US\$40.4 million. The Fund is expected to run until end of December 2019.

ZIMREF supports both Recipient-executed (RE) and Bank-executed (BE) activities. To date, **eight (8) activities requiring around US\$61.4 million have been approved under the Fund's four windows:** (i) Private Sector Productivity & Competitiveness; (ii) Governance, Efficiency & Effectiveness of Public Expenditure; (iii) Reduced Vulnerability & Enhanced Livelihoods; and (iv) Analytical and Policy and Advisory Work. By 2015, four (4) activities had started implementation with the remaining four (4) beginning implementation in early 2016.



Output 1: The Business Environment, Financial Sector and Investment Policy TA Program (BEFSIP) supports implementation of inter alia, Doing Business reforms, building credit and capital markets infrastructure, and reforming investment policies;

Output 2: The **Capital Budgets Technical Assistance (TA) Program** develops modern public investment planning, management and resource mobilization systems, improve state-owned enterprise governance and support development of a pipeline of feasible projects in transport and energy;

Output 3A: The Public Financial Management Enhancement Project (PFM) provides for modernization of key elements of the public financial management system including coverage and reporting, internal and external audit, and Parliamentary and civil society oversight;

Output 3B: The **Public Procurement Modernization Reform Project** which aims to support the modernization of public procurement regulatory framework and practices and develop and pilot e-Government procurement;

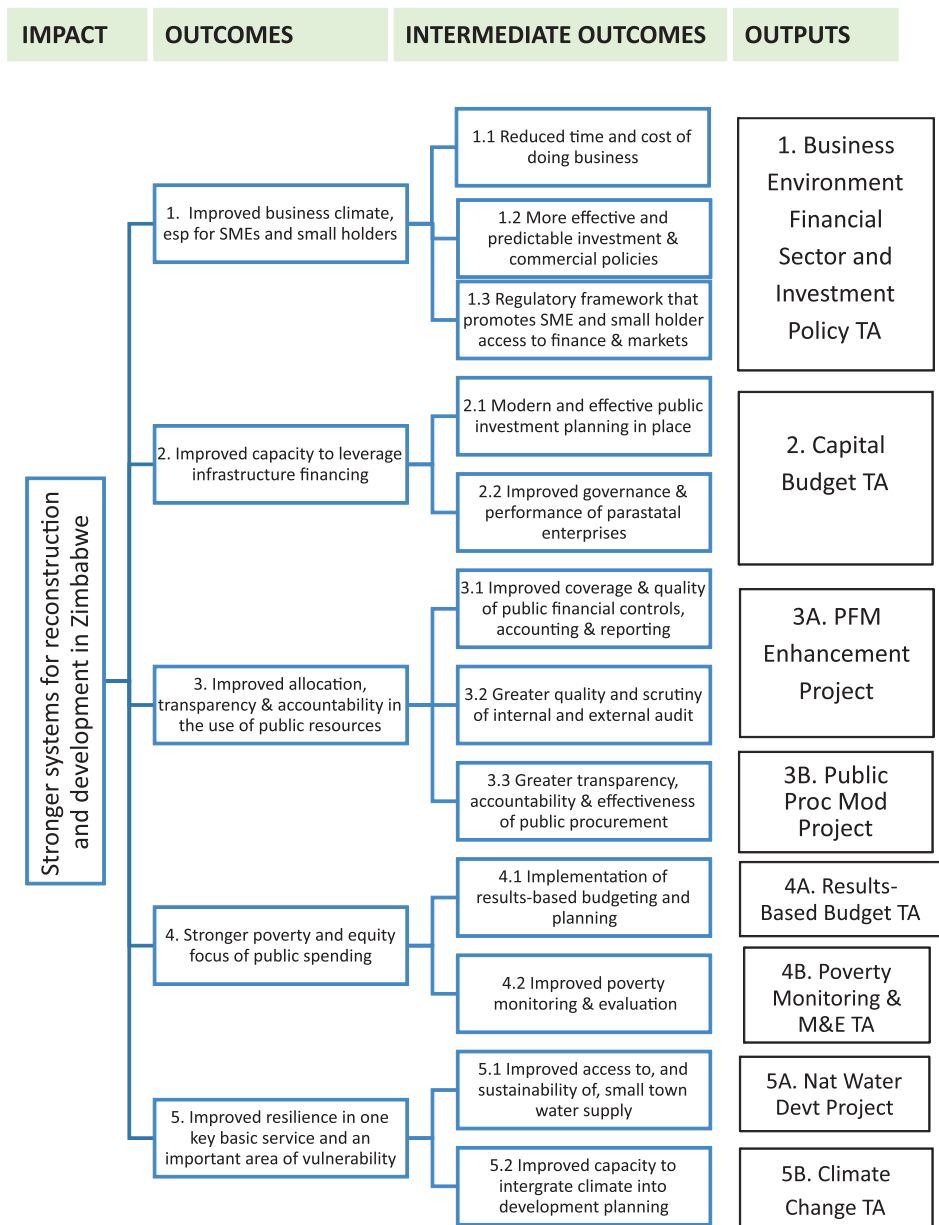
Output 4A: The **Results-based Budgeting TA Program** supports the introduction of program budgeting, as well as key reforms to strengthen the management of financing and public expenditures in key social sectors.

Output 4B: The **Poverty Monitoring and Evaluation TA Program** aims to improve the monitoring of poverty and shared prosperity outcomes and their integration into national strategy and planning documents.

Output 5A: The **National Water Project**'s main aim is to improve water supply in the small town sector, strengthen the Zimbabwe National Water Authority and the regulatory framework in the water sector.

Output 5B: The **Climate Change TA Program** aims to help develop Zimbabwe's climate policies, and its pipeline of climate adaptation investments, and mainstreaming of climate changes in investment planning.

Figure 1: A Schematic Overview of the High-Level Results Framework for ZIMREF



TRUST FUND OPERATIONS

After inception ZIMREF received pledges of **US\$40.4 million** and this remained the same during 2016. Out of this, US\$39.4 million has been signed through Administrative Agreements and US\$27.5 million has been paid into the Fund by the contributing donors. In 2016, a total of US\$2.1 million was paid in by the donors.

The ZIMREF approved eight projects and programs amounting to about US\$61.4 million. These comprise of five Bank-executed Technical Assistance (TA) programs amounting to US\$14.4 million and three Recipient-executed projects amounting to US\$43.2 million, with the balance earmarked for corporate fees and program management costs. There is still a funding gap of US\$21 million for pipeline activities (including second phases of the National Water Project, Public Procurement Modernization Project and the Public Financial Management (PFM) Enhancement Project). Out of the available funding, US\$22 million was allocated to the Recipient-executed projects until further resources are mobilized.

By the end of 2016, ZIMREF disbursements stood at **US\$4.9 million** reflecting an initially slow pace of implementation as recipient-executed projects and large bank-executed TA programs were contracted.

By December 31, 2016 all TA and RE activities were at various stages of implementation. Grant agreements for the National Water Project and Public Financial Management Enhancement Project were signed on February 3, 2016 and May 4, 2016 respectively. The National Water Project became effective on June 16, 2016 and PFM Enhancement Project on June 24, 2016. Progress in the implementation of these Recipient-executed activities was fairly slow initially due to delays by the relevant recipients in achieving grant effectiveness conditions.

Despite the expected learning curve, project implementation remained slow in the first six months for the Recipient – executed projects. However some Bank - executed programs providing technical assistance and policy advice to improve the business regulatory framework, public sector investment management and State Owned enterprise governance performed well.



The **ZIMREF Secretariat was staffed during 2016** with a full-time Administrator, Senior Finance Assistant, Program Assistant, and part-time Communications Specialist, M & E Specialist and Gender Specialist. The Secretariat used a number of approaches to oversee and guide the implementation of ZIMREF activities. Of significance was enhanced communication and dissemination of information on the Trust Fund activities through the website. In 2017, the Secretariat will further strengthen coordination among project teams, development partners and contributing donors as well as improve the systematic tracking and reporting on ZIMREF results and budget. The secretariat will continue to mobilize resources to cover the funding gap for the National Water Project, Public Financial Management Enhancement Project and the Public Procurement and Modernization project.



GOVERNANCE

ZIMREF has a local two-tier governance structure comprising a **Policy Oversight Committee** (POC) and **Technical Review Groups** (TRGs), supported by a Secretariat based in Harare. The POC and TRGs is comprised of representatives from Government of Zimbabwe, development partner contributors and the World Bank.

During the reporting period, the **Policy Oversight Committee** was co-chaired by the Government of Zimbabwe and the European Union (the rotating chair from March 2016). The POC had two (2) meetings during which progress in implementation was reviewed. Approvals and key decisions included:

- the ZIMREF secretariat and administration annual budget for 2017;
- changes in implementation modality for the Poverty Monitoring and Evaluation (M&E) TA Program from a Bank - executed to a hybrid (Bank and recipient executed).
- change in the Basis-Of-Commitment (BOC) from “cash only” to “cash plus promissory notes and future development partner donor contribution receivables”;
- change in the ZIMREF reporting schedule (POC meetings - twice a year [March and September]; Status Report - twice yearly for presentation at the POC meetings; Financial Reporting - quarterly; Annual Report - to be published February 28 every succeeding year and TRG Meetings – quarterly;
- Revisions to the ZIMREF Operational Guidelines to reflect adjustments to the roles of POC, TRG and Donor Focal Points.

Three (3) Technical Review Groups were set up as stipulated in the Operational Guidelines and held meetings during the reporting year. The major roles of the TRGs as highlighted in the guidelines are: to provide technical guidance to the POC; ensure technical quality-at-entry of projects, oversee project implementation; provide support for cross-sectoral and stakeholder coordination; and review and analyse M&E plans and findings. Following the approval and preparation of most projects, the ZIMREF secretariat accentuated the increasing role for TRGs in risk monitoring and project reporting.

During 2016, some challenges were experienced in all the three TRGs with respect to their effectiveness in fulfilling objectives. The donor coordination role was not fully achieved due to: (i) the limited participation/availability of other non-ZIMREF

donors during the TRG meetings; and (ii) the many ZIMREF issues to be discussed which limited opportunities to advance donor coordination. Given that some projects mirror each other, for example, the support by the African Development Bank (AfDB) in PFM, missed coordination opportunities have created some inefficiencies.

Inconsistent attendance to TRG meetings by key TRG members from Government Line Ministries also prevented regular updates in some instances. In future, each RE activity will have a focal person selected to attend TRG meetings but may also delegate the responsibility to another person.

Since most of the World Bank Task Team Leaders (TTLs) are not based at the Zimbabwe Country Office, initially some of the TRG meetings were held without TTLs. As TRG meetings are a platform where specific implementation issues can be discussed, absence of TTLs in these meetings limits the quality of these discussions. The Secretariat will put more effort in ensuring that TTLs will fully participate in TRG meetings via VC.

At this stage of ZIMREF the key roles of the TRG is to monitor implementation of RE projects and BE programs. As such, the Secretariat will work toward improved attendance and participation of all members during 2017.

The **Economic and Public Financial Management Technical Review Group (EPFM-TRG)** is currently chaired by the European Commission Delegation. During 2016, the TRG met three times to discuss progress in implementation and risk management. In this TRG there was good representation of relevant stakeholders including Government Ministries, donors and UN agencies.

The **Investment Climate Technical Review Group (IC-TRG)** is currently chaired by the Department for Foreign International Development (DfID). The ICTRG met twice in 2016 and assessed implementation progress on BEFSIP only. During 2017, this TRG will monitor rapid implementation using the results framework.

The **Infrastructure Technical Review Group (I-TRG)** only met twice during the year in March and November 2016. This was due to delays in finding a replacement after the departure of the previous donor chair.

Highlights from TRG meetings

- Reviews and approvals for:
 - o Changes to the implementation modality of Poverty Income Consumption Expenditure Survey (PICES) TA to a Recipient-executed project
 - o Revisions to the Climate Change TA
 - o Annual workplans
 - o Study Tours
- Resource mobilization: a funding gap for PICES is now covered by other stakeholders participating in the TRG meeting.
- Project status updates.
- Government's role in coordination of ZIMREF projects and ways of improving this role.
- Participation of donor focal points.



SUMMARY OF RESULTS AND RISKS

During 2016, the pace of implementation picked up for five (5) out of the eight (8) ZIMREF outputs including two Recipient-executed projects: Public Procurement Modernization Project and National Water Project. Progress was much slower in the PFM Enhancement Project, the Climate Change TA program and the Transport component of the Capital Budgets TA program on account of unanticipated capacity constraints at the Ministry of Finance and Economic Development, and several processing delays within the World Bank. In the programs that did move ahead, there were some notable achievements and outcomes toward improving the business environment and strengthening public sector capacities.

Key deliveries for 2016 include;

- preparation of Bills to update the 1951 Companies Act and 12 other laws related to *Doing Business* regulations, and enactment of Reserve Bank Act Amendment Bill to create a Credit Registry;
- reduction in time to get a construction permit from 448 to 238 days;
- completion of the 2016 Enterprise Survey including modules on MSME and informal enterprises;
- completion of six additional line ministry program-based budgets, and progress on the encoding of the program budgets into the Integrated Financial Management System;
- costing of the National Health Strategy 2016-2020 and preparation of the 2014 and 2015 National Health Accounts;
- establishment of a database on financial and operational performance and corporate governance of state-owned enterprises, and preparation of a Public Sector Corporate Governance Bill;
- preparation of a new Public Procurement and Disposal of Public Assets Bill (gazetted 21 October 2016) and regulations;
- completion and consideration of audit reports for 20 district authorities under Office of the Auditor General's expanded mandate;
- capacity building for public servants in a broad range of investment climate and public expenditure management issues range of issues.

Key Highlights from 2016 ZIMREF program results framework

- Out of a total of 65 ZIMREF indicators, 38 indicators are on track for 2016. Besides indicators that are not on track, there are indicators scheduled to be measured from 2017 onwards due to the nature of the project/programme.
- Proposed gender indicators were incorporated in ZIMREF programme results framework.
- Routine and systematic monitoring system of indicators in place using M & E tools.
- Overall, there is a correlation between the defined objectives of ZIMREF and indicators as well as the achievement of the expected outcomes, however, given the nature of the project, for the reporting period, there are more of outputs achieved compared to outcomes.

Some key implementation lessons from 2016 include:

- the importance of Government-led donor coordination as donor programs move toward more government-aligned or government-executed activities;
- the extent of the learning curve for the Government on implementing/executing donor-financed activities;
- the benefit of a joint Government-development partner governance structure in fostering debate and communication on key development issues;
- the need for very close dialogue between the Government and development partners on the evolving political economy and the opportunities or challenges it presents for policy and institutional reforms.

Key program level risks:

A number of the policy and institutional reforms supported by ZIMREF address outstanding governance challenges in the public sector and as such, can encounter resistance from vested and other interests. During 2016, political and economic risks remained high and worsening; funding, governance/fiduciary and implementation risks were also high but stable; while risks related to climate change (or environmental/social) were low and stable.

During 2016, although the political environment in Zimbabwe was characterized by increasing power struggles within and among political parties, and more

recently by some civil unrest related to deteriorating economic conditions, the impact on the implementation of ZIMREF programs was fairly limited in part due to their technical nature. However, risks still persist for effective coordination, as is important of the *Doing Business* agenda, improving financial accountability, and SOE reforms. Macroeconomic performance deteriorated significantly over 2016 on account of both exogenous shocks on commodity prices, currency depreciation in Zimbabwe's main trading partners, and some endogenous policy actions. The shrinking fiscal space has left little room for maneuver and complicated efforts to improve expenditure policies and institutions but at the same time has made these strategic choices even more crucial. Funding risks remained substantial with a gap of US\$21 million not yet closed.

To mitigate this risk, the Secretariat will continue to increase its resource mobilization efforts in 2017. Governance/fiduciary risks are limited to the Recipient executed projects which follow World Bank operational guidelines. During preparation it was decided to channel the large majority of disbursements through direct payment from the World Bank to contractors, leaving only small accounts to be managed by government entities. Overtime progress on ZIMREF TA for PFM and procurement are expected to help reduce these risks.

Implementation risks increased during 2016 as the Government's performance on Recipient-executed projects revealed a much larger learning curve that was anticipated. ZIMREF will provide additional supervision support as needed and the Government has agreed to a monthly high level review of implementation issues. Climate change risks though large for Zimbabwe continue to have a limited direct impact on ZIMREF programs, with exception of the National Water Project which has taken climate into account in the water systems designs.



PROGRAM ACTIVITIES (OUTPUTS)

1. Business Environment, Financial Sector & Investment Policy TA

The Business Environment, Financial Sector and Investment Policy (BEFSIP) is a US\$3.2 million Bank-executed TA program that was approved for ZIMREF on March 8, 2016. BEFSIP aims to improve the business climate for the private sector, especially for microenterprises, SMEs, and agricultural smallholders by: (i) reducing the time and cost of *Doing Business*; (ii) introducing more effective and predictable investment and commercial policies; and (iii) strengthening the regulatory framework and financial infrastructure for expanded access to financial services and markets for small and medium enterprises and smallholder producers. The program comprises four components namely: (i) Business Climate; (ii) Investment Policy and Strategy; (iii) Access to Finance; and (iv) Market Institutional Development. The main counterparts include: Office of the President and Cabinet (OPC) leading the *Doing Business* reforms and investment policy work; Ministry of Finance and Economic Development and Reserve Bank of Zimbabwe (RBZ) on the access to finance work; Ministry of Mines and Mining Development on the mining fiscal framework; the Zimbabwe Investment Authority, Ministry of Small and Medium Enterprise and Co-operatives Development, among others. World Bank Group (WBG) teams from the Finance and Markets, Trade and Competitiveness, Energy and Extractives and Agriculture Global Practices support the program with technical assistance.

Progress to date:

During 2016, BEFSIP built on the achievements of a predecessor DFID-funded program, the Business Enabling Environment Program Externally Funded Operation (BEEP - EFO), which ended in June 2016. ZIMREF's support to amending the regulatory framework has prospects for improving Zimbabwe's rating in the 2018 *Doing Business* survey. However, the authorities missed implementing key reforms by the measurement deadline of May 2016 for the 2017 results. Nonetheless, *Doing Business* 2017 Survey showed that the number of days taken to register a business was reduced from 120 days to 91 days in 2016 and the time to get construction permits recorded, a reduction from 448 to 238 days.

Component 1: Doing Business

Amending the Legislative and Regulatory Framework:

ZIMREF provided TA to help amend laws aimed at improving the regulations for *Doing Business* in Zimbabwe. TA supported preparation of: (i) Movable Property Security Interest Bill to permit creation of a Collateral Registry; (ii) Companies

Act Amendment Bill to enhance, amongst others, processes for business entry, business administration and protection of minority investors; (iii) an Insolvency Bill and the Estate Administrators Act Amendment Bill to ensure efficient insolvency proceedings that permit unsalvageable companies to be quickly liquidated and viable firms to be revived, thus preserving jobs; (iv) High Court Act Amendment Bill, Magistrates Court Act Amendment Bill and Commercial Courts Bill to improve expeditious resolution of commercial disputes; and (v) Deeds Act Amendment Bill to allow for electronic management of the Deeds Registry. An additional but related bill that was enacted is the Reserve Bank Act Amendment Bill which permits creation of a Credit Registry at the Reserve Bank of Zimbabwe.

With the exception of the Companies Act Amendment Bill, (a foundational law for formal commercial activity requiring extensive stakeholder consultations), all other laws were expedited and received formal approval from Cabinet in 2016. The legislative process of taking the Bills through both Cabinet approval and the Parliamentary process was overseen by a Task Force comprising the OPC chaired by Ministry of Justice, Legal and Parliamentary Affairs. It is expected that the Bills will be gazetted, debated and passed by Parliament before May 31, 2017.

In order to operationalize the foregoing laws, ZIMREF supported Government of Zimbabwe in the drafting or amending of twelve (12) regulations. Five (5) of these were published during the reporting period and most of these were handed to the Ministry of Justice, Legal and Parliamentary Affairs pending submission to Parliament. The regulations are listed below:

- (i) Model Building By Laws
- (ii) General Notice on the waiver of requirement to advertise for a shop license 2016
- (iii) Small Claims (Designation) Notice, 2016
- (iv) Small Claims General (Amendment) Rules, 2016
- (v) Small Claims (Jurisdiction) Notice, 2016
- (vi) Toll Roads (National Road Network) (Amendment) Regulations, 2016
- (vii) Fertilizer, Farm Feeds and Remedies (Fees) Regulations, 2016
- (viii) Plant, Pests and Diseases (Importation) (Amendment) Regulations, 2016
- (ix) Animal Health (Import) (Amendment) Regulations, 2016
- (x) Port Health (Amendment) Regulations 2016
- (xi) National Biotechnology (Ports of Entry Levy) Notice 2016
- (xii) Road Motor Transportation (Amendment) Regulations, 2016

Six (6) participants from Zimbabwe attended the Ease of *Doing Business* Initiative (EDBI) Conference held in Nairobi, Kenya from May 3- 6, 2016 and ten (10) thematic workshops were conducted on different aspects of the legislative and statutory reform agenda for improving the investment climate.

Enterprise Surveys:

Co-financed with an initial amount from BEEP-EFO, ZIMREF supported the fielding of three enterprise surveys: (i) the standard World Bank Enterprise Survey (with a sample size of 600 formally registered firms with 5 or more employees), selected from Harare, Bulawayo, Manicaland and Midlands; (ii) a survey of micro-enterprises, with a sample size of 360 formally registered firms with 5 or less employees, selected from the four regions; and (iii) a survey of informal firms, with a sample size of 360 informal firms in Harare. Final survey reports will include: (i) the traditional Enterprise Survey Report, (ii) an MSME Survey report, and (iii) Informal Enterprises Report, and are expected to be published in March 2017. These will help to inform the SME policy and RBZ financial inclusion strategy to better target the SMEs.

Component 2: Support Investment Strategy and Policy Reform

Mining fiscal and regulatory framework:

In 2016, ZIMREF supported:

- A full review of the draft Mines and Minerals Amendment Bill, Minerals Exploration and Marketing Corporation Bill, and the Pan-African Mining University Bill. The recommendations were discussed at a 2-day workshop led by Minister of Mines and Minerals Development in May 2016. Key recommendations included the need to further streamline regulatory processes and separate roles, strengthen environmental provisions (including for reclamation), introduce a broader range of exploration licenses; reconsider localization of shareholding, and deepen coverage of the local and small scale mining sector. The Mines and Minerals Amendment Bill was gazetted in August 2016 but has been re-routed back to the Attorney General where it is hoped that ongoing advice from the World Bank can help to improve key provisions.
- A scoping mission for the modernization of Government's geological information and cadastral systems fielded in August 2016. Draft terms of reference for scoping study for a new geo data information system were developed and the Ministry of Mines and Mining Development provided comments. The Government is currently mobilizing resources for a digital cadastral system for which the software contract has already been awarded.

- A “business-case-for-transparency’ paper and a policy note on a localized mining sector transparency initiative to enhance accountability in the sector.

The Bank continues to follow up on earlier work (not ZIMREF- financed) on the mining fiscal framework, under which a unified mining fiscal model was created for ZIMRA, Ministry of Mines and Minerals Development, and Ministry of Finance and Economic Development in 2015. Difficulties in populating the model with financial and operational forecasts from mining firms has delayed progress in this area for some time.

Land Policy and Regulatory framework:

During 2016, the Bank completed a final draft of the land studies initiated under the AMDTF and discussed with Government during a 2-day workshop in February 2016. The Ministry of Lands and Rural Resettlement provided extensive comments but has formally requested the paper be reserved as a working draft until further notice. During that mission, ZIMREF also hosted a one-day workshop with banking, judicial and land sectors which discussed Land Tenure Review Paper, Land Lease Law and the Land Lease. In March, ZIMREF supported the Permanent Secretary and Surveyor General to attend the Bank’s annual Land and Poverty Conference in Washington DC.

A second mission was fielded in November in response to Government’s request for support for the drafting of a new Land Policy; capacity building for the newly installed Zimbabwe Land Commission; further work on enhancing the bankability of 99-year leases; and capacity building for the Zimbabwe Survey Department. The mission worked with MLRR and FAO on the plan for preparing the Land Policy.

Component 3: Supporting Financial Sector Legislative Reform

This component provides TA for, inter alia, the implementation of: (i) the Financial Inclusion Strategy; (ii) the Financial Literacy Strategy; (iii) Consumer Protection Strategy; (iv) Savings and Credit Cooperatives Reform Bill; (v) National Payments Act; and (vi) SME Finance Strategy and Credit Infrastructure.

With the support from ZIMREF, a Consumer Protection Strategy and Financial Literacy Framework for the Financial Sector were finalized by RBZ. A team from the WBG has been constituted and is providing technical assistance to the Reserve Bank of Zimbabwe on the implementation of the National Financial Inclusion Strategy.

During 2016, following the procurement of software for the Credit Bureau by the Reserve Bank with its own resources, and enactment of Reserve Bank Amendment Bill which included legal provisions for the new credit registry system (supported by the BEEP-EFO), ZIMREF supported the training of forty-five (45) RBZ staff on Credit Reporting and two (2) people working on the proposed credit registry to attend a global conference on financial sector infrastructure in Kuala Lumpur, Malaysia. ZIMREF continues to provide technical support on the roll out of the credit registry system. Private sector bureaus were also consulted on the formats of the client management information system used by the RBZ. Credit providers will use these formats for periodic submissions to Central Bank starting in January 2017 when the Registry goes on live.

Also during 2016, ZIMREF initiated a review of the National Payments Systems Act and other legislation, including benchmarking against SADC national payment systems model law, which is expected to be completed in the first quarter in 2017. Early findings have been shared with the RBZ National Payments Systems including draft “guidelines for authorizing and regulating the issuance and management of retail payments. A review of the National Payments System and other relevant legislation expected by May 2017 will allow for alignment and consistency in line with international good practice.



2. Capital Budgets TA

Capital Budgets is a US\$4.3 million Bank-executed TA program that was approved for ZIMREF on November 2015. The program aims to improve Zimbabwe's capacity to leverage much needed infrastructure financing by strengthening work on the Public Investment Management (PIM) systems and State-Owned Enterprise governance. The PIM component aims to (i) assist MoFED to develop a public investment management system and cycle, including guidelines, manuals and training for line ministry staff; (ii) provide technical assistance and policy advice to improve the regulatory framework for joint ventures and public private partnerships in key sectors.

The SOE reform component aims to: (i) improve overall governance of SOEs through strengthening oversight and corporate governance; and (ii) improving performance in selected enterprises. The program also focuses on two main areas of infrastructure development, namely transport and energy. The Transport pillar provides technical support to develop strategies to improve public sector performance across the four transportation modes. The Energy pillar, which is co-financed from the World Bank operational budget, will support the development of turnaround plans and a financial model for the Zimbabwe power utilities, and the review of Independent Power Producer (IPP) and renewable energy policies being developed by the Ministry of Energy and Power Development.

The main counterparts are the Ministry of Finance and Economic Development (MOFED) and the Office of the President and Cabinet (OPC), SERA, Ministry of Transport and Infrastructural Development, and Ministry of Energy and Power Development. Within the World Bank, this program is supported by the Governance, Energy and Extractives, Transport and ICT, and Food and Agriculture Global Practices.

Progress to date:

Component 1: Public Investment Management TA

During 2016, ZIMREF supported the revision of PIM guidelines originally developed by the PSIP Unit of the Ministry of Finance and Economic Development. The revised guidelines provide good international practice in strengthening the role of MoFED in the PIM cycle and better aligning PIM processes with the Budget calendar. After a final round of consultations in January 2017, the PIM guidelines will be submitted to Cabinet for final approval. Support to better integrate PIM into the budgeting process will be initiated once the PIM guidelines have been finalized and approved.

Three “pilot leaders” from MoFED, MoEPD and MoTID have been trained in project appraisal and risk management, and will champion the roll-out of the PIM guidelines and manuals once these are approved. Other complementary activities to be undertaken involve training of staff on PIM and compilation of the PIM database.

The process of developing a database was initiated with the PSIP Unit and the Bank. The PIM database will provide the capability for PSIP to monitor each project from design to completion. It is anticipated that the template of the database will be finalized in parallel with the finalisation of the PIM Guidelines, and then the database will begin to be populated.

Component 2: State Owned Enterprises (SOEs)

Baseline data collection of State-Owned Enterprises and Parastatals (SEPs), focusing on financial and non-financial performance indicators for 2011-2014, was conducted and analyzed over the period January-May 2016. SERA established a database of SEP data for 2011-2014 covering all commercial SEPS and 46 out of 59 non – commercial SEPS. The database provides Government with detailed financial information on most of its portfolio, for the first time in many years. In the process SERA’s capacity to collect and analyze financial and non-financial information has been significantly enhanced. SERA are now in the process of updating the data from SEPs’ 2015 Annual Reports.

From February to September 2016, data collection and analysis for a SEP Corporate Governance Benchmarking exercise was conducted. Currently, findings for 39 out of the targeted 40 SEPs have been completed. The analysis assessed compliance with the National Code Corporate Governance (NCCG) and other corporate governance standards (including legal framework; ownership and shareholder protection; Board of Directors; performance management, and financial reporting and controls, among others). The objective was to determine compliance with existing legislation (e.g. the PFM Act and, where applicable, the Companies Act) and the NCCG, and to benchmark SEPs against the OECD guidelines and other good practice from the Bank’s SOE toolkit. Furthermore, a country case study on corporate governance reform for SOEs was completed and shared with the Office of the President and Cabinet. Staff from OPC were trained in the collection of information on corporate governance in SEPs and staff from SERA were trained to collect, interpret, and analyze the financial data from SEPs. Two officials from SERA were also supported to attend the OECD Conference on Corporate Governance in Mexico City from June 4-11, 2016.

With ZIMREF support, MoFED and the Office of the President and Cabinet drafted a high quality Public Enterprises Corporate Governance (PECG) Bill. The Bill draws on the National Code for Corporate Governance (NCCG) the OECD Guidelines on Corporate Governance of State-Owned Enterprises, the Public Finance Management Act, and the Companies Act. The Bill will provide for performance contracts for Boards and CEOs, and annual reports on performance by the entity against its strategic plan. The rest of the Bill, which contains important provisions on Board selection, qualifications, duration of tenure, training, performance assessment, asset disclosure, and more transparent reporting of performance and financial outturns, has been largely confirmed by Cabinet. The Bill has been broadly accepted by Cabinet, and includes a centralized unit within OPC to monitor compliance. The Bill is expected to be presented to Parliament by June 2017.

In September, the Bank organised a mission to Zimbabwe by experts from South Africa, Chile, and Malaysia (by video link), to inform a discussion both at policy level with the core OPC and MoFED team, and a broader stakeholder forum with CEOs and Chairs of SEPs. As a next step, it was agreed that manuals for improved Board effectiveness and performance management be developed and draw upon the Chilean and Malaysian examples.

Component 3: Transport and Energy TA

There has been limited progress on the Transport TA during 2016 while the consultancy contracts were mobilized. The Bank team conducted consultations with direct transport sector stakeholders, including the Ministry of Transport and Infrastructural Development, its departments and agencies – Roads Department, Zimbabwe National Road Administration (ZINARA), National Railways of Zimbabwe (NRZ), Civil Aviation Authority of Zimbabwe (CAAZ) as well as MoFED. The outcome was that three studies could be launched, namely: (i) a review of the institutional capacity of the roads sector, (ii) a review of the road tolling policy, and (iii) support towards ongoing aviation subsector reforms. It is unlikely that support for market repositioning of National Railways of Zimbabwe will happen because there are insufficient resources within ZIMREF to address this dimension of NRZ's business. Technical evaluation has been completed for the procurement of TA support to the unbundling of the Civil Aviation Authority of Zimbabwe.

During 2016, the World Bank energy team carried out missions to support preparation of the Performance Improvement Plans and financial model(s)/ recovery plans for Zimbabwe Power Company (ZPC) and Zimbabwe Electricity

Transmission and Development Company (ZETDC). A consultant was recruited to prepare the plans and data collection was initiated at the start of October 2016. Consultants were recruited to develop financial models and recovery strategies. In November a mission took stock of progress on data collection and strategy development. It is expected that the Performance Improvement Plans and financial model plans will be complete by February 2017.



3. Public Financial Management Enhancement Project

This US\$20 million Recipient-Executed project was approved by the Policy Oversight Committee for implementation in September 2015 and became effective on June 24, 2016. The project is supported by a Bank-Executed grant of US\$0.8 million for supervision over the life of the 4-year project. The five components of the Project aim to improve financial reporting, internal controls, fiscal transparency and accountability in government finances. The project builds on earlier work supported by the Bank that helped to resuscitate Zimbabwe's Integrated Financial Management Information System (IFMIS) and accounting functions. The design of the project is supported by an earlier unpublished PEFA assessment of 2011, and a recent Use of Country Systems Assessment of 2015, and will support a new PEFA Assessment in 2017. The main counterparts are the Ministry of Finance and Economic Development, Parliament of Zimbabwe, Office of the Auditor General and other line ministries. Within the World Bank, this program is supported by the Governance Global Practice.

Progress to date:

During the first six months of implementation in 2016, progress on this project has been slower than anticipated. While the pace of policy and technical implementation was slowed down in part by delays in fulfilling the effectiveness conditions¹, delayed staffing of the Project Implementation Unit in MoFED meant that project activities could not be implemented on time. The Bank fielded two supervision missions during 2016. Following the supervision mission in November 2016 which assessed the overall implementation progress on each component and identified critical actions, the MoFED committed to an accelerated plan of action to implement the already delayed critical activities.

Donor coordination remains critical in the PFM project. Besides ZIMREF, there are other actors or development partners providing support to the PFM system and there is need for greater coordination for interventions to be implemented in a complimentary manner. The actors include UNICEF which is supporting installation of Quantrix budgeting and Proman Billing software; UNDP support to the ICT strategy on network connectivity; and AfDB supporting IFMIS, the external audit and Parliament.

¹ Project effectiveness conditions included establishment of the Project Steering Committee, full staffing of the Public Financial Management Reform Unit in the Ministry of Finance and Economic Development, confirmation of the tax exemption status of the project.

Component 1: Financial management and accounting

Progress on this component was less than expected in keeping to agreed workplan and timelines. The majority of the high impact tasks which will ultimately impact the pace of public financial management reforms were not undertaken or started. These included the roll out of IFMIS to local authorities, the finalization of the budget module, and the interface of IFMIS with the HRMIS of the Salaries Services Bureau. Implementation plans and budgets were revised to reflect changing priorities and emerging needs.

Migration of the payroll from the in-house system onto the SAP payroll module was slowed to allow for further consultations between the MOFED and the Ministry of Public Service Labour and Social Welfare. This remains important as the payroll is around 90% of total Government revenue in 2016 and hence without improving commitment control, the wage bill could continue to grow beyond available resources on an annual basis.

The roll out of IFMIS to district MDAs and local authorities requires further clarity regarding the business case. Changes were made in selection of pilot local authorities following a Public and Private Partnership agreement concluded between local authorities and a private vendor. The project will, therefore, limit its support to networking and improved connectivity that will make the system functional at the local authorities.

Government's strategic direction regarding ICT investments will require further refinement in relation to the expansion of the IFMIS modules for MDAs, modernization of the IFMIS data centers and strengthening technical capacity, the IFMIS payroll system interface to exchange data on salary payments as well as the IFMIS rollout to districts.

During 2016, few activities progressed under this component. The authorities began the process of developing a Common Chart of Accounts which will be used for future budget preparations once the Budget Preparation and Consolidation Module (BPC) is active. To implement the Common Chart of Accounts, the BPC will require additional staff and specialized BPC technical training for all MDAs. Other modules planned for development include the data warehouse and business intelligence modules.

Work is underway to renovate and improve the server rooms and systems management units at the main data center. However, other improvements to systems security, engineering systems information security and support of an ICT advisor will be necessary.

The Terms of Reference for PEFA were revised using revised 2016 methodology and include a procurement module. Recruitment of consultants is expected to be finalized as soon as the revised work plan and procurement plan are formally approved. The PEFA is expected to be completed in July 2017.

Component 2: Enhance effectiveness of internal controls and internal audit

During 2016, while the component was in the process of moving on some activities, progress was slow in establishing appropriate internal audit institutional mechanisms for independence and professionalism. For instance, creation of a Central Internal Audit Unit (CIAU) as the controlling national agency for internal audit function did not take place in 2016 as expected. There was also no progress on the creation and activation of Audit Committees across Ministries as prescribed under section 84 of the PFM Act, except within the Ministry of Health and Child Care that used external funding to create an Audit Committee. In addition, the progress of upgrading audit processes with the use of Computer Assisted Audit Tools (CAAT) has been slow. There is need to expedite procurement of CAAT for data extraction and analysis by the OAG team for audit processes. Other outstanding activities under this component include: (i) the creation of Audit charters; (ii) introduction of performance audits; and (ii) scoping of training needs specifically relating to groups of Ministries.

While several activities were planned under this component, further work is required on scoping and preparing the Terms of Reference for the activities.

Component 3: Enhance accountability through strengthening of external audit:

The objective of this component is to strengthen the Office of the Auditor General (OAG) to deliver high quality audit products to all MDAs of Government, Public Entities and Rural and Urban Local Authorities as provided for in the Constitution. Activities planned under this component were reprioritized after project effectiveness and some of the high impact activities originally planned for phase 2 were brought into phase 1.

During the reporting period, the OAG collaborated with Private sector audit firms and outsourced some audits of parastatals, local bodies and Ministries. However, in future, standardization on quality assurance is required for private audit firms. A team from the OAG made a study tour to South Africa to benchmark quality processes in outsourcing audits to the private sector. As a follow up, the process of developing standardized checklists to private sector audit firms commenced in November 2016.

During 2016, the Office of the Auditor General completed financial statements audit for the year ending December 31, 2015. These statements are available on the OAG website, a major step towards transparency. Progress was also made on other project activities including the audit of 20 embassies and 16 local authorities.

Component 4: Strengthening the demand side of transparency and accountability

Progress in this component was initially slow with most activities pending initiation. Following a supervision mission in November 2016, the workplan and procurement plan were revised to prioritize implementation of activities with high impact first, including analysis of 2015 Public Accounts by the PAC sub committee.

Capacity building for the Public Accounts Committee (PAC), Budget and Finance Committee and the media was conducted in August 2016 and supported by the AfDB. This involved sensitizing members of Parliament on the accounting and legal framework for Local Authorities.

Activities planned for 2017 include capacity building of the Public Accounts Committee, Committee on Finance & Economic Development and staff of Parliament in economic literacy and development issues; Analysis of 2015 Audited Public accounts by PAC sub-committees for Parastatals and appropriation accounts.

Component 5: PFMEM Management:

Progress was slow in the appointment of critical PIU staff to implement the project. As a result, the Project Management Unit was overloaded with activities of other projects and slowed progress in implementing this project. In particular, project procurement moved at a very slow pace because of inadequate staff to accomplish the procurement tasks. The PFM Implementation Manual was completed in May 2016. The Grants Management Module (GMM) of the PFMS has been configured to handle project transactions processing and reporting and staff trained on the use of the financial management system.

3B. Public Procurement Modernization Project

The Public Procurement Modernization Project is a US\$4.0 million hybrid project that was approved by the POC in September 2015. The project aims to support greater transparency, accountability and effectiveness of public procurement. Implementation is to be delivered in two stages, the first of which includes a Bank-executed technical assistance of \$0.4 million and a Recipient-executed grant of \$1.6 million. This first stage supports regulatory and institutional reforms to help align public procurement legislation and practices to the Zimbabwe's 2013 Constitution, and to prepare for implementing an e-government procurement pilot. A second Recipient-executed grant of \$2.0 million will be prepared primarily to roll out the e-government procurement pilot. The project is implemented by the Office of the President and Cabinet (OPC) in collaboration with the State Procurement Board. Within the World Bank, this program is supported by the Governance Global Practice.

Progress to date:

In 2016, ZIMREF supported the Office of the President and Cabinet on legislative reforms that included the development of a Public Procurement and Disposal of Public Assets Bill and related regulations, of procurement guidelines and standard bidding documents and of a Procurement Performance Management system. The Bank-executed component fielded a survey to collect baseline information on Public Procurement Management Systems and was concluded in October. The report from this survey is awaiting finalization by the Office of the President.

Most of the planned activities are advanced in implementation. On the RE component, the draft Bill was submitted to Cabinet on July 23, 2016 and a law gazette notice was issued on 21 October 2016, after which the bill will undergo public consultations prior to Parliamentary discussion and approval. Government also hired a consultant to support legislative and institutional reforms and contracted a consulting firm to develop the e-procurement strategy.

The procurement reform strategy was developed with activities readjusted to include public sensitization of the new Bill, consultations on the new procurement regulations and some equipment purchases. In order to build capacity, forty-three procurement staff drawn from MDAs were trained in procurement management. An additional 353 stakeholders from Ministries and Departments, Agencies/Parastatals, Town Councils; Private Sector and Civil Society Agencies were trained on the new procurement framework. To further enhance the e-procurement system, there are plans to hire an ICT specialist to support the migration of the existing system.

4A. Results-based Budgeting TA

The Results Based Budgeting TA is a US\$2.1 million Bank-executed program that was approved for ZIMREF in July 2015. RBB aims to support the implementation of Results-Based Budgeting as a means to increase the poverty and equity focus of public spending in Zimbabwe over time. It comprises three subcomponents: (i) Program-based Budgeting aims to build capacity for and support the preparation of program budgets for all line ministries; and specific technical assistance to (ii) the Ministry of Health and Child Care (MoHCC), and (iii) the Ministry of Primary and Secondary Education (MoPSE). The TA to these line ministries is expected to support the formulation of robust expenditure policy decisions within those sectors. The program also supports some demand side accountability with the Parliament. The program builds on earlier work supported by the UK Department of International Development, USAID – Strategic Economic Research and Analysis project, African Development Bank, and the Health Innovation Results Trust Fund. It is supported by an earlier Health Public Expenditure Review prepared by World Bank in 2015, and a new joint MOFED and World Bank Public Expenditure Review under preparation. The main counterparts are the Ministry of Finance and Economic Development, the Ministry of Health and Child Welfare, and the Ministry of Primary and Secondary Education. Within the World Bank, this program is supported by the Macro-Fiscal Management, Health, Nutrition & Population, and Education Global Practices.

Progress to date:

During 2016, the RBB TA program has made significant progress in the three components. All the three components aim to improve the allocation, transparency and accountability in the use of public resources in Zimbabwe's line Ministries.

Component 1: Program Budgeting TA

During 2016, the ZIMREF TA component supported the preparation of Program Budgeting Implementation Manual (completed in October). A series of intensive RBB workshops were held between July and September targeting six new focus Ministries: Agriculture, Higher Education, Justice, Local Government, Gender, Youth and Indigenization. Throughout these trainings, participants designed RBB programs for each ministry, reprogrammed all line item expenditures to these programs and defined outcome and results indicators for each program. Subsequently the IFMIS Department advised how these new codes could be integrated into the new Chart of Accounts. The first three program budgets prepared for the pilot Ministries in 2015 (Health/Education/Public Service) and included in the 2016 National Budget presentation, have been instrumental

in intensifying the discussion within Government and with the Bank on public expenditure policies and allocations in those Ministries, in particular coverage of safety net programs. Chapters in the abovementioned joint public expenditure review were prepared (with the Bank's own budget, and together with Government officials) for Ministries of Health and Child Care, Primary and Secondary Education, Public Service, Labor and Social Welfare and Local Government Public Works and National Housing. Together with the I-PRSP (see page 42), the Program Budgeting TA has already yielded positive important, albeit small, shifts in the poverty focus of the 2017 National Budget.

In addition, a study tour to Uruguay and Chile was fielded in March 2016 to learn how these countries have dealt with some of technical and bureaucratic hurdles involved, in particular on prioritizing across budget chapters. In April 2016, an IMF Technical Assistance mission reviewed the implementation of program budgeting. Following this review the Ministry of Finance and Economic Development made the decision to deepen the work for the first nine ministries before expanding to additional ministries. During April and May, IFMIS training was conducted for MoFED and MLSWPS officials on the new Chart of Accounts, followed by hands-on training of procurement and accounting officials responsible for entering data into the IFMIS. In August, a mission was conducted by leading Bank IFMIS-SAP expert to define next steps for implementing program budgeting and for monitoring program resources in the IFMIS system.

By February 2017, the program will begin monitoring expenditures in program based format for the first three pilot ministries. There are plans to train members of Parliament, define PFMS codes, and monitor expenditures using these new codes. A decision will be made by September 2017 on expanding the number of ministries implementing program budgeting, based on progress made by the first nine ministries.

Component 2: Health Sector TA

This US\$0.67 million technical assistance program seeks to improve evidence-based planning and integration of empirical measurement for the health sector after 2015. The Health Sector TA was approved by Bank management in August 2015. This specialized technical support to the GOZ will enable: (i) generation of robust evidence to inform policy, planning and management decision making; and (ii) development of key health sector strategy and policy documents. The work envisages technical assistance in four distinct but interrelated areas: National Health Accounts (NHA) 2015 and NHA institutionalization, national health financing policy, development of the National Health Strategy for 2016-20, including a framework for Universal Health Coverage and the design of a health insurance pilot for Harare.

In 2016, ZIMREF also supported the development of the 2016-20 *National Health Financing Strategy (NHFS)*, with a clear tracking framework for coordinating health financing and coordination has begun in collaboration with UNICEF and WHO. In addition, the Fiscal Space Analysis related to the development of the NHFS has been completed. The Bank will continue to provide support to work on prioritizing and costing the Health Strategy. There were some delays experienced including capacity issues and the enormity of data collection required during implementation that led to the final costing being delivered in September 2016. The final costing was presented at a high level event to MoHCC, MoFED and development partners. The costing included three scenarios with varying coverage targets and high impact interventions.

During 2016, ZIMREF also supported MoHCC in the development of the *National Health Financing Policy (NHFP)*. The development of the NHF was a highly consultative process that involved a wide range of stakeholders, including Parliamentarians and private sector representatives. The HFP was drafted and adopted by the Government. The document awaits official launch and dissemination. The launch is expected to be in Q1 of 2017.

Further, Bank TA was provided in the preparation for 2014 National Health Accounts (NHA). Analysis of household survey data with MoHCC and ZIMSTAT and complementary data sets has been completed and a draft report is expected to be circulated in the first quarter of 2017. For the 2015 National Health Accounts, household survey results and health expenditure data are now ready for import into the production tool. However, due to some quality issues on other surveys and the lack of resource mapping data on 2015 donor health expenditures, the NHA 2015 cannot be generated. Going forward, the MoHCC and ZIMSTAT are working to address these issues during which work on the Health Financing Policy has been deferred to the first quarter of 2017 to enable the Government to focus on the National Health Strategy.

Also in 2016, the background literature review for the Urban Areas Health Insurance Study Design was undertaken and work has started on a policy options paper on prepayment for health-care in urban Zimbabwe. On this basis, it is envisaged that the design of pilot urban insurance scheme will commence in the second quarter 2017.

Component 3 Education Sector TA

This US\$0.69 million technical assistance program aims to support the Government's efforts to improve education outcomes and spending efficiency. The intended outcomes are to increase knowledge, strengthen capacity, and update practices in

specific policy areas aimed to address gaps in education outcomes. The program comprises three subcomponents on Teacher Development and Management, Student Assessment and ICTs in Education. These areas were developed following extensive discussion with the Ministry of Primary and Secondary Education, and some changes in priorities encountered during 2016.

Technical assistance was provided to the Ministry of Primary and Secondary Education (MoPSE) during 2015 on mechanisms to professionalize the teaching profession in Zimbabwe, the ZIMREF TA supported preparatory work toward the establishment of the Teaching Profession Council (TPC) and the improvement of Math teaching practices. In May 2016, members of the Working Group on the TPC travelled to the UK and Ireland to interface with and learn from some of the world's oldest and most effective councils. Based on this experience and local interactions with other professional governing bodies, e.g. Nurses Council of Zimbabwe and the Law Society, a comprehensive report is being developed with ZIMREF support, that will among other areas discuss the benefits of a TPC for Zimbabwe as well as proffer different alternatives on the structure, legal status and functions of the TPC. This report is expected to be complete by early 2017. In support of improving Math pedagogy in Zimbabwe, ZIMREF sponsored a local National Mathematics Symposium which brought together all Provincial and District-level focal points on Math teaching, ZIMSEC, teacher training colleges and Mathematics textbook publishers, to take stock of trends, weaknesses and strengths of teaching and learning Math and recommend improvements for the implementation of the new curriculum in 2017. Following on the Symposium, 154 Mathematics District Math Panelist were trained in modern instructional strategies. The next steps are to develop a training manual/program for Math teachers at Primary and Secondary level in line with the new curriculum.

As part of the new curriculum, MoPSE intends to introduce a continuous student assessment system. Initially ZIMREF TA was to benchmark Zimbabwe student assessment regime using the Systems Approach for Better Education Results (SABER) but the Government has since reprogrammed this activity to support the ongoing integration of continuous classroom assessment the current summative assessment systems, which will be initiated in January 2017 through technical support to the Zimbabwe Schools Examinations Council (ZIMSEC).

Also during 2016, the ZIMREF TA supported two missions to help MoPSE develop a National ICT in Education Policy. A first draft of the policy has been delivered, consulted, and a revised version was shared with the authorities in November 2016. The MoPSE has since started the formal and legal processes to adopt the policy which is expected to become official by March 2017.

2017 will focus on the finalization and adoption of the ICT in Education Policy including technical support in the development of an implementation plan, costing and potential financing mechanisms for the Policy. The Education TA will also focus on finalization of the TPC framework for Zimbabwe including possible support towards drafting of a draft Teaching Council Bill. Support to ZIMSEC in regard to continuous assessment as provided for under new curriculum will also be up scaled in 2017 with an international consultant joining the Education team to support the ZIMSEC in this regard. Considering that the TA is Bank Executed, there are no significant risks that are foreseen in 2017.



4B. Poverty Monitoring and Evaluation TA

The Poverty Monitoring and Evaluation TA is a US\$2.5 million Bank – executed program that was approved for ZIMREF on March 23, 2015. The program aims to support the Government’s efforts to strengthen the poverty and equity focus of public spending. The activity aims to increase the availability and analysis of high quality data on poverty and welfare in the country, strengthen the national development plan and improve monitoring and evaluation of policy and public spending decisions. The program aims to finance implementation of the next edition of the Poverty, Income, Consumption and Expenditure Survey (PICES) in 2016. The program has benefited from the lessons and experience of previous UNDP-funded support to ZIMSTAT to fund the PICES 2012 Survey, and to support ZIMSTAT more broadly on different lines of statistics, including the 2012-2015 Agriculture and Livestock Survey (supported by another Bank Trust Fund). The program also benefits from the World Bank’s participation in the PICES Project Steering Committee, alongside UNDP, UNICEF, UNFPA, and USAID-SERA, where space for cross-fertilization of ideas and experience sharing on support to statistical development in Zimbabwe. The main counterparts are the Office of the President and Cabinet for work on ZIMASSET and the Zimbabwe Statistical Agency (ZIMSTAT). Within the World Bank, this program is supported by the Poverty and the Social Development Global Practices.

Progress to date:

During 2016, ZIMREF provided support to ZIMSTAT to complete the technical work and publication work of the Zimbabwe Poverty Map based on the 2012 PICES survey data, support to MOFED to prepare the Interim Poverty Reduction Strategy Paper (IPRSP), and preparation of the 2016/17 PICES survey. The Government support to the establishment of an M&E framework was cancelled on account of commitments from other development partners, and the resources were channeled towards the IPRSP which was completed in September 2016. ZIMREF TA to the preparation of the I-PRSP was provided in the form of national consultants and logistics to support document preparation and field consultations, as well as some technical peer review.

Support to 2016/17 PICES has been somewhat delayed pending consensus with Government on the issue of access to anonymized data. Following a Government team study tour to Namibia and South Africa in November, Government agreed to take concrete steps towards adopting international best practices of Open Data. The two countries have promoted open data access and at the same time regulated privacy protection and safeguarded survey and census data confidentiality while protecting issues on national security. By December 2016, an amendment of section

17 (Chapter 10:29) of the Census and Statistics Act was underway. The amendment will allow for access to anonymized micro data by line ministries, departments and agencies, researchers inside and outside government, development partners and non-governmental bodies and the broader public in some cases. In addition, ZIMSTAT agreed to share summary statistics of the 2010/11 PICES survey sample that presents the survey's performance in terms of the precision of its estimates.

Additional funds required to implement the PICES were mobilized from UNICEF and UNDP. Data collection on PICES is expected to commence in January 2017. Detailed discussions were also held with the ZIMSTAT sampling team to share as sample statistics for household consumption, at the National, Provincial and District levels. The questionnaire was an improvement, from previous survey tools making it suitable for collecting poverty indicators.

Notably, the Government has also agreed to the addition of a module on household agricultural productivity to the PICES which the Bank is supporting with complementary resources from the Trust Fund for Statistical Capacity Building (TFSCB). A first meeting of the "Household Agricultural Productivity Survey Module Working Group" was held in November 2016 to discuss the objectives and topics of the extra survey module. This survey module aims to produce a unique integrated database on household welfare, other social outcomes and household agricultural production practices using state-of-the-art data collection techniques. Farm households will be visited twice for data collection: once after planting and again after harvesting. This module is to be administered to a subsample of around 3000 households of the PICES survey. Participation will include representatives from ZIMSTAT, various departments in the Ministry of Agriculture, Mechanization and Irrigation Development (MAMID) and the Food and Nutrition Council (FNC). The program requires that ZIMSTAT share the subsample of the PICES module on household agricultural productivity.



5A. National Water Project

The National Water Project is a US\$20 million Recipient-executed project that was approved for ZIMREF on September 24, 2015. The project will be accompanied by a Bank-executed grant to finance World Bank supervision over the life of the 4-year project of \$0.8 million. It aims to improve access to and quality of water and sanitation services in selected rural growth centers, improve water resources planning and support the reform of the water sector nationally. The project has three components, notably (i) growth center water and sanitation infrastructure improvements, (ii) technical assistance for the development of a water resources master plan, establishment of a water service regulator, support to local authorities, and institutional strengthening; and (iii) project management to support the Project Implementation Unit. The project focuses on seven small town growth centers: Guruve, Gutu, Lupane, Madziwa, Mataga, Nembudziya, and Zimunya, representing one center from each ZINWA catchment. The design of the project was supported under the Analytical Multi-Donor Trust Fund to prepare an assessment of 50 small town water systems, select the geographic focus of this project, and prepare detailed engineering designs. The main counterparts are the Ministry of Environment Water and Climate (MEWC), the Zimbabwe National Water Authority, the Ministry of Agriculture, Mechanization and Irrigation Development, Ministry of Local Government Public Works and National Housing and Ministry of Rural Development, Promotion and Preservation of Cultural Heritage. Within the World Bank, this program is supported by the Water and Environment & Climate Change Global Practices.

Progress to date:

Progress has been slow for some components, due to delays in achieving effectiveness, and in some completing procurement processes according to Bank regulations.

Component 1: Growth center water and sanitation improvements

To align with available resources, the infrastructure component of the project was split into two implementation lots. Lot 1 includes Guruve, Lupane and Zimunya, for which bidding and works contracting is advanced, and groundbreaking is expected to take place early in 2017. The second phase for undertaking rehabilitation and expansion of WASH infrastructure of Madziwa, Mataga, Gutu and Nembudziya was put on hold pending the mobilization of additional resources. Sufficient expressions of interest were received from several non-ZIMREF development partners, but have been delayed pending resolution of some procedural issues.

Component 2: Technical assistance

In the technical assistance component, bid evaluations for consultancies to develop the Water Resources Master Plan, conduct a base line study, and carry out a sanitation assessment are complete. Negotiations with the selected consulting firm to conduct the baseline study were finalized and a contract signed on December 2, 2016. The baseline will establish the supply-side status of water and sanitation services in the seven targeted growth centers. Complimentary activities on establishing the sector regulator were contracted, while TORs for the development of Service Agreements between the local governments and ZINWA were developed together by the PIU and Ministry of Rural Development, Promotion and Preservation of National Cultural Heritage. These TORs will be endorsed at a stakeholder workshop in early 2017. A Technical Advisory Committee made up of the main counterpart ministries, departments and the PIU was created to support the development of the Water Resources Master Plan. Technical evaluations were completed and award of the contract will be concluded by February 2017. The Master Plan is expected to be finalized in 2018.

Component 3: Project Management

The first implementation support mission was undertaken in July 2016, and a Project Coordination Workshop to help project teams familiarize themselves with Bank procedures was held in September 2016. The Project Implementation Unit hired a procurement specialist and this is expected to expedite procurement activities in 2017.



5B. Climate Change TA

The Climate Change TA is a US\$1.5 million Bank-executed program that was approved for ZIMREF by the POC on 10 September 2015 and by the TRG on March 1, 2016. The technical assistance program aims to strengthen the capacity of the Government to integrate climate change considerations into the planning, design and implementation of development activities in agriculture and sustainable land management, forest landscapes and the energy sector. The focus of the TA is on filling critical knowledge gaps in these sectors and turning existing knowledge into concrete investment plans that can be financed by both climate and development finance mechanisms, particularly with instruments such as the Green Climate fund. It builds on earlier work undertaken on the impact of climate change in water, agriculture and forestry sectors in support of Zimbabwe's preparation for the COP21 meeting. The main counterpart is the Ministry of Environment, Water and Climate. Within the World Bank, this program is supported by the Environment and Climate Change and Food and Agriculture Global Practices.

Progress to date:

Initial progress on the approval and initiation of this activity was slower than anticipated with the revised concept note approved by Bank management only in October 2016. Following approval, however, a roadmap was agreed with the inter-ministerial working group on how the TA would support the overall framework for climate change and key activities were launched.

During 2016 the agriculture, forestry and energy components of the work were launched with the selection of three consultant firms. The forestry component will focus on improving basic understanding of climate change/forestry issues, providing inputs into the Forestry Policy, and identifying potential investments in adaptation and mitigation as well as to identify financing possibilities. The agriculture outputs will focus on developing recommendations around updating agro-ecological zones, assessing climate changes impacts on irrigation and livestock. Both agriculture and forestry components will also develop investment options for mainstreaming climate change. The energy component will focus on identifying critical policies and investments to increase the resilience of power sector infrastructure and to develop guidelines and tools to incorporate climate change considerations in hydropower planning systems. Achievements in 2016 include:

- Leveraging of additional funds in the amount of US\$250,000 to build capacity to mobilize climate finance,
- Provision of training to Government stakeholders (MEWC, MAMID, Energy, IDBZ) through a one day workshop on Green Climate Fund mechanisms and discussions around options for climate finance

In 2017 the program will:

- Conduct series of consultation workshop with forestry, agriculture/ environment and energy sector stakeholders to review approaches, solicit feedback and plan proposed deliverables.
- Deliver guidelines and climate resilient investment plans focusing on sustainable land management and forestry. Develop at least two climate finance proposals and build capacity of key stakeholders.

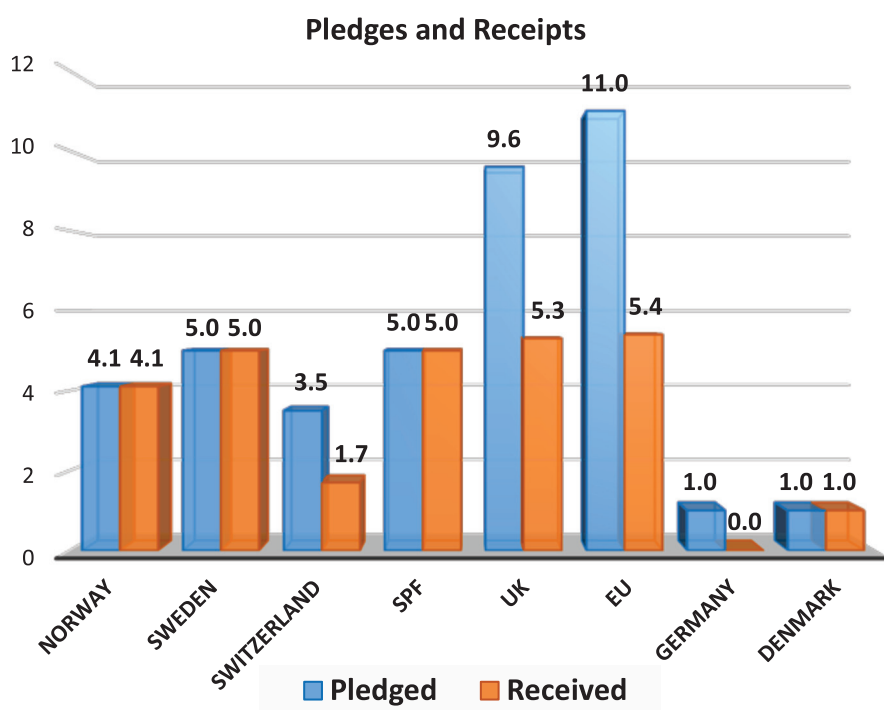


ANNEX I: FINANCIAL REPORT

Financial Performance as at 31 December 2016

Pledges and contributions

Since the establishment of the Trust Fund in 2014, a total of US\$40.4 million was pledged by seven donors and the State and Peace Building Trust Fund. By December 31, 2016, US\$27,5m was received and transferred into the ZIMREF Trust Fund. Contributions received from Norway (approximately US\$4.1 million), Sweden (US\$5 million) Switzerland (US\$1.7 million), State and Peace Building Fund (US\$5 million), UK (US\$5.3 million); Denmark (US\$1 million) and EU (US\$5.4 million). Of the amount contributed by UK, US\$2.1 million was received in 2016. The table below shows what was pledged and the cumulative receipts as at 31 December 2016.



Income received

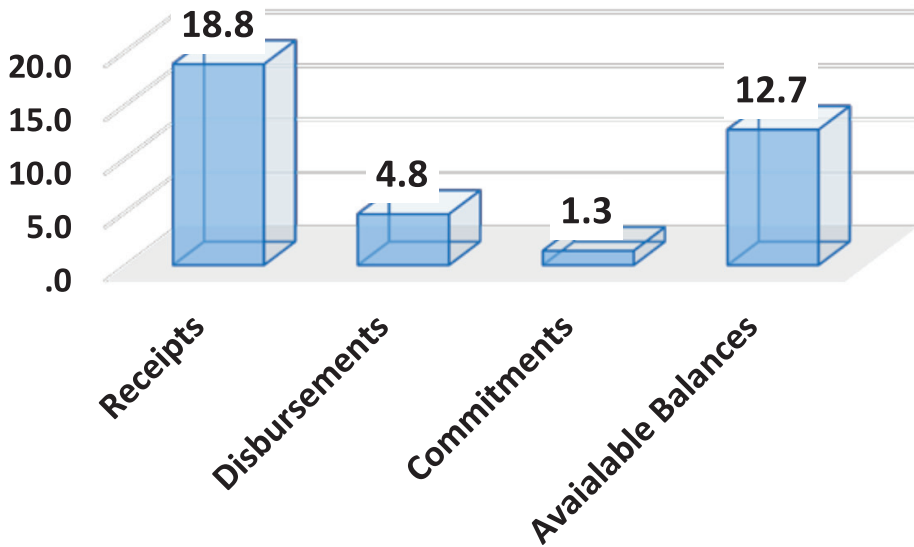
Total cumulative investment income as at December 31, 2016 was US\$231,216.66.

Allocations, disbursements and available balances

Of the US\$27.5 million received, US\$18.8 million was allocated across the eight projects and to different activities. The remaining balance is in the main fund awaiting further allocations for planned activities on a need basis. Of the allocated amount, By December 2016, US\$4.8 million (or 17% of funds received)

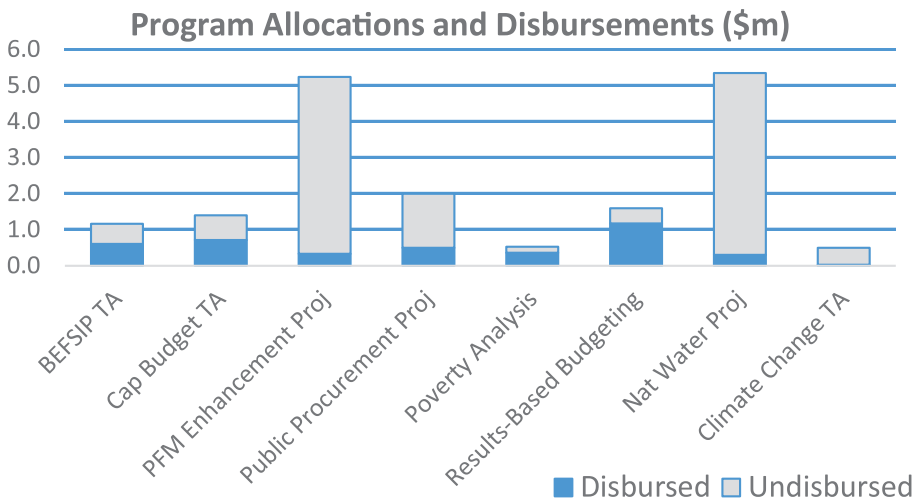
was disbursed and US\$1.3 million committed, leaving an available balance of US\$12.7 million

Allocations, Disbursement & Available Balances (US\$m)



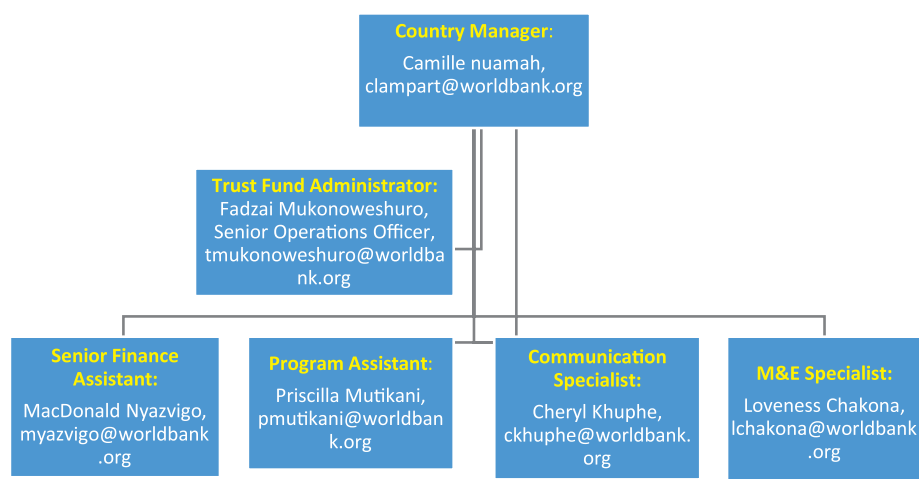
Allocations and disbursements

All activities missed the disbursement projections of 2016. The slow disbursement was as a result of mainly two Recipient-executed (NWP and PFM) activities which took long to be effective. The National Water Project only disbursed US\$100,000 (1%) of the allocated US\$5,3 million while PFM project disbursed US\$193,000 (2%) of the US\$5,2 million of the grant amount.



ZIMREF					
Trust Funds Financial Reporting summary as at 31 December 2016					
Contributions	Pledged	Received	Balance	Currency Pledge	
Denmark	913,369	913,369	-	DKK5.7m	
EU	11,332,140	5,332,140	6,000,000	EU9.9m	
Germany	1,000,000	-	1,000,000	\$1m	
Norway	4,128,163	4,128,163	-	NOK18m	
State and Peace Building Fund	5,000,000	5,000,000	-	\$5m	
Sweden	5,026,300	5,026,300		SEK43m	
Switzerland	3,500,000	1,719,603	1,369,603	CHF3.5m	
UK-DFID	11,580,410	5,580,410	6,400,000	£6m	
Total Contributions	42,480,382	27,299,985	15,180,397		
Invest Income Received		242,046			
Total income	42,480,382	27,542,031	15,180,397		
Approved activities	Grant Amt	Receipt	Disbursement	Commitment	Available Balance
<i>Bank executed</i>					
Output 1a: BEFSIP TA	3,200,000	490,000	220,180	232,188	37,632
Output 1b: BEFSIP TA Investment Climate	675,000	675,000	384,500	34,897	255,603
Output 2: Capital Budget: SOE/PIM	2,650,000	1,120,000	679,090	306,429	134,481
Output 2: Capital Budget: Transport	1,600,000	282,500	38,173	-	244,327
Output 3a: PFM Enhancement (BE)	800,000	235,000	143,771	-	91,229
Output 3b: Public Procurement Mod (BE)	400,000	400,000	131,312	244,463	24,225
Output 4b: Poverty Analysis	3,000,000	532,356	367,107	106,421	58,828
Output 4a: RBB - Program Budgeting	720,000	555,853	411,474	31,101	113,278
Output 4a: RBB - Education	690,000	522,777	371,745	61,719	89,313
Output 4a: RBB - Health	675,000	520,000	394,827	68,062	57,111
Output 5a: National Water Devt (BE)	800,000	350,000	209,764	15,420	124,816
Output 5b: Climate Change TA	1,500,000	500,000	30,561	217,461	251,978
Total BE activities	16,710,000	6,183,486	3,382,504	1,318,161	1,482,821
<i>Recipient executed</i>					
	Grant Amt	Allocated	Disbursement	Commitment	Available Balance
Output 3a: PFM Enhancement (RE, Phase 2)	10,000,000	5,000,000	193,414		4,806,586
Output 3b: Public Enhancement (RE, Phase 2)	1,600,000	1,600,000	367,333		1,232,667
Output 5a: National Water Devt (RE, Phase 2)	10,000,000	5,000,000	100,000		4,900,000
Total Activities	38,310,000	17,783,486	4,043,251	1,318,161	12,422,074
§ for BE activities: disbursed and/or committed, for RE: only disbursed.					
Fees and Program Management Costs	Grant Amt	Receipt	Disbursement	Commitment	Available Balance
Program Mgmt: Staff Time	1,212,275	200,000	148,113	-	51,887
Program Mgmt: Administration	1,212,275	250,000	180,701	28,674	40,625
Corporate Fee	808,183	546,000	404,576	-	141,424
Total Fees and Program Management Cost	3,232,733	996,000	733,390	28,674	233,935
Pipeline	Proposed	2016 Workplan			
Public Procurement (RE, Phase 2)	2,000,000	-			
National Water Devt (RE, Phase 2)	10,000,000	-			
PFM Enhancement (RE, Phase 2)	10,000,000	-			
Total Pipeline	22,000,000	-			
To date \$3.7m (including programe fees) has been disbursed which is 14% of the received contributions					
The commitments are \$806k, which means the disbursements and commitments our ratio is 18%					
All the RE activities are now effective we expect that this will increase the disbursement ratios in the next few months					

ANNEX II: ORGANOGRAM



Name of Project/TA Program	Name of TTL and other contact people
National Water Project	<ul style="list-style-type: none"> Chloe Viola, cviola@worldbank.org (TTL) Zvikomborero Hoko, zhoko@worldbank.org (local contact)
Public Procurement Modernization Project	<ul style="list-style-type: none"> Quamrul Hasan; <shasan@worldbank.org> (TTL), John Sikazwe csikazwe@worldbank.org, Blessing Karadzandima, bkaradzandima@worldbank.org (local contact)
Public Financial Management Enhancement Project	<ul style="list-style-type: none"> Srinivas Gurazada sgurazada@worldbank.org (TTL) MacDonald Nyazvigo, mnyazvigo@worldbank.org (local contact)
Results-Based Budgeting TA Program	<ul style="list-style-type: none"> Johannes Herderschee, jherderschee@worldbank.org (TTL, Results-Based Budgeting) Ronald Mutasa, rmutasa@worldbank.org (TTL, Health) Thanh Thi Mai Mthanh1@worldbank.org [TTL, Education] Tapfuma Jongwe, tjongwe@worldbank.org (local contact, education)
Climate Change TA Program	<ul style="list-style-type: none"> Pablo Pablo Cesar Benitez pbenitez@worldbank.org/ Raffaello Cervigni, rcervigni@worldbank.org (TTLs) Janet Bvumbe-Chiweshe; jbvumbe@worldbank.org (local contact)

Name of Project/TA Program	Name of TTL and other contact people
Capital Budgets TA Program	<ul style="list-style-type: none"> • Ana Bellver abellver@worldbank.org (TTL) • Henri Fortin, hfortin@worldbank.org (TTL, PIM & SOEs) • Tuan Minh Le, tle@worldbank.org (TTL, PIM & SOEs) • Jay-Hyung Kim, jkim5@worldbank.org (TTL, PIM & SOEs) • Justin Runji, jrunji@worldbank.org (TTL, Transport); • Mirlan Aldayarov, maldayarov@worldbank.org (TTL, Energy); • Macdonald Nyazvigo mnyazvigo@worldbank.org (local contact, PIM, SOEs); • Peter Rundell peter.rundell@yahoo.co.uk (local contact, Capital Budgets overall).
Business Environment, Financial Sector and Investment Promotion TA Program	<ul style="list-style-type: none"> • Crispen Mawadza, cmawadza@worldbank.org (TTL, FM), • Kobina Daniel, kdaniel@ifc.org (TTL, Investment Climate) • Gregory Myers, Gregory-wilson-myers@worldbank.org (TTL, Lead Land Specialist) • Melissa Brown, mbrown@worldbank.org (TTL, Agriculture) • Norman Mukwakwami, nmukwakwami@worldbank.org (local contact, Mining)
Poverty Monitoring and ZIMASSET M&E TA Program	<ul style="list-style-type: none"> • Rob Swinkels, rswinkels@worldbank.org (TTL)

ANNEX III: ZIMREF PROGRAM RESULTS FRAMEWORK

HIGH-LEVEL OUTCOME 1: Improved Business Climate, especially for MSMEs and Smallholder Farmers						
Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
Zimbabwe's economy is now dominated by MSMEs but public sector systems still need to adapt to serving this segment. <i>Doing Business</i> rating focuses on an average SME. Reducing time, cost and risk of doing business will revitalize private investment (domestic and foreign) and employment and expand the revenue base. Successful reforms also need to be evaluated against the perception of the ultimate beneficiaries.	HLO-2: Overall distance to the frontier on the doing business index (a measure of industry efficiency).	2015: 47%	2016: 48.17%	Annual Doing Business Surveys	Updating financial and investment rules and procedures will be sufficient to halt/reverse some of the decline in private investment, even if macroeconomic policies worsen. Vested interests are effectively co-opted into the process and allow regulatory changes Regulatory changes are effectively communicated to all stakeholders and applied by service providers.	Overall DTF is 47.08 percent. NOT ON TRACK. DTF improved in three areas: dealing with construction permits went up by (9.73 percentage points, resolving insolvency (1.02 percentage points) and registering property (0.82 percentage points)).
			2017: 52%			
			2018: 58%			
			2019: 60%			
			2016: -30			
2017: -15						
2018: -5						
2019: +5						
	HLO-3: Index of perception of the investment climate in Zimbabwe	2015: -37.2				BCI not yet out, to be released in February 2017.

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
Intermediate Outcome 1.1: Reduced time and cost of doing business						
Enhancing the ease of doing business will attract new entrants into business especially SMEs thereby boosting employment, pro-poor growth and social stability. Existent business legislation and regulations are not amendable to the fast registration of companies, accessing credit, enforcing contracts, resolving insolvency and leveraging a broader set of assets for collateral security.	1.1.1 All relevant business policies / regulations/laws for implementing 2015 Doing Business Reform Memo amended/enacted or updated.	2015: 0	2016: 4	Office of the President and Cabinet, Clerk of the Parliament, Office of Attorney General	<ul style="list-style-type: none"> Government's reform thrust is sustained in the evolving political economy; Adequate Government capacity to speedily implement legislative reforms; Openness to technical 	Bank TA was delivered for the drafting of 12 Laws which were gazetted on 28 November 2016. ON TRACK Reserve Bank Amendment Act enacted to set legal framework for Credit Registry. ON TRACK
			2017: 8			
			2018: 10			
			2019: 13			
The time to register a business is an outcome of the interaction of a cluster of legislations and regulations,	1.1.2 Number of days taken to register a business	2015: 90 days	2016: 60 days	Annual Doing Business Surveys		91 days are required to register a business, this is due to the Companies' Act not yet enacted.
			2017: 30 days			
			2018: 15 days			

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
hence its reduction indicates a general improvement in the business environment.			2019: 10 days		assistance when needed.	Reduction in number of days expected once the Companies Act is enacted. NOT ON TRACK
Electronic payment systems are an important part of a modern financial system and Zimbabwe is lagging behind, notwithstanding good mobile telephone penetration	1.1.3 % increase in the use of online payments	2015: 0%	2016: 0% 2017: 5% 2018: 10% 2019: 15%	RBZ, Mobile money companies		355.6 % increase in the use of online payments due to liquidity crunch. ON TRACK
Specialized commercial courts are an innovation in the Zimbabwean justice system meant to speed up the resolution of commercial disputes	1.1.4 Number of commercial cases that are handled by the new commercial courts	2015: 0	2016: 0 2017: 120 2018: 250 2019: 400	Court records		Commercial Courts not yet in place because the judiciary amendments have not gone through. Not yet done
	1.1.5 Number of judges of the commercial court trained in commercial jurisprudence.	2015: 0	2016: 0 2017: 0 2018: 3 2019: 3	Judicial Service Commission		None, results to be expected in 2018. No trainings as yet since Commercial Courts are not yet established Not yet done
Intermediate Outcome 1.2: More Effective and Predictable Investment and Commercial Policies						

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
The real test of the effectiveness of de jure changes to business laws and regulations lies in their implementation and perception by the business public.	1.2.1 % of respondents who say that investment and commercial policies are improving	2015: 40	2016: 45	Enterprise Surveys (2011, 2016, 2019)		Fieldwork is completed for the 3 Enterprise Surveys: (i) the Traditional Enterprise (ii) an MSME and (iii) Informal Enterprises Surveys. Reports to be completed in Q1 of 2017. ON TRACK
			2017: 50			
2018: 55						
2019: 60						
Women face idiosyncratic constraints and are often the least served by formal credit markets	1.2.2 % increase of female-owned or managed businesses with access to formal financing.	2015: 57% (2011, Enterprise Survey)	2016: 10 2017: 25 2018: 35 2019: 50	Finscope Surveys; Enterprise Surveys (2016, 2019)		This is to be determined by completion of Enterprise Surveys. Not yet done
Intermediate Outcome 1.3: Regulatory Framework that promotes SME and smallholder access to finance and markets				Inspection of official documents from the ministry of agriculture (WRS) and RBZ		No system in place yet. Not yet done
Introduction of a Warehouse Receipt System (WRS), Credit Bureau and Collateral Registry would facilitate the deepening and inclusiveness of credit markets.	1.3.1 The Warehouse Receipt System designed and adopted (NO-0, YES=1/4); the Credit Bureau	2015: The WRS Act of 2007 not operationalized ; no credit bureau existed & requisite changes to the	2016: N/A		Inspection of official documents from the ministry of agriculture (WRS) and RBZ	
			2017: Movable Assets Act passed. 2018: Credit Bureau operational.			

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
	designed and operationalized (NO=0, YES=1/4); and Collateral Registry designed and operationalized (NO=0, YES=1/4). Maximum Score = 1.	RBZ Act were not completed; No collateral registry existed.	2019: WRS operational.	(credit bureau, collateral registry).		
The RBZ has set a goal of 90% financial inclusion by 2019	1.3.3 Percentage of adults with a bank or mobile money account	2015: 32	2016: 45 2017: 62 2018: 75 2019: 85	RBZ Online Economic Bulletin Report	The broader macroeconomic environment improves for the better to complement the doing business reforms	69 percent of adults in 2016 now have bank or mobile money accounts. ON TRACK
A central credit registry is a key institution to resolve information asymmetries and improve the functioning of credit markets.	1.3.4 Number of records stored on the central credit registry at the Reserve Bank	2015: 0	2016: 5,000 2017: 250,000 2018: 1,200,000 2019: 3,000,000	RBZ Central Credit Registry	The political economy overcomes possible resistance to a credit bureau.	The Credit Registry database has not been launched yet. Not yet done
	1.3.5 Number of new business	2015: 0	2016: 2,000 2017: 5,000	Credit Bureau records		This is to be determined by the launching of the Credit Registry

HIGH-LEVEL OUTCOME 2: Improved Capacity to Leverage Infrastructure Financing (Capital Budgets TA Program, \$4.3 million)							Achievement against planned targets
Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets	
Intermediate Outcome 2.1: Modern and effective public investment planning in place			2016: Draft PIM Guidelines discussed with Government 2017: PIM Guidelines approved & published 2018: Sector Manuals & templates approved in energy and transport; And at least two project proposals appraised through the new framework 2019: N/A 2016: N/A		<ul style="list-style-type: none"> Strengthening of internal audit and other commitment controls is sufficient to correct some expenditure policy deficiencies. Government commitment to fiscal consolidation and adjustment is maintained, even in the run-up to the 2018 election. Trust fund resource mobilization is successful to plug the existent funding gap for the PFM project. Satisfactory public procurement law is enacted without substantial interference from vested interests. Resources for training are sufficient to bring the majority of MDAs to 	Revised draft PIM Guidelines reflecting comments were submitted to Government in October 2016.	
Mobilizing greater financing and investment for infrastructure requires stronger public investment management: improved planning, available pre-investment financing for project preparation; stable and effective regulatory policies; and robust public utilities/SOEs with strong public oversight.	2.1.1 Modern Public Investment Management (PIM) framework adopted;	2015: Specific weaknesses identified in the 2012 PIM Review (World Bank)		<ul style="list-style-type: none"> A sequel PIM Review (2018), using the 2012 PIM Review for comparison. Findings of the Strategic Options Papers for GMB, CSC, IDBZ 			
	2.1.2 PIM	2015: No				Not yet done.	

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
	Capacity building and Training Program executed;	training of government officials on PIM	2017: Local PIM training for 30 selected government officials completed. PIM training for 'train the trainers' for several selected officials in Canada Queen's University PIM Program completed 2018: PIM training for sector experts completed 2019:N/A		capacity on new public procurement framework.	
	2.1.3 Modern	2015: No PIM	2016: N/A			Not yet done.

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
	PIM database and Management System Developed and Implemented;	Database and Management System	2017: Develop PIM Database system completed 2018: Pilot test and manage PIM Database system 2019: N/A			
Intermediate Outcome 2.2: Improved governance and performance of parastatal enterprises						
Strengthening corporate governance for Zimbabwe's State Enterprises and Parastatals (SEPs), at one time accounting for 40% of GDP, in line with international best practices will provide a fillip for economic growth, poverty	2.1.2 Total score on the Corporate Governance (CG) Reform Scale: CG Benchmarking exercise completed (NO=0,	2015: No written guidelines on SOEs	2016: SOE Benchmarking exercise completed	Inspection of documentation from the OPC, Parliament, Attorney General's		39 out of targeted 40 SEPs have been completed for the CG benchmarking exercise. Data from 87% of SEPs collected and organised in a database ON TRACK
			2017: Corporate Governance Bill enacted			

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
reduction and employment.	YES=1/4); CG Bill enacted (YES=0, NO=1/4); CG Manuals and Guidelines developed (NO=0, YES=1/4); At least 2 SEPs pilot the new CG Framework (NO=0, YES=1/4). Maximum score = 1.		2018: CG regulations, manuals and guidelines in place, At least 2 SEPs piloting the new framework 2019: 40% of SOEs in compliance with CG Law	Office; • Expert Review of the new CG Act by World Bank TA		
	2.1.3 Number of women versus men in key management posts in SEP boards	2015: TBA	2016: TBA 2017: TBA 2018: TBA 2019: TBA		More women holding key management posts in SEP boards	

HIGH-LEVEL OUTCOME 3: Improved Allocation, Transparency & Accountability in the Use of Public Resources (Public Procurement Modernization Project, \$1.6 million RE Project plus \$0.4 million BE TA Program; Public Financial Management Enhancement Project, \$20 million RE Project plus \$0.8 million BE component)						
Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievements against planned targets
Intermediate Outcome 3.1: Improved coverage and quality of public financial controls, accounting and reporting				<ul style="list-style-type: none"> PEFA 2011, 2017; PEFA 2019; Use of Country Systems Assessment, 2015 (World Bank) Annual review of the Accountant General's Reports 		The draft annual financial statements for financial year ending Dec 31, 2016 will be due in March 2017. The target is the monthly and quarterly consolidated financial statements have been produced, regularly on time. Not yet done.
Modernization and expansion of the public financial management system will enhance transparency and efficiency of Government expenditures	3.1.1 Number of months (after closure of financial year) taken to release consolidated annual financial statements	2015: TBA, from findings of PEFA 2011, 2016; and Use of Country Systems Assessment (2015)	2016: 4.0 2017: 3.6 2018: 3.3 2019: 3.0			
Bringing all Government expenditure under the	3.1.2 Coverage by the IFMIS of	2015: 60%	2016: n/a 2017: 80%	Quarterly		Only the Grant Management Module of the SAP has been

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets	
<p>fiduciary framework of the Integrated Financial Management Information System is the industry standard for ensuring full accountability for public expenditures, a fortiori given the very limited fiscal space. Expanding the reach of IFMIS to include districts and local authorities will enhance overall efficiency of resource use.</p>	all expenses by MDAs at district levels as a % of central government expenditures		2018: 88% 2019: 95%	World Bank Fiduciary Reports; Review of MOFED reports		installed and is being piloted for Ministry of Health and the PFM Enhancement Project. NOT ON TRACK.	
	<p>3.1.3 Number of MDAs operating on the IFMIS</p>	2015:0	2016: n/a	Quarterly World Bank Fiduciary Reports; MOFED reports		Expansion to MDAs including District Councils is at the planning stage. NOT ON TRACK.	
			2017: 30%	Review of MOFED reports		Roll out of the IFMIS to the district councils is now planned for 2017. Not yet done..	
			2018: 45%				
			2019: 60%				
	<p>3.1.4 Number of district councils utilizing local government IFMIS for management and reporting</p>	2015: 0	2016: 2				
			2017: 10				
			2018: 20				
				2019: 30			
	Intermediate Outcome 3.2: Greater Quality and Scrutiny of internal and external audit						

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
<p>The Attorney General's office is very important in the PFM system and can only be effective if its recommendations and findings are acted upon by Parliament, another important element of the PFM system.</p>	<p>3.2.1 Number of audited financial statements or reports presented to Parliament</p>	<p>2015: 32</p>	2016: 60	<p>Parliament of Zimbabwe Reports; Auditor General's Reports</p>		<p>Four reports were considered by Parliament in November 2016.</p> <p>The Office of the Auditor General submitted 3 volumes of Audit Reports as follows:</p> <ul style="list-style-type: none"> - 29 appropriation accounts - 80 miscellaneous funds - 84 State Enterprises and Parastatals - 47 Local Authorities <p>ON TRACK</p>
			2017: 60			
			2018: 140			
			2019: 160			
	<p>3.2.2 Number of months taken to submit the 3 consolidated audited financial statements to Parliament</p>	<p>2015: 3</p>	2016: 6	<p>Parliament of Zimbabwe Reports; Audit General's Reports</p>		<p>Six months taken to submit financial statements in 2016.</p> <p>ON TRACK.</p>
			2017: 6			
			2018: 6			
			2019: 6			
	<p>3.2.3 Number of audit reports</p>	<p>2015: 32</p>	2016: 35	<p>Parliamentary reports</p>		<p>Only 3 audit reports were debated in Parliament during</p>
			2017: 40			

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
	debated by Parliament		2018: 40 2019: 40			2016. NOT ON TRACK.
The quick resolution of audit observations is the raison d'être and consolidates the standing of the Attorney General's office in the PFM system	3.2.4 % of audit observations from preceding year resolved	2015: 40	2016: 50	Auditor General's Reports		55% of Audit observations in 2015 resolved. ON TRACK.
			2017: 60			
			2018: 70			
			2019: 90			
The coverage of the audit functions to all income sources and lower levels of Government is essential to safeguarding public resources	3.2.5 Number of MIDAs covered by internal audit reports	2015: 10	2016: 10	Auditor General's reports		NOT ON TRACK.
			2017: 20			
			2018: 25			
			2019: 30			
	3.2.6 % of Internally Generated Funds (IGFs) reported in audited financial statements	2015: TBA	2016: 20%	Auditor General's Reports		The Auditor General's office audited all seven donor funded projects implemented by Central Government ON TRACK.
			2017: 60%			
			2018: 90%			
			2019: 90%			
The promotion of private-sector participation in public-sector auditing	3.2.7 Number of private-sector-audited	2015: 155	2016: 162	Auditor General's Reports		156 - 65 State Enterprises and Parastatals
			2017: 169			
			2018: 175			

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
leverages critical audit capacity and strengthens capacity for the overall audit function in countries	public agencies		2019: 182			- 91 Local Authorities in 2016 NOT ON TRACK.
	Intermediate Outcome 3.3: Greater transparency, accountability and effectiveness of public procurement					
Strengthening the public procurement system enhances transparency and efficiency of public expenditures	3.3.1 Revised draft procurement law (bill) submitted to parliament (NO=0, YES=1)	2015: 0	2016: 0	Parliament records		Public Procurement and Disposal of Public Assets Bill gazetted 26 October 2016. ON TRACK.
			2017: 1			
			2018: 1			
	2019: 1					
	3.3.2 E-procurement strategy is adopted by Government (NO=0, YES=1)	2015: 0	2016: 0	Office of the President and Cabinet (OPC)		A four months contract (signed November 2016) to develop E-Procurement Strategy was issued to a Consulting Firm. ON TRACK.
			2017: 1			
			2018: 1			
2019: 1						
	3.3.3 E-procurement system requirements defined and bidding	2015: 0	2016: 0	State Procurement Board (SPB) reports		Activity not yet done, awaiting finalisation of the E-Procurement Strategy by the Consulting Firm. Not yet done.
			2017: 1			
			2018: 1			
2019: 1						

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
	documents developed (NO=0, YES=1)					
	3.3.4 Cumulative number of procurement management units in MDAs trained and equipped to conduct procurement	2015: 0	2016: 30	OPC reports		Procurement management units in MDAs were trained and equipped on how to conduct procurement. ON TRACK.
			2017: 60			
			2018: 60			
			2019: 60			
	3.3.5 Cumulative number of stakeholders trained on the new procurement framework	2015: 0	2016: 100	SPB reports		353 stakeholders were trained on new procurement framework. ON TRACK.
			2017: 1000			
			2018: 1000			
			2019: 1000			
	3.3.6 Procurement performance monitoring	2015: 0	2016: 0	SPB, OPC reports		The Procurement Performance Monitoring Framework was submitted to OPC. ON TRACK.
2017: 1						
2018: 1						
2019: 1						

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
	system is established (NO=0, YES=1)					The framework is to be operationalised in the E-Procurement Guidelines. Development of the standard catalogue for common procurement of goods and services, awaits finalisation of the E- Procurement Strategy. Not yet done.
	3.3.7 Standard Catalogue for common procurement of goods and services is developed and adopted (NO=0, YES=1)	2015: 0	2016: 0	SPB, OPC reports		
			2017: 1			
			2018: 1			
		2019: 1				
	3.3.8 E-procurement Guidelines developed	2015:0	2016:0			The development of E-Procurement Guidelines, await the finalisation of the E-Procurement Strategy. Not yet done.
			2017:1			
			2018:1			
		2019:1				
	3.3.9 % of women engagement in the preparation of the	2015:TBA	2016:TBA		Procurement Law gender neutral in issues to do with equity and transparency	
			2017:TBA			

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
	Procurement Law		2018:TBA 2019:TBA		Law to provide groundwork for the empowerment of women	

HIGH-LEVEL OUTCOME 4: Improved Allocation, Transparency & Accountability in the Use of Public Resources (Poverty Monitoring and ZIMASSET M&E Technical Assistance Program, \$3.0 million BE TA Program; and the Results -based Budgeting TA Program, \$2.1 million)						
Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
Intermediate Outcome 4.1: Implementation of results-based budgeting and planning						
Increasing the results focus of public expenditures will maximize the social welfare contribution of Government expenditure in the face of a severely constrained fiscal space.	4.1.1 Cumulative number of ministries adopting program-based budgeting and planning	2015: No ministries	2016: 3 ministries	National Budget Statements, MOFED Reports; Project Monitoring Reports	The ministries have capacity for meeting the high demands for data inherent in results-based budgeting	2017 National Budget is presented to Parliament in Program-Based Budgeting format for 9 ministries. ON TRACK.
			2017: 9 ministries			
HEALTH TA	4.1.2 Existence of Health Financing Policy	2015: No Health Financing Policy	2016: HFP in place	National Health Financing Policy; HFP Dissemination Report	Political stability is	The HFP was drafted, adopted by the Government and launched in January 2017. ON TRACK
			2017: HFP in place			
			2018: HFP in place			
			2019: HFP in place			

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
	<p>4.1.3 Existence of a National Health Financing Strategy with a clear tracking framework for coordinating health financing and coordination</p>	<p>2015: No National Health Financing Strategy</p>	<p>2016: No National HFS in place</p> <p>2017: HFS in place</p> <p>2018: HFS in place</p> <p>2019: HFS in place</p>	<p>National health accounts reports;</p> <p>Household health expenditure survey</p>	<p>maintained in the country. There is a rebound in the economic environment, enabling some improvements in the fiscal space and sustaining health service delivery</p>	<p>The development of a National Health Financing Strategy (NHFS) with a clear tracking framework for coordinating health financing and coordination has begun in collaboration with UNICEF and WHO.</p> <p>Fiscal Space Analysis related to the development of the HFS has been completed.</p> <p>ON TRACK</p>
	<p>4.1.4 Existence of 2015 National Health Accounts Report</p>	<p>2015: No National Health Accounts Report</p>	<p>2016: No NHA report in place</p> <p>2017: NHA report in place</p> <p>2018: NHA report in place</p> <p>2019: NHA report in place</p>	<p>National Health Accounts Report;</p> <p>HFS Dissemination Report</p>	<p>The lack of political will to make anonymized micro-data available to</p>	<p>Analysis of survey data and complementary data sets has been completed and a draft report will be ready for circulation in first quarter 2017</p> <p>ON TRACK</p>

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
	4.1.5 % of domestic financing for Health (Gvt, Private, Household) relative to The Total Health Expenditure (THE)	2015:TBA	2016: TBA	2015 National Health Accounts; 2018/19 National Health Accounts	researchers for more in-depth socioeconomic analyses is resolved in line with United National statistical standards.	Awaits results from NHA 2015
			2017: TBA			
			2018: TBA			
			2019: TBA			
	4.1.6 % of household expenditure relative to Total Health Expenditure	2015:TBA	2016: TBA	2015 National Health Accounts; 2018/19 National Health Accounts		Awaits results from NHA 2015
			2017: TBA			
			2018: TBA			
			2019: TBA			
EDUCATION TA The overall objective of this TA is to support the	4.1.7 Framework for the establishment of a body to support the	2015: No national framework for teacher professionalization in place	2016: Teacher Professional Council (TPC) Working Group established	MOPSE Reports Comprehensive Report on the establishment of a TPC for		Working Group was established and has carried out consultative process including a Bank funded study tour in May 2016.

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
Government's efforts to improve education outcomes by increasing knowledge, strengthening capacity, and updating practices in teacher management and development, Mathematics pedagogy, continuous student assessment and ICT use in Education so as to address gaps in learning outcomes.	Professionalisation of the teaching profession including a Draft Teaching Council Bill	Proposed New curriculum framework recommends the need for a Teacher professional body	2017: Comprehensive Report on proposed Teaching Council for Zimbabwe 2017: Draft Teaching Council Act in place and ready for Parliament 2018: Teaching Professional Council established	Zimbabwe	Investing in this TA will prepare the ground for broader MOPSE-WB partnership post re-engagement. The MoPSE is fully open to Technical Assistance and is willing to work with the WB team in order to achieve the objectives of this TA. Political stability is maintained thereby allowing smooth	1 st draft of comprehensive report has been developed and will now be taken to teachers around the country for lobbying and buy-in purposes. ON TRACK
	4.1.8 # of MoPSE District Math panelists with improved Math pedagogy skills 4.1.9 Training	2015: New curriculum framework demands new pedagogical skills and approaches to the teaching and	2016: District Math Panelists trained during NaAonal Math Conference 2017: Training Manual for Math teachers developed	NaAonal Math conference report Training Manual MoPSE internal Reports	All District Math Panelists (both Primary and Secondary) from the country's 72 Districts were trained in inquiry based pedagogical skills in May 2016. ON TRACK	

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
	Manual for Math teachers developed in line with new curriculum	learning of Math and Science 2016: National Math Conference: Limited innovative pedagogical skills on the part of Math teachers to effectively facilitate the teaching and learning of Math under new curriculum			flow of TA activities	

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
	<p>4.1.10 National ICT in Education Policy developed and adopted to guide the effective and efficient use of ICT to support teaching and learning, planning, management and administration, and at all levels of the MOPSE</p>	<p>2015: No national ICT in Education Policy 2015: New Curriculum framework integrates the use of ICT into day to day teaching and learning across subjects 2016: Education Sector Strategic Plan prioritizes the development of ICT in Education Policy</p>	<p>2016: ICT in Education Policy Framework team established 2016: Draft ICT in Education Policy developed 2017: ICT in Education Policy adopted and in place 2017: ICT in Education Implementation plan and budget developed 2016: WB-ZIMSEC partnership established and formalised</p>	<p>National ICT in Education Policy MOPSE Reports</p>		<p>Final draft of the National ICT in Education Policy developed and is currently going through official Government adoption processes.</p> <p>Launch of the policy has been earmarked for March 2017. NOT ON TRACK</p>
	<p>4.1.11 Existence of a Teacher training program/manual on continuous</p>	<p>2015: Continuous assessment was only applicable to practical/tech-voc</p>		<p>ZIMSEC reports MOPSE Reports</p>		<p>No progress recorded as the Ministry had evolving priorities in regard to this area.</p>

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
	classroom assessment in line with the new curriculum	<p>subjects</p> <p>2015: Proposed new curriculum framework recommends the use of continuous assessment in all learning areas</p> <p>2015: Limited knowledge on the part of teachers in regard to continuous assessment</p>	<p>2016: Continuous Assessment Training Manual for Teachers developed</p> <p>2017: Pilot training of teachers using developed manual</p>			<p>Furthermore two separate international consultants that the team had identified all pulled out of the TA and this has contributed to further delays.</p> <p>ZIMSEC continues committed to working with WB and efforts are underway to engage new consultants to work with them.</p> <p>NOT ON TRACK</p>
Intermediate Outcome 4.2: Improved poverty monitoring and evaluation						

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
<p>Enhancing access to high-quality poverty data, in turn to support a stronger focus on poverty monitoring, will contribute toward enhancing the efficiency of public expenditure for the achievement of the globally agreed sustainable development goals (SDGs).</p>	<p>HLO-8: The 2016/17 PICES Survey is conducted (NO=0; YES=1/4), analyzed and report produced (NO=0; YES=1/4), disseminated (NO=0; YES=1/4) and poverty microdata is made available (NO=0; YES=1/4). Maximum score = 1.</p>	<p>2015: Score=0</p>	<p>2016: PICES Survey starts and access to microdata granted. S=1/4</p>	<ul style="list-style-type: none"> • PICES Survey implementation and dissemination reports; • Verification of existence of a protocol at ZIMSTAT facilitating public access to anonymized PICES data. 		<p>Statutory Regulation to open access to micro-data drafted and commented on. Following a recent study tour, the Government has decided to amend the Statistical Law instead.</p> <p>2016/17 PICES survey will start in early 2017 with ZIMREF, UNDP, UNICEF and AfDB funding.</p> <p>Draft questionnaire for the 2016/17 PICES Survey is in place.</p> <p>Sample frame for 2016/17 PICES has been agreed on: 30 000 households.</p> <p>A Household Agricultural Productivity Survey Module Working Group meeting was held to discuss the objectives and topics of the extra survey module to be administered to a sub sample of around 3000 households of the PICES survey. ON TRACK.</p>

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
			2017: PICES Survey completed & report produced. S=1/2 2018: PICES Survey disseminated. S=3/4 2019: Score=1			

HIGH-LEVEL OUTCOME 5: Improved Resilience in one key basic service and an important area of vulnerability (National Water Development Project, \$20 million RE Project plus \$0.8 million BE component; Climate Change TA Program, \$1.6 million BE)						
Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievements against targets
Intermediate Outcome 5.1: Improved access to, and sustainability of small town water supply	5.1.1 Number of small-town water supply systems rehabilitated and upgraded	2015:0	2016: 0	Project monitoring reports	Water-service agreements between ZINWA and local town councils governing the supply and purchase of	Bids for Works contract for Lot 1 (Lupane, Zimunya and Guruve) closed on December 2nd 2016. Bid evaluations to be completed by year end.
			2017: 3			
Improved access to safe drinking water and sanitation	5.1.2 % of people with access to safe drinking water in seven (7) small towns (out of a targeted 52,000	2015: TBA from ongoing Baseline WASH Survey, An	2016: Baseline completed	Baseline WASH Survey; ZINWA Project monitoring reports		Contract negotiations to be completed by January 2017. ON TRACK.
			2017: 53%			
			2018: 60%			
						Contractor to conduct the Baseline WASH Survey has been identified, contract is being negotiated. NOT ON TRACK.

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
<p>services is integral to the SDGs and indeed a key indicator of local government capacity to deliver public services. The small-town WASH sector is relatively under-served compared to the larger towns and cities where the African Development Bank and other partners have made significant investments since the 2008 cholera outbreak. The seven towns were selected for housing a disproportionate share of the poor, including new areas and satellite settlements that were not served by national WASH infrastructure at all.</p>	people)	earlier estimate (2008/2009) puts the figure at 46%	2019: 69%		treated bulk water are signed without delay;	
	<p>5.1.3 Cumulative number of people with access to sanitation services in the three small towns targeted for waste-water rehabilitation.</p>	<p>2015: TBA from the ongoing Baseline WASH Survey. A 2008/2009 Baseline WASH Survey confirmed the figure to be 30%</p>	<p>2016: TBA (= baseline, TBA)</p> <p>2017: 36,000</p> <p>2018: 48,000</p> <p>2019: 52,000</p>	<p>Local clinic records (which should also be supported by the Baseline WASH Survey, 2016). Also, progress reports from ZINWA</p>	<p>There is no resistance to the targeted increases in water tariffs to guarantee sustainability of the WASH investments;</p> <p>There is no delay to the planned procurement of goods and services due to weaknesses in the national procurement system.</p>	<p>The number of people with access to sanitation services in the three small towns targeted for waste-water rehabilitation is to be informed by progress on the construction site (5.1.1) and the baseline study (5.1.2). Not yet done</p>
	<p>5.1.4 Progress in developing National Water Resources Master Plan (NO=0, YES=1); and adoption</p>	<p>2015: Water Resources Management Strategy</p>	<p>2016: Progress = 0</p> <p>2017: Progress = 0</p>	<p>Project monitoring reports; Documentary evidence from the MWEC</p>		<p>The Bank has reviewed the bid evaluation reports for the development of the National Water Resources Master Plan and sent back comments to</p>

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets	
	of Plan (NO=0, YES=1)	(1990s); River System Development Plans/Catchment Outline Plans (mid-2000s). Progress = 0	2018: National Water Resources Master Plan developed (Progress=1)		The political economy of national water sector regulation does not hinder agreement on the planned National Water Resources Master Plan.	ZINWA. ON TRACK	
			2019: National Water Development Master Plan adopted (Progress = 1)				
	5.1.5 New number of people with access to clean water	2015:0	2016: 0	2016: 0	ZINWA Progress Reports	Resource mobilization is successful to plug the existing funding gap of US\$10 million.	None, number to be expected in 2017. Not yet done
			2017: 31,000	2017: 2,600			
			2018: 42,000	2018: 3,700			
			2019: 48,000	2019: 4,700			
	5.1.6 Number of new piped household water connections resulting from the project intervention	2015: 0	2016: 0	2016: 0			None, number to be expected in 2017. Not yet done
			2017: 2,600	2017: 2,600			
			2018: 3,700	2018: 3,700			
			2019: 4,700	2019: 4,700			
5.1.7 Number of rehabilitated piped household water connections	2015: 0	2016: 0	2016: 0			None, number to be expected in 2017. Not yet done	
		2017: 6,391	2017: 6,391				
		2018: 7,050	2018: 7,050				
		2019: 7,774	2019: 7,774				

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets				
	5.1.8 Number of people trained on water and sanitation	2015: 0	2016: 3,500			Training plan on water and sanitation has been approved. NOT ON TRACK				
			2017: 7,000							
			2018: 10,500							
			2019: 14,000							
	5.1.9 % of citizen complaints addressed satisfactorily	2015: 0	2016: 0					This activity is to be informed by the Baseline Survey WASH. Not yet done..		
			2017: 60							
			2018: 70							
			2019: 80							
	5.1.10 New number of sanitation plans prepared for growth centers	2015: 0	2016: 0							None, number to be expected in 2018. Not yet done..
			2017: 0							
			2018: 7							
			2019: 7							
5.1.11 Number of Water Service Agreements prepared for growth centers	2015: 0	2016: 0			ToRs for the development of service agreements templates developed. ON TRACK.					
		2017: 0								
		2018: 7								
		2019: 7								
5.1.12 % of members of water groups /boards and utilities who are women	2015: TBA	2016: TBA					Existence of water bodies with women representatives			
		2017: TBA								
		2018: TBA								
		2019: TBA								
Intermediate Outcome 5.2: Improved capacity to integrate climate into development planning										

Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions	Achievement against planned targets
Strengthened capacity of the Government of Zimbabwe to (i) integrate climate change considerations into the planning, design and implementation of development projects in certain sectors and (ii) turning existing knowledge into concrete investment plans that can be financed by both climate and development finance mechanisms is imperative for building climate change resilience	<p>5.2.1 Guidelines for integrating climate resilience into six (6) sectors infrastructure/policies : water, energy, agro-ecological zoning, livestock, irrigation, and forestry.</p> <p>5.2.2 Investment plan for climate change resilience focusing in one sector</p>	<p>2015: No guidelines and investment plan in place.</p>	<p>2016: TA program approved and 3 technical reports commissioned</p> <p>2017: All technical reports commissioned and stakeholder workshops completed</p> <p>2018: All four guidelines prepared and issued.</p> <p>Investment Plan Supported in one sector</p> <p>One Project identified and proposal developed/submitted for accessing international climate finance resources</p>	<p>Climate Change TA monitoring reports</p>	<p>Political will and inter-agency cooperation within Government on Climate Change are sustained;</p> <p>There is threshold capacity within Government to propel the TA process forward;</p> <p>Fiscal space within Government improves over the course of the fiscal year to sustain the design of domestic financing mechanisms for climate change</p>	<p>TA program was approved by POC.</p> <p>Three technical reports commissioned with TORs agreed with the Government for:</p> <ol style="list-style-type: none"> 1. Forestry 2. Agriculture and irrigation (including aspects of climate finance) 3. Water <p>Water Energy Workplan Prepared ON TRACK.</p>





<http://www.worldbank.org/en/programs/zimbabwe-reconstruction-fund>