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USAID STRATEGIC ECONOMIC RESEARCH AND ANALYSIS – ZIMBABWE (SERA) PROGRAM

QUARTERLY PROGRESS REPORT PROGRAM QUARTER 11: APRIL-JUNE 2014

CONTRACT NO. AID-613-C-11-00001

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July 30, 2014

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ANNEX 2: Performance Monitoring Indicators 1

ACRONYM LIST

AfDB	African Development Bank
BAZ	Bankers Association of Zimbabwe
BTS	Business Tendency Survey
CBR	Central Business Register
CIP	Census of Industrial Products
COMESA	Common Market for Eastern and Southern Africa
COP	Chief of Party
COTR/COR	Contracting Officer's Technical Representative/ Contracting Officer's Representative
CSO	Civil Society Organization
CTC	Competition and Tariff Commission
DFID	Department for International Development
ED	Executive Director
ESAMI	Eastern and Southern African Management Institute
GDP	Gross Domestic Product
GOZ	Government of Zimbabwe
ISIC	International Standard Industrial classification
ICT	Information and Communications Technology
LEDRIZ	Labor and Economic Development Research Institute of Zimbabwe
M&E	Monitoring and Evaluation
MEFMI	Macroeconomic and Financial Management Institute
MIC	Ministry of Industry and Commerce
MOFED	Ministry of Finance and Economic Development
NMMU	Nelson Mandela Metropolitan University
QEI	Quarterly Employment Inquiry
QPR	Quarterly Performance Report
RBZ	Reserve Bank of Zimbabwe
SADC	Southern African Development Community
SAPST	Southern Africa Parliamentary Support Trust
SERA	Strategic Economic Research and Analysis
SEZ	Special Economic Zone
SIRDC	Scientific and Industrial Research and Development Centre
SS	Survey of Services
STTA	Short-Term Technical Assistance
TFTA	Tripartite Free Trade Area
UNDP	United Nations Development Program
USAID	United States Agency for International Development
UZ	University of Zimbabwe

VAT	Value Added Tax
VMI	Volume of Manufacturing Index
WB	World Bank
ZELA	Zimbabwe Environment and law Association
ZEPARU	Zimbabwe Economic Policy Analysis and Research Unit
ZIA	Zimbabwe Investment Authority
ZIMRA	Zimbabwe Revenue Authority
ZIMSTAT	Zimbabwe National Statistics Agency

SERA HIGHLIGHTS – PROGRAM QUARTER 11

Assistance to ZEPARU

- Policy research: SERA support to ZEPARU through Professor Daniel Makina on studies on financial sector development resulted in the following deliverables during Q11.
 - o Contributions and Challenges Facing the Financial Sector in Zimbabwe
 - o Financial Regulation and Supervision in Zimbabwe: An Evaluation of Adequacy and Options
 - o Financial Inclusion Strategies for making Financial Markets Work for the Poor in Zimbabwe.
- Further to Dr. Daniel Fitzpatrick’s Research Study on Enhancing Zimbabwe’s Regime for Resolving Corporate Financial Distress: Current Challenges and Possible Solutions, the CTC organized a high-level workshop of Permanent Secretaries to review and make recommendations on next steps. Through ZEPARU Mr. Fitzpatrick was requested to present and facilitate discussions as well as provide targeted inputs to the proceedings.
- A ZEPARU study on request from the Ministry of Industry and Commerce (MIC) on the country’s pricing structures was initiated by the end of the quarter. The Research Team completed fieldwork on a comparative analysis of cost drivers in Zimbabwe and is now in the process of finalizing the report due in Q12.
- Studies posted to the website this quarter
 - o Enhancing Zimbabwe’s Regime for Resolving Corporate Financial Distress in Zimbabwe
 - o Capital Account Restrictions in Zimbabwe in the Multicurrency Regime period
 - o Contributions and Challenges Facing the Financial Sector in Zimbabwe
 - o Financial Regulation and Supervision in Zimbabwe: An Evaluation of Adequacy and Options
 - o Financial Inclusion Strategies for making Financial Markets Work for the poor in Zimbabwe
 - o Agro-Industries/ Food and Beverages Value Chain Diagnostic Study
 - o Zimbabwe Chemical Industries Value Chain Analysis

Assistance to the Ministry of Finance and Economic Development (MOFED)

- At the request of MOFED, SERA supported a Special Economic Zones (SEZs) workshop on the theme: ‘Promoting Transformational and Inclusive Growth’ by funding Dr Robert Kirk who prepared and presented a paper on ‘Impacts of Special Economic Zones on Economic Transformation’. The Study was delivered to MOFED and other collaborating partners, the World Bank and UNDP.

Other stakeholders

- The Chamber of Mines / Zimbabwe Environment and Law Association (ZELA) study on Revenue Transparency in the Mining Sector was initiated. The Study Team commenced field work and will finalize the report in early Q12.

Regional short-courses: SERA supported 3 economists to attend three regional short-courses offered by COMESA and MEFMI. See text for details.

Long-term training of economists: By the end of Q11, 15 SERA-funded ZEPARU bursary recipients in the part-time M.Sc. Economics program continued studies at the University of Zimbabwe (UZ). Eleven students wrote the first year examinations at the end of the quarter, while 4 of them presented their Masters' thesis.

Assistance to ZIMSTAT

SERA support to the CBR project continued with funding for the processing and coding of CBR questionnaires. Three of four tranches were disbursed, with the final tranche and associated technical CBR report due in Q12.

The consultancy to develop a full set of functional specifications for the ZIMSTAT website was completed and a request for proposals developed. Shortlisted firms were invited to bid and adjudication of bids is expected in Q12.

1. INTRODUCTION

The USAID Strategic Economic Research and Analysis — Zimbabwe (SERA) Program contract took effect on October 1, 2011, with Nathan Associates Inc. (hereinafter “Nathan”) as the prime implementing partner, for a performance period of four years. USAID developed the SERA Program in partnership with the Ministry of Finance and Economic Development (MOFED) with three **Strategic Objectives**, which may be summarized as follows:

1. Improved economic environment for inclusive growth through evidence-based policy analysis and research.
2. Strengthened capacity for policy development institutions.
3. Improved economic data for use by researchers, policy makers, and other stakeholders.

To achieve these objectives, the program is structured to produce four major results:

1. Improved human capacity for evidence-based economic policy analysis and policy management.
2. Strengthened institutional capacity in Government Departments for analyzing, adapting and implementing evidence-based economic policy options.
3. Strengthened research institutions providing analytical support to the economic policy process in response to needs of policy makers.
4. Improved quality, timeliness, and availability of economic data and statistics.

To produce these results the SERA contract specifies the following services and tasks:

1. Management and Administrative Services for assistance to a range of Government of Zimbabwe ministries, agencies, and civil society organizations, including, among other things, provision of short- and long-term technical advisors, research and training.
2. Technical Services for implementation of a demand-driven agenda to support the twin foci of policy reform and capacity development, including:
 - a. Assistance to the Zimbabwe Economic Policy Analysis & Research Unit (ZEPARU)
 - i. Research and Analysis
 - ii. Parliamentary Training
 - iii. Training of Economists (short-term and long-term)
 - iv. Workshops (research dissemination and policy dialogue events).
 - b. Assistance to ZIMSTAT

In essence, our mandate has been to deliver *demand-driven* support to strengthen human and institutional capacity for partner organizations; provide evidence-based research to the government in areas of vital policy concern; rebuild the statistical foundations for economic studies and policy management; and create platforms for research dissemination and public discussion of research findings, as a bridge from technical analysis to effective reform. Nathan has been pursuing these aims through the provision of technical and financial support to ZEPARU and ZIMSTAT as our principal partner organizations. During Q10 USAID-SERA Program held talks with other partners, namely, the Zimbabwe Environment and Law Association (ZELA) and the Zimbabwe Investment Authority (ZIA) in an effort to work with more partners, in addition to continuing dialogue with MOFED. By the end of Q11 USAID-

SERA had completed and delivered one such study with MOFED and was in the process of working on the study with the Chamber of Mines / ZELA.

The present Quarterly Progress Report (QPR) covers SERA Program Quarter 11, April-June, 2014. The report discusses progress on each of the Services and Tasks cited above, challenges faced, and plans for the next quarter. **Annex 2** provides the latest update of the Performance Monitoring Indicators from our revised Monitoring and Evaluation Plan, as approved by USAID in October 2013.

2. MANAGEMENT AND ADMINISTRATIVE SERVICES

For this first program component, Nathan activity during the reporting period focused on management and administration of operations, fulfilling reporting requirements, and expanding avenues of technical support.

Management and Administration of Operations

Management and administration of SERA Program operations continued to proceed smoothly during the quarter. Recurrent tasks included maintenance of accounts and records, timely payment of wages and payroll, taxes, management of our equipment inventory, and ensuring compliance with USAID regulations on procurements and activities. Nathan headquarters continued to provide efficient backstopping in the areas of contract administration, recruitment of consultants, financial management, and reporting.

Maintaining full and open communications with USAID/Harare is a critical and on-going element of our field operation. The SERA Chief of Party (COP) continued to hold regular weekly meetings with USAID's Contract Office Representative (COR), Joshua Smith and Bigbouy Chikwavarara, to discuss all aspects of program implementation. During the quarter, Senior SERA Program advisor Ashok Chakravarti started actively participating in these weekly meetings.

The management and administration of all programmatic activities is mainly done in collaboration with our primary partner organizations, ZEPARU and ZIMSTAT in addition to other partners including ZELA, ZIA, and in the future ZNCC and CZI. Concomitant tasks include developing and supervising STTA assignments, training events, equipment procurements, and workshops or conferences. These activities are captured in technical sections below (see sections 3, 4 and 5) and the agenda of activities that are under development for following quarter (see section 9).

VAT refunds: For the duration of Q11, Nathan Associates did not receive any VAT refunds from the Zimbabwe Revenue Authority (ZIMRA). As of Q11 the total refund received covering through February, 2013 is \$21,880.77 out of a total claim of \$38,387.50 leaving \$16,506.73 in refund claims through June, 2014 outstanding. The SERA Program Manager will continue to communicate with USAID's finance office to facilitate this process.

The SERA Program Manager will be on maternity leave starting on/about July 28 for 6-8 weeks. During this period her tasks are being distributed to the Home Office Project Director and Coordinator, the SERA Administrative Assistant, and the Training/M&E Coordinator as appropriate to ensure continued support to the program.

Reports

During Quarter 11, Nathan Associates complied with all periodic reporting requirements, including submission of the quarterly financial and accrual reports, and an on-line- access our 'dashboard' which show on-going activities calendar, among others. We also submitted periodic "bullets" on program highlights as warranted by activities.

Technical Management

The COP continued to manage the program during Q11 with focused support from Senior Advisor Ashok Chakravarti who is now actively engaged following the receipt of Contracting Officer approval early in Q11. Professor Chakravarti delved immediately into a number of ongoing work-streams, starting with the 'Cost Drivers Study' where he took a leading role in working with and backstopping the Consultancy Team. His other ongoing areas of concentration include the "Zimbabwe Journal of Economics", liaising with MOFED's Debt Management Office on pending support by SERA, and working with the Zimbabwe Investment Authority (ZIA) in developing a conceptual framework for a study on the 'Enabling Business Environment' focused on Foreign Direct Investment. His participation has eased pressure on the part of the Chief of Party and he will continue to support SERA with approximately 4-6 days per month.

Dr. Bolnick (former COP) is also available for targeted support on technical management issues. During Q11, Dr. Bolnick reviewed and provided feedback on a proposal received from PACT for a scoping study on incorporating artisanal and small scale gold miners into the formal economy, provided comments on the Cost Drivers study Terms of Reference as it was being developed, and provided recommendations for consultants for mining transparency work once the initial assessment is completed.

Nathan's Program Director for SERA, Peter Miller continues to provide extended management support to the program. During Q11 Mr. Miller finalized overall Technical Instructions and coordinated subcontractor IBI and J.E. Austin's fielding of expat consultants for the Extractive Industries Transparency, and the Cost Drivers studies respectively. He also took up technical discussions with CIPE regarding the implementation of a corruption perceptions study, and engaged with PACT regarding contractual arrangements to provide SERA co-funding (along with DFID) for an Artisanal and Small Scale Gold Mining study, both of which are due to be initiated in Q12.

Senior Economic Advisor to ZEPARU, Professor Rob Davies has had limited engagement with ZEPARU during Q12, mainly due to prior commitments. However Professor Davies has reached agreement with MOFED's Fiscal Policy and Advisory Services (FPAS) Section of the MOFED to launch an internal modeling training workshop, which is planned for Q12. During Q12, SERA will revisit the planned support to ZEPARU and adjust the arrangement as necessary to reflect the availability of Professor Davies, and the needs of ZEPARU, focusing on specific assignments for the quarter.

3. TECHNICAL SERVICES: ASSISTANCE TO ZEPARU

This section reviews SERA support to ZEPARU during Quarter 11 under four sub-components: research and analysis; training for Parliamentarians; training of economists (short term and long term); and workshops and other research dissemination events.

Professor Rob Davies was to step in from early Q10 to provide continued assistance in the development of ZEPARU research activities, mentoring and training for the research staff, including quality control of technical products, and advising on institutional management. However, as noted above his engagement with ZEPARU researchers has been limited during the quarter under review.

Nathan has continued to engage a junior economist who is seconded full-time to ZEPARU as Training Coordinator to help manage their training activities, workshops and research dissemination events, especially those supported by SERA. In addition, the Training/M&E Coordinator at the SERA office devotes approximately 70% of her time to supporting ZEPARU-related activities. Recruitment for a replacement ZEPARU Training Coordinator will begin in Q12. The ZEPARU Training Coordinator will move from ZEPARU to the SERA office in mid-August to provide cover for the SERA Training/M&E Coordinator who will begin maternity leave on/about mid-September. The ZEPARU Training Coordinator will

continue to work from the SERA office until February when she will in turn take maternity leave through mid-May, 2015.

During the quarter, the COP continued to meet with the Executive Director (ED) of ZEPARU, although at times these meetings became irregular due to the busy schedule of the ED and the COP. The meetings address the agenda for USAID SERA support; implementation arrangements for these activities; a variety of technical issues relating to ZEPARU research and training; monitoring progress with SERA-supported activities; and problem solving as needed.

Research and Analysis

For this sub-component, our attention during the quarter focused on three major activities: SERA-supported ZEPARU studies; continued funding of outsourced research activities; continued monitoring of website development and public information on research products.

SERA-supported ZEPARU studies:

Financial Sector studies: Three ZEPARU studies undertaken under the mentorship and supervision of USAID SERA consultant Daniel Makina, were approved by ZEPARU and received as deliverables by SERA during the quarter, namely:

- Financial Inclusion Strategies for Making Financial Markets for the poor in Zimbabwe,
- Financial Regulation and Supervision in Zimbabwe: An Evaluation of Adequacy and Options and
- Contributions and Challenges Facing the Financial Sector in Zimbabwe.

The fourth study on 'Financial Liberalization and Crises: Experiences and Lessons for Zimbabwe' had not been approved and delivered by the end of Q11, and was only delivered at the beginning of Q12.

As of the drafting of this report the above studies have been accepted and submitted to USAID as SERA deliverables. SERA will now revisit with ZEPARU the planned expansion of the financial sector research to embrace capital markets, and the insurance and pension sectors.

Zimbabwe Country Study on Negotiations for the Tripartite Free Trade Area (TFTA): The TFTA-ZEPARU research team of ZEPARU, and Ministry of Industry and Commerce researchers: Evangelista Mudzonga, Erinah Chipumho, Jacob Nyamadzawo, and Elizabeth Magwaza and Ruvimbo Sandauke completed their Draft Report in early Q10 following initial comments and feedback from consultant Dr. Robert Kirk. Further comments by Dr. Kirk on the revised draft required the research team to recalculate the included base scenario, and source additional research material. By the end of the quarter under review Dr. Kirk had finalized his inputs and the ZEPARU research team had finalized the paper. The report is now pending approval by the management at ZEPARU.

Modernization of Laws and Procedures for Resolving Insolvencies: The study completed in Q10 by Dr. Dan Fitzpatrick on 'Enhancing Zimbabwe's Regime for Resolving Corporate Financial Distress: Current Challenges and Possible Solutions' has been very well received in Zimbabwe. As a result the Competition and Tariff Commission (CTC) and the Government decided to convene a high level seminar of Permanent Secretaries and selected Chief Executive Officers during Q11 to discuss its recommendations and map the way forward. The CTC through ZEPARU requested Mr. Fitzpatrick to present the study and facilitate discussion, and provide targeted inputs to the proceedings at the high level workshop held at the Leopard Rock Hotel in Vumba on June 6.

The Minister of Industry and Commerce chaired the workshop, which was attended by 8 Permanent Secretaries, 6 senior directors representing their Permanent Secretaries, lawyers, bankers, and high

level business representatives. The objective of the workshop was to develop a reform agenda to improve bankruptcy procedures in Zimbabwe to support economic competitiveness. It was at this meeting that the Minister announced plans to establish a working group constituted of key stakeholders to develop a priority list of reforms. Depending on a request by Government, SERA is likely to provide technical input to the working group's discussions over the coming months.

Mining Transparency Study: SERA launched a stakeholder driven study in conjunction with the Chamber of Mines and the Zimbabwe Environment and Law Association (ZELA) to better understand the current obstacles to advancing the issue of transparency in mining revenue. The study will help determine the next steps in Zimbabwe's acceding to the Extractive Industries Transparency Initiative and the local organizational arrangements needed to accomplish this. The team of consultants consists of an international expert, Richard Everett and two local consultants, Lyman Mlambo and Gilbert Makore. The two local consultants were recommended by the Chamber and ZELA respectively, a situation that created a health balance between the two non- state stakeholders. The report is expected to be finalized in Q12, with follow-on support in this area to be determined based on the findings.

Cost Drivers Study: The Ministry of Industry and Commerce (MIC) requested SERA support through ZEPARU to better understand the country's pricing structures. The issue has received a lot of attention in part on the back of the Value Chain assessments that SERA funded as outsourced research through ZEPARU. High prices of Zimbabwean-produced goods in comparison to imported goods, is negatively impacting the competitiveness of Zimbabwean manufacturers. The SERA Program fielded Marcos Arocha and Dumisani Sibanda in May to undertake the research, produce an evidence-based policy paper, and develop up to two case studies illustrating the impact of the current cost structure on competitiveness. The team conducting a stakeholder's reference group at the outset of field work to gather stakeholder inputs and arrive at consensus on the focus of the study before conducting extensive stakeholder interviews in Harare and Bulawayo. During discussions with stakeholders it was agreed that case studies on fertilizer and cement would be most relevant. The draft report and case studies are due in Q12 for circulation among stakeholders.

Sustainability study: Since the Final Report by Stephen Yeo was turned in, approved and submitted to USAID during Q8, ZEPARU has been waiting for their Board to make clear their recommendations on the way forward. During Q10 ZEPARU had started working on prioritizing recommendations for implementation. In Q11 ZEPARU submitted a request to host a workshop in Kariba (outside Harare) with bids by the facilitators and hotels, however without any background document to show what will be discussed at the Strategic workshop. SERA requested ZEPARU to put together their Draft Strategy paper to be presented at the workshop as a condition to fund the Strategy workshop. ZEPARU was also reminded of the USAID requirement that all workshops whether training or dissemination have to be held within the environs of Harare.

One early result from the sustainability study was an agreement for SERA to sponsor Dr. Chigumira to attend a workshop on Leadership Excellence that was conducted by the Institute of Directors in Zimbabwe on April 8-10 at Victoria Falls. As a condition of this support Dr. Chigumira agreed to submit a report on the conference and its relevance to ZEPARU in terms of new information on tools, approaches or concepts for strengthening the management of ZEPARU and leadership on economic policy research. This remains an outstanding matter, as at the end of quarters Q7 – Q11 the report had not yet been delivered. Dr. Chigumira, however submitted a trip report for a later workshop on the first African Think Tank Summit held in Pretoria, South Africa in February 2014.

Bankers' Association of Zimbabwe (BAZ) study on Harnessing Resources from the Informal Sector: As reported in Q10 the BAZ, through ZEPARU requested SERA support to augment a planned study to

better understand the nature of challenges faced by the informal sector players, which cause them to keep the majority of their earnings outside the formal banking sector. Daniel Makina had been identified as suitable to undertake this study however deliverables from earlier studies with ZEPARU were still outstanding at the time which precluded his taking on another assignment. In addition USAID has requested SERA to source a different consultant to undertake this work, in order to diversify the experience of ZEPARU researchers with regards the mentors that SERA is providing. BAZ has decided to move ahead with the study independently, and as of the drafting of this report, the possibility exists that SERA will provide inputs directly to the BAZ study to highlight international best practices and experiences in other countries.

Outsourced research:

The LEDRIZ report titled 'The Nexus between Growth, Employment and Poverty in Zimbabwe: The Economics of Employment Creation' was printed during Q10, but due to the Ministry of Labour and Social Services' tight schedule it has not yet been disseminated at a public workshop. It is understood from LEDRIZ that the Ministry's preferred date for the dissemination workshop is now in August.

The four 'Value Chain' studies listed below were approved by ZEPARU in Q10 and submitted by SERA to USAID as ZEPARU-formatted deliverables in early Q11:

- Engineering and Metals Industry Value Chains;
- Chemical Industries Value Chains;
- Agro-industries Value Chains; and
- Textile and Clothing Value Chains.

The reports have been posted to the ZEPARU website.

Additional outsourced studies on Inclusive Growth have not been initiated by ZEPARU due to competing priorities on their part.

Website development and Public information.

During Q11, the Website continued to be populated with relevant material including studies carried out by ZEPARU hence providing much added value to the visibility of the policy think-tank. At the end of the quarter ZEPARU'S librarian/outreach officer started sending emails to users announcing ZEPARU products that are placed on the website. This is a long awaited development which is likely to improve the think tank's weakness in public relations.

Beyond these primary activities, SERA continued funding three interns with masters' degrees in economics, to assist with ZEPARU'S research and analysis activities. The funding of the interns was renewed from April 2014 to March 2015. This activity combines research support, capacity building, and training.

Training Parliamentarians

The Economic Literacy Handbook for Parliamentarians, prepared with SERA assistance, was printed with SERA funding during Q11. The issue of sitting fees continued to hold up the roll-out of training based on the Handbook, however it is agreed that ZEPARU is going to distribute the Handbook for use by members of Parliament.

As of the drafting of this report, a positive development from Parliament is an awareness of the need to undertake this training as voiced by the Committee on Financial and Economic Development and as

echoed by the Speaker of the House. SERA will continue to pursue this thread with SAPST to ultimately implement the training.

Training of Economists (short-term)

In Q10, USAID approved SERA support for four in-country courses on **Advanced Microsoft Excel**, at two days each. The first instance of this course in 2014 was conducted 20-21 May with a total of 13 participants including 4 women drawn from the Reserve Bank of Zimbabwe, Ministry of Finance and Economic Development and ZEPARU. New Horizons, a Microsoft-certified local IT training organization provided a tutor who facilitated this training. New Horizons has also provided ZEPARU with a discount reducing their charge of \$60 per person per day for this training to \$40 per person per day. We intend to repeat this training several more times over the course of the year depending on the demand from our partner organizations.

External Courses

In addition to the in-country short-courses, SERA continued to sponsor economists to attend external short-courses of special value to our partner organizations. During Q11 USAID SERA responded to partner requests for 3 economists to attend 2 regional training opportunities:

COMESA Course: Advanced Application of Panel Modelling to Transmission Mechanism of Monetary Policy, 2-13 June 2014, Nairobi, Kenya.

The beneficiaries of this course were:

- Mr Kennedy Kupeta, Senior Economist, Economic Research and Policy Department – Reserve Bank of Zimbabwe
- Mr Prudence Moyo, Senior Economist, Economic Research and Policy Department – Reserve Bank of Zimbabwe

The objective of the training was to develop the capacity of staff involved in economic policy analysis in COMESA member countries. The course provided hands-on training to participants and contributed to knowledge sharing and networking between COMESA member states on advanced panel data econometrics. Drawing on theory and on practical applications, the course covered: Vector Auto-regression (VAR) methodology; Bayesian Vector Auto-regression (BVAR); Panel Data Econometrics and; Dynamic models, among others.

MEFMI Course: Foundations of Debt Management, 30 June - 11 July, 2014, Lilongwe, Malawi.

The beneficiary of this course was:

- Mr Piniel Mugwisi, Senior Dealer, Money and Capital Markets Department – Reserve Bank of Zimbabwe

The course was targeted for junior staff from Ministries of Finance and Economic Planning as well as Central Banks that are relatively new to sovereign debt management. In addition to the RBZ nomination, ZEPARU also received a nomination from MOFED for this course for Ms. Petronella Chishawa, a Principal Economist in the Domestic and International Finance Department. USAID declined Ms. Chishawa's nomination because MOFED did not provide adequate justification to support their nomination and because USAID felt that as a principal economist with over 8 years' experience in debt management, Ms. Chishawa was overqualified to attend an introductory course on debt management.

In addition to the above courses, the SERA team also made arrangements to fund government economists to attend two, 2-week ESAMI regional courses on Advanced Public Sector Financial

Management, 14-25 April 2014 in Mombasa, Kenya and another on Engendering National Budgets, 28 April- 9 May 2014, Arusha, Tanzania. However, support for the Advanced Public Sector Financial Management course was cancelled at no cost to the project as we were made aware of the US Department of State's travel warning to Kenya regarding personal security situation in light of the threats from terrorism and high rate of violent crimes in some areas in Kenya. The SERA team received approval from USAID to fund 2 economists to attend the course on Engendering National Budgets but ESAMI cancelled the training as they did not have the minimum number of participants required to proceed.

As a condition of USAID SERA sponsorship to attend these external training courses, each participant has submitted a short report to ZEPARU and SERA on highlights and main lessons learned. These reports are available on request from the SERA office. Participants also agree to provide briefings for their colleagues if requested to do so by their superiors.

Training of Economists (long-term)

SERA funding for long-term training of economists through the ZEPARU Economic Scholars Program continued in Quarter 11 through the continued support of bursaries for 15 government economists who are pursuing the part-time M.Sc. program in Economics at the University of Zimbabwe; Male = 11; Female = 4. This includes 7 economists from the MOFED, 3 from the Ministry of Industry and Commerce, 1 each from ZIMRA and the Ministry of State Enterprises, RBZ, Ministry of Youth Development Indigenization and Empowerment, and the Ministry of Transport, Communication and Infrastructural Development. Details of the bursary coverage have been explained in previous QPRs.

Of the 15, 4 student were in their final year and have submitted their dissertations. The other 11 sat for their 2013/2014 second semester examinations in May–June 2014. We expect final results in August 2014 for both the graduating students and the continuing students.

The SERA program continues to support three economists pursuing part-time Ph.D. programs in economics in South African universities, namely:

Mr. Nebson Mupunga

Position: Principal Economist and Deputy Division Chief of the Economic Research Division, RBZ

Program: Ph.D. in Economics.

University: Nelson Mandela Metropolitan University (NMMU) in Port Elizabeth, South Africa.

Dissertation: "Simulation Analysis of Optimal Public Debt Management Policies in Low Income Countries: The Case of Zimbabwe."

During the quarter, Mr Mupunga requested funds to facilitate his travel to NMMU to meet his supervisor to get guidance on his thesis from June 1-8, 2014. He was awarded funds to discuss the preliminary draft of his PhD thesis with his supervisor and the outstanding areas that he needs to work on before completion of the thesis.

Mr. Prudence Stephen Moyo

Position: Senior Economist, Economic Research Division, RBZ

Program: M.Phil. /Ph.D. in Economics

University: University of Pretoria

Dissertation: TBD

Mr. Moyo has fulfilled the required coursework requirements for his Ph.D. after completing his first year MPhil studies in 2013 and has started working on his PhD thesis. During Q11, Mr Moyo's supervisor, Prof Nicola Viegi, one of the organizers' of The Economic Research Southern Africa

(ERSA) Fourth Annual Monetary Economics Workshop which was undertaken at the University of Pretoria on 15 – 16 May 2014, recommended and nominated Mr Moyo to attend this workshop. The workshop was an important event for Mr Moyo as his research interests are in the area of monetary policy and fiscal interdependence under dollarization. The SERA program provided funds for Mr Moyo to attend the workshop and he also took this opportunity to utilize the University resources, attend departmental seminars as well as consult with his supervisor regarding his PhD research and way forward from 17 – 21 May 2014. He is currently working on a paper entitled “The End of the Second Biggest Hyperinflation” which examines the world’s second biggest hyperinflation that occurred in Zimbabwe from 2007-2008. This will be the first chapter of his thesis and the draft is available from the SERA Office on request.

Mr. William Kavila

Position: Chief Economist, Economic Research & Policy Enhancement Division, RBZ.

Program: PhD in Economics

University: Nelson Mandela Metropolitan University (NMMU), Port Elizabeth.

Dissertation: “A Dynamic Analysis of the Role of Monetary Policy in Zimbabwe under Periods of Hyperinflation and Dollarization”

The PhD program involves a minimum of 2 years of work, including a requirement for a minimum of 9 months of residency at the university to work with his dissertation advisor. In Q11, Mr Kavila requested funds to facilitate his travel to NMMU from 18-23 May 2014, to meet his supervisor to get guidance on his thesis. He has completed chapters 1 and 2 of his thesis and has started working on chapter 3 and 4, on which he needs his supervisor's guidance. He already has a framework for chapters 3 and 4 and has completed a paper entitled “Inflationary Dynamics in a Dollarized Economy: The Case for Zimbabwe” which will be part of his thesis.

The SERA Program office – especially our Training/M&E Coordinator, Emmanuella Matorofa – has been working closely with the M.Sc. students and the three Ph.D. candidates to ensure that all procedures are followed, all logistical requirements are met, and all necessary payments are made

Workshops and Other Research Dissemination Events

Though SERA did not sponsor the event, it was the study sponsored by SERA on ‘Enhancing Zimbabwe’s Regime for Resolving Corporate Financial Distress: Current Challenges and Possible Solutions’ that made this event happen. Both the CTC and MIC requested the SERA sponsored STTA Daniel Fitzpatrick to come and present and facilitate the high level workshop of government’s Permanent Secretaries and selected Chief Executives of Public and private sector entities.

4. TECHNICAL SERVICES: ASSISTANCE TO ZIMSTAT

SERA assistance to ZIMSTAT during Quarter 11 continued to focus on providing funding for development of the Central Business Register (CBR), as a cornerstone for improving the quality of economic statistics. Our support for the Survey of Services (SS) has been deferred to Q12, as ZIMSTAT had not completed the CBR to establish the sampling frame for the SS.

Support for the CBR and Survey of Services (SS):

SERA continued to support the CBR project as a central activity to its mandate to help ZIMSTAT improve the quality and timeliness of economic statistics, as the basis for evidence-based policy analysis and effective policy management. Once completed, the CBR will provide a central register of establishments

operating in all sectors and regions of the economy, classified by primary activity and using the latest International Standard Industrial classification (ISIC) codes. This will constitute the master sampling frame for collecting basic economic statistics such as the Survey of Services (SS), Quarterly Employment Inquiry (QEI), Census of Industrial Production (CIP), Volume of Manufacturing Index (VMI), and Business Tendency Survey (BTS).

As noted in the Q10 report, SERA support for the CBR Data Collection exercise has been completed with planned funding disbursed resulting in 69,709 questionnaires distributed and 56,945 retrieved as of March 2014. ZIMSTAT has continued to distribute and collect further questionnaires under other funding. SERA support for the CBR Data Coding and Entry exercise was initiated in Q11 with three of four payment tranches being issued during the quarter. As of the April monthly CBR progress report, 57,866 questionnaires had been coded and 48,132 of those were captured electronically.

As of the drafting of this report, ZIMSTAT expected to complete the CBR Data Coding and Entry in late July, at which time they will be able to provide the CBR Technical Report with summary statistics on the number of questionnaires processed by province, economic sector and in total. The CBR Final Report will then be drafted, to include more detailed analysis of the responses, and a 'Women in Business Data Summary'.

Survey of Services (SS): During Q11 ZIMSTAT finalized the sample design and budget estimate for the SS work, which has enabled the cooperating Partners (UNDP, AfDB, DFID and SERA) to ascertain the SERA share of funding, which will be submitted to USAID for approval. At an earlier gathering of the Partners ZIMSTAT put forward an estimate of \$396,512 for each of SERA and DFID funding. As of the drafting of this report the latest estimate from ZIMSTAT received by SERA has grown to \$506,919. SERA is currently working through the budget justification with ZIMSTAT prior to requesting USAID approval.

The SS is likely to begin during Q12 given the time needed by ZIMSTAT to complete the CBR data processing.

Support for ZIMSTAT Website Development:

The revised ZIMSTAT website will provide an accessible web interface giving users easy access to ZIMSTAT reports as well as interactive access to data and indicators, to increase data utility for the purpose of improving the Zimbabwe economy.

SERA support to ZIMSTAT is being conducted in two phases. The first phase focused on discovery and design to assist ZIMSTAT articulate their needs and those of their users in order to produce a complete blueprint for the website upgrade. This phase was completed during Q11 through the efforts of consultant Kuziva Zimunya and Peter Miller and resulted in (i) a full and detailed set of specifications for the ZIMSTAT website upgrade, and (ii) recommendations for longer-term upgrades to the website, such as provision of online access to survey instruments and online responses, and the publication of anonymized microdata.

The upgrade specifications call for the inclusion of two key external modules:

1. International Household Survey Network's National Data Archive (NADA) module. The NADA software was developed as a plug-in module for statistical organization websites, to encourage best-practices and standardize the cataloguing of statistical surveys and any associated data cleared for public dissemination. ZIMSTAT has opted to include the NADA software into the new website.
2. UNICEF's online version of their data visualization interface, DevInfo. This will require an upgrade to the stand-alone version of the DevInfo software currently used by ZIMSTAT to

disseminate Zimbabwe's economic, social, and demographic statistics along with an interface to explore the data by CD.

During Q11, Mr. Miller coordinated with the World Bank's Accelerated Data Program (ADP) and with UNICEF to discuss engagement options for ZIMSTAT. ZIMSTAT has picked up discussions with ADP to leverage the training and installation support for the NADA module. ZIMSTAT has also signaled that they will pick up coordination with UNICEF through UNICEF's standing program of support in Zimbabwe to upgrade the DevInfo interface. SERA will continue to coordinate as needed to ensure these important modules are included in the new website framework.

Also, during the quarter under review, SERA launched a call for bids requesting eligible firms to submit proposals for the redevelopment of the ZIMSTAT website framework itself. The adjudication of the proposals will be finalized during Q12.

5. TECHNICAL SERVICES: SUPPORT TO OTHER PARTNERS

Special Economic Zones (SEZs) workshop: Discussions with MOFED initiated in Q9 and furthered in Q10 governing the provision of technical or financial assistance through the SERA Program, resulted in an initial request by MOFED for SERA to field an expert to prepare and present a paper on the economic impacts of Special Economic Zones. Robert Kirk was engaged and the resulting paper presented at the All Stakeholders Consultative Workshop on the re-establishment of SEZs, in April, 2014. A collaborative effort by the World Bank, AfDB and UNDP, the workshop was held over two days at Phandari Lodge in Harare. The paper by Dr. Kirk on 'Impacts of Special Economic Zones on Economic Transformation' was one of the papers that fed into the Government's Strategy paper 'Zimbabwe Draft Strategy on Special Economic Zones' to be presented to Cabinet.

In addition, in collaboration with USAID COR, the SERA COP has continued to seek additional avenues of expanding the coverage of SERA activities to cover the private sector organizations/associations and Civil Society Organizations (CSOs). The imminent study on behalf of the Zimbabwe Investment Authority, looking at the factors affecting ZIA's enabling operational and economic environment.

Following initial discussions between USAID and DIFD, Nathan has engaged with PACT in Washington, D.C. to co-fund a 6-month study focused on understanding Artisanal and Small-Scale Gold Mining (ASGM) in Zimbabwe. The findings of the study will support design of an 18 month pilot project to formalize and legalize production and trade of gold by artisanal and small-scale miners.

In addition the Center for International Private Enterprise has submitted a proposal to undertake a private sector environment survey in Zimbabwe, focused on the experience of Zimbabwean businesses with corruption. The survey is to be undertaken in collaboration with both the Zimbabwe National Chamber of Commerce (ZNCC), and the Confederation of Zimbabwean industries (CZI). During Q12 SERA will begin discussions with both local entities to plan and schedule the survey. The results of the survey will feed into potential work for the SERA Program during Year 4.

6. CROSS-CUTTING ISSUES

The SERA Program contract identifies three cross-cutting issues as "general program parameters and guidance" applying to overall performance: coordination with other USAID programs; poverty; and gender.

Coordination with other USAID programs:

The COP continued to liaise with the USAID on programs pertaining to coordination of the SERA program with other Partners under the USAID. The COP continued to work closely with the other USAID Programs. The SERA COP participated as the facilitator in the USAID ZimACP's (Zimbabwe Agricultural and Competitive Project) workshop 2nd Zimbabwe Grain Indaba, on Maize Market and Price Situation and Trends in Zimbabwe & SADC: Implications for the Grain Industry, National and Household Food Security. The workshop was hosted by the Grain Millers' Association. The association has been engaging with stakeholders in designing the objectives and content of the meeting, with the Zim-ACP playing the role of facilitating the meetings as a Private-Public Sector Dialogue in line with their work program on supporting Public-Private Dialogue on issues that have implication on policy and regulations.

Outside the USAID community, the COP continued with intermittent discussions on policy issues and program coordination with the WB, UNDP, DFID, and AfDB, with particular focus on coordination of support to ZIMSTAT (see Assistance to ZIMSTAT, above). In addition the COP and the COR continued to organize other meetings with partners other than ZEPARU aimed at expanding the SERA program. SERA continued to support the MOFED by providing a speaker for the Special Economic Zones (SEZs) workshop which was held during Q11. Consultations with the ZELA, the Chamber of Mines and other stakeholders on the IBI proposed study on 'Short Term Technical Assistance on Revenue Transparency in the Mining Sector' led to the launch of the Mining Revenue Transparency study during the quarter under review. Other initiatives by SERA included consultations with the Zimbabwe Investment Authority (ZIA) on a study of the 'Improving Business Environment'. These initiatives are at various levels of implementation: e.g. with the support for the SEZs workshop having been successfully completed with the fielding of Dr. Robert Kirk who prepared a paper on the 'Impacts of SEZs on Transformation of the Economy'. The workshop was finally held in April, having been postponed from the previous quarter.

Poverty

Because the SERA program is demand driven, the scope of our involvement with poverty issues continues to be defined by needs of our partner agencies. However, the SERA Program consistently seeks to incorporate the poverty lens in dealing with other policy issues. The fundamental goal of our support for research, training, and outreach with ZEPARU is to improve policy analysis and research dissemination in order to foster inclusive growth and employment creation as primary engines for poverty reduction.

With reference to the summary of our assistance to ZEPARU, above, several SERA-supported activities during Q11 involved elements relating to poverty reduction. These included: continuation of support to studies on financial sector development three of whose final products were submitted and approved as deliverables during the quarter under review. In addition, the issue of poverty reduction is a component of our work on a Tool Kit for training Parliamentarians, which was finalized and submitted as a deliverable to SERA during Q9, but printed during Q11. The study by LEDRIZ entitled 'The Nexus between Growth, Employment and Poverty in Zimbabwe: The Economics of Employment Creation' which focuses on poverty and employment creation was printed during Q10. The COP continued to hold discussions with ZEPARU on a series of outsourced studies on the issue of inclusive growth; an activity developed during Q8, but was put on hold pending the finalization of the contracts of the value chains studies.

For the ZIMSTAT component of the program, our support continued to concentrate on the finalization of the CBR during Q11. Under the SERA funding ZIMSTAT continued to work on the CBR data entry and editing register which is due for completion during the next quarter.

The senior management at ZIMSTAT singled out the CBR and the SS as being especially important initiatives, with the CBR being cited as critical to the compilation of economic data as the census is to

demographic data, and that these are the only two statistical surveys mandated by special Statutory Instruments.

Gender

The SERA team applies a gender lens as far as possible in developing and managing all of our activities. As with our work on poverty issues, however, the demand-driven nature of our program means that our efforts on gender mainstreaming are filtered through needs of ZEPARU and ZIMSTAT.

In addition to the standard practice of tracking participants by gender in our activities (see Annex 2), we can report the following gender-related elements of our activities Quarter 11:

- Consistently emphasizing the importance of gender balance in meetings with ZEPARU and client ministries in all SERA supported training and outreach activities.
- Working with ZEPARU to incorporate gender considerations meaningfully in scopes of work for research supported by SERA. On our request, for example, ZEPARU incorporated gender considerations in their negotiations for outsourcing research on improving the competitiveness of key industrial value chains. Also, in line with earlier discussions between SERA and ZEPARU, their new research programs on both private sector development and inclusive growth include studies on women in business, for which we expect to provide technical assistance.
- Our ongoing monitoring and evaluation activity includes scoring the gender content of research designs and SERA-supported studies (see Annex 2).
- Working with ZEPARU to come as close as possible to achieving gender balance in sponsoring economists for SERA-sponsored training activities. With reference to the activities summarized in Section 3, our results during Q11 were as follows:
 - o Short course on Advanced Microsoft Excel: for 13 participants with 4 women, 9 men.
 - o MSc bursary: 4 women, 11 men.
 - o PhD bursary: 3 men, no women. The recruiting challenge for this program was discussed in earlier quarterly reports.

Through to the end of Q11, our cumulative gender balance for local and external short-courses was 33% women, which is equal to approximately one-third representation of women in the target group of economists in key economic ministries.

In negotiating our funding for the CBR Inquiry, ZIMSTAT agreed to our request to include in the final CBR report a chapter on Women in Business, summarizing basic economic characteristics of identifiable women-owned businesses; the data will include number of establishments, number of employees, and turnover, disaggregated by province and by ISIC classification.

7. IMPLEMENTATION OF THE WORK PLAN

Given the need to develop our activities through collaboration with ZEPARU, ZIMSTAT or other Stakeholders and in response to their expressed needs, the implementation of our Work Plan for Year 3 is heavily affected by the decisions and actions of these partners. Many planned activities have been carried out on schedule, some are behind schedule but in progress, and others have not been prioritized by our partners. This continued to be the case both during Q10 and Q11 where implementation of our activities was affected by the rather slow pace by both the Government and our partners. However, the Ministry of Finance and Economic Planning (MOFED) on one hand, and the Ministry of Industry and Commerce on the other, have continued to gain momentum in working with our program. Annex 1

provides an itemized summary of the status of activities targeted in our Work Plan for Year 3, as implemented through Quarter 11.

In addition, the implementation of the work plan included:

- Completion of ZEPARU-managed outsourced studies on Value Chains by SIRDC and AfriConsult Consultants, were accepted and approved as final deliverables by SERA during the quarter under review.
- The STTA assignment to assist ZEPARU on Zimbabwe Country Study on the Tripartite Free Trade Agreement continued to be supported during the quarter under review, though this is will finally be delivered during Q12.
- Though the STTA developed Economic Literacy “Tool Kit” for training Parliamentarians (STTA which was received as final deliverable during Q9, the envisaged economic literacy training was not implemented during the quarter under review. The “Tool Kit” was printed during the quarter under review and is now awaiting distribution to Parliament.
- The study and presentation at the high level workshop on SEZs by the MOFED and MIC was completed during Q11.
- The CTC high level seminar for Government Permanent Secretaries held at Vumba in the Eastern Highlands, facilitated by the SERA funded STTA Dr. Daniel Fitzpatrick was a resounding success as viewed by government and other stakeholders.
- The study on ‘Cost Drivers’ on the request from the MIC was launched during the quarter and its finalization is due in Q12.
- Three of the long-awaited Financial Sector Studies were approved as SERA deliverables at the end of Q11

8. SERA PROGRAM CHALLENGES

During Quarter 11, the SERA team dealt with the following key challenges, including two (items 1 and 2) carried over from the previous reporting period:

1. Absorptive capacity at ZEPARU: SERA continued to work with ZEPARU to improve their absorptive capacity. The COP continued to assist ZEPARU in developing technical work, capacity building, and mentoring during the quarter. Rob Davies met with the MOFED to come up with plans for an internal course on modelling data to start towards the end of Q11, or in Q12. Mr. Davies has engaged with ZEPARU senior researcher, Ms. Erinah Chipumho, to assist in the finalization of an ‘inflation forecasting model’ for Zimbabwe, which was a condition of sponsorship to training provided earlier in the program.

The SERA program continues to provide ZEPARU with a full-time Training Coordinator to augment their limited staff capacity. In addition, we have continued to provide case-by-case support for ZEPARU research and dissemination activities, including funding research interns, and printing research products. Three of ZEPARU’s products were printed during the quarter, namely: ‘The Nexus Between Growth, Employment and Poverty in Zimbabwe: The Economics of Employment Creation’, ‘Economic Literacy handbook for Parliamentarians’ and ‘Enhancing Zimbabwe’s Regime for Resolving Corporate Financial Distress: Current Challenges and Possible Solutions’

2. Developing the new channel of program activities through direct support to MOFED and other counterparties: Efforts to develop a new channel for program activities through direct support to

the MOFED and other stakeholders has continued and intensified during Q11. The challenge of expanding the engagement of the Ministry beyond the training function to include the Ministry's Policy Directors involved in technical and policy oriented work has remained in place. During the quarter, SERA supported the MOFED's SEZs workshop through by providing a speaker for workshop and finalization of the presentation paper on the theme of the workshop. The other programmatic activity that took shape during the quarter was the study on Revenue Transparency for the Mining Sector. This activity was expanded to include the Chamber of Mines as an equal partner to ZELA in the execution of the study which commenced towards the end of the quarter. The proposed ZIA study on 'Improving Business Environment Climate' was delayed and is now expected to commence during Q12.

3. As also shown above, the Public Finance Management and Budget Control course, to be implemented in collaboration with the MOFED remained in abeyance. The appetite for MOFED work with SERA on this PFM in general became low as a result of the resumption of Technical Assistance from the IMF SERA will, however, keep its doors open for engagement on this topic.

9. Planning for the Next Quarter

This section outlines selected key activities that were in process during Q11 which will continue into Q12 and new activities planned for Q12.

Assistance to ZEPARU

- Conduct one new round of training for government and central bank economists in Advanced Excel Skills during Q12.
- Fund 10 economists (more or less) to attend regional short-courses offered by MEFMI, ESAMI, or other regional organizations.
- Continue funding ZEPARU bursaries for 15 government economists to pursue part time M.Sc. program in economics at UZ.
- Continue funding ZEPARU bursaries for 3 economists from RBZ who are pursuing Ph.D. programs in South Africa.
- Assist ZEPARU in developing effective measures to disseminate research products and public information those products.
- Provide funding or co-financing for ZEPARU research seminars and workshops relating to SERA-supported studies.
- Complete the Cost Drivers paper and case studies, and host a dissemination event.
- Complete the mineral revenue transparency brief and program additional related activities.
- Implement the planned training in coordination with MOFED on economic modelling data.

Assistance to the Ministry of Finance

- Continue to initiate additional negotiated direct support for the MOFED activities.

Assistance to Private Sector and Civil Society Organizations

- SERA will continue to coordinate with the USAID-COR on widening the scope of SERA Program activities to work with other stakeholders in the Private sectors and CSOs, which included ZELA and ZIA during the quarter.

- Co-funding for the Artisanal and small scale mining study will commence in Q12
- SERA will finalize negotiations and initiate the CIPE study on corruption in Zimbabwe, experiences of the Private Sector.

Assistance to ZIMSTAT

- Funding for the CBR Inquiry has continued during the quarter, in anticipation of the kick-off of the SS roll-out implementation plan during Q12. SERA continued to support data processing for CBR with the editing and coding of questionnaires. As a component of support to ZIMSTAT for implementation of the SS, SERA will engage a consultant to review the CBR progress to date, and its suitability for developing a sample for the SS. In addition SERA will mobilize a consultant to review the Oracle Database planning and development in connection with the storage of the CBR and other key ZIMSTAT data.

10. PERFORMANCE MONITORING

Annex 1 provides three matrices that appear in each progress report to monitor the USAID SERA program performance in terms of delivering outputs, achieving results, producing proximate outcomes.

A fourth matrix provides information on “context indicators” that track Zimbabwe’s progress towards the USAID-SERA program goal of improving the macroeconomic environment for growth and poverty reduction. Although no claim can be made for attribution to SERA, several observations are worth citing:

- The continued IMF approved Staff Monitored Program (SMP) during the quarter: This is a major milestone towards achieving debt relief that is needed for Zimbabwe to regain access to long-term concessional financing from the World Bank and the AfDB, among others. Discussions on the first and second reviews are at an advanced stage. Program performance has been mixed, and the SMP period, originally scheduled to expire at end-2013, was extended by Fund Management through end-June 2014 to allow time to strengthen policies. Of the six quantitative targets for the first review, three were met and three were missed for the end-June 2013 test date, although most deviations were moderate. For the end-December 2013 test date, the authorities met three of the six revised quantitative targets.
- Year-on-year growth of net revenue collections remains depressed for the first half of the year to June 2014 at 3.6%. This is however an improvement from the 2% growth recorded for the January – March quarter. Poor economic conditions continue to negatively affect inflows to the fiscus and the performance of the revenue head is expected to remain depressed until industrial capacity utilisation improves.
- Annual growth in broad money supply increased to 7.66% in May 2014, from 6.65% in April. In absolute terms, broad money rose from US\$4 018.14 million in May 2013 to US\$4 325.73 million in May 2014. Broad money registered a monthly increase of 2.25% between April and May 2014.
- Despite the political uncertainty, over 5319 new businesses have registered for the first half of the year to June 2014.
- On the back of tightening liquidity conditions, depressed aggregate demand and slowdown in economic activity, inflation has continued to decline. Annual inflation remained in the negative territory. Year on year food inflation fell from -3.73% in April to -3.75% in May 2014, reflecting

weak domestic demand. Month-on-month inflation shed 0.71 percentage points, from 0.58% in April 2014 to -0.13% in May 2014, following decline in non-food inflation.

Annex 1. Implementation of Year 2 Work Plan – Status at end of Quarter 11 *

Year 3 Work Plan Task/Activity	Status at end of Q11
1. Management and Administration Services	
1.1. Project management and administration	
Coordinate with COR, other USAID programs, other key donors	Ongoing
Develop and manage STTA assignments	Ongoing
Maintain project accounts consistent with budget parameters, and documentation for audit	Ongoing and up to date
Maintain documentation for activities, expenditures, and monitoring indicators	Ongoing and up to date
Provide Training Coordinator to ZEPARU for management of SERA-supported activities	Ongoing
Coordinate with COR, other USAID programs, other key donors	Ongoing
1.2. Reports	
Submit Annual Report for Year 2 (also serving as Quarterly Report for Q8)	Done
Work Plan revision, if necessary	Year 3 Work Plan approved by USAID with minor modifications; no changes made during Q11 ; additional activities approved by USAID case-by-case
Submit Quarterly Progress Reports	On schedule
Submit Quarterly Financial Reports	On schedule
Submit Quarterly Accrual Reports	On schedule
Submit Activity Reports, Success Stories	No new Success Stories submitted during Q11; at least 1 will be produced during Q12
Submit monthly activities reports, and weekly highlights as appropriate	An on-line- access our ‘dashboard’ – a compendium of SERA activities Weekly bullets submitted to COR as warranted
Submit Annual Work Plan for Year 4	Scheduled for Q12

Year 3 Work Plan Task/Activity	Status at end of Q11
Submit updated M&E Plan for Year 4	Scheduled for Q12
Submit library of reports and information products to DEC	Guidance from COR received on materials to be submitted to DEC. Nathan HQ processes the documents for submission as available; frequent delays in getting final formatted copies from partners.
2. Assistance to ZEPARU & MOF	
Provide Senior Economic Advisor to ZEPARU, as intermittent STTA	Senior Advisor contracted and engaged with ZEPARU in a limited range.
Provide financing to ZEPARU for 3 research interns	Ongoing
Coordinate with ZEPARU and MOFED on priorities for support and development of activities	Ongoing. Potential economic modelling data course for MOFED staff discussed with MOFED and planned for Q12. Slower progress on other activities – see Sections 5, 8 and 9 in the text.
Liaise on program activities with MIC, Parliament, RBZ	Ongoing. Discussions with Parliament ongoing through USAID coordinator Mr. Bigbouy Chikwavarara.
Liaise on program activities with other USAID projects & other donors	Through the ZIMSTAT donor coordination board, SERA continues to coordinate with other donors regarding support to ZIMSTAT around the CBR, and SS activities currently underway and planned for initiation respectively. There was coordination with ZimACP and Zimbabwe:Works
Coordinate with ZEPARU & MOF on SERA Work Plan for Year 4	To begin in July.
2.1. Research and Analysis	

Year 3 Work Plan Task/Activity	Status at end of Q11
<p>Provide technical support and mentoring to assist ZEPARU in producing at least 8 high quality research products on topics of importance to economic policy makers.</p> <p>Planned themes include:</p> <ul style="list-style-type: none"> - Modernizing Bankruptcy Laws and Procedures - Regional Integration - Financial Sector Development - Mining Sector Studies - Private Sector Development - Strategies for Inclusive Growth - Public Expenditure Management 	<ul style="list-style-type: none"> - Completed, STTA-led study on Modernizing Laws and Procedures for Resolving Insolvency (Daniel Fitzpatrick) - STTA-mentoring completed for final revision of ZEPARU study on Regional Integration (Robert Kirk). Awaiting ZEPARU sign-off in Q12 - Field work completed for STTA-led study on Mineral Revenue Transparency, draft report expected in Q12. - Field work completed for STTA-led study on Cost Drivers completed, draft report expected in Q12
<p>Provide technical assistance to the MOF for at least 2 high quality research studies on priority policy issues. <i>Topics TBD</i></p>	<p>Provided support to MOFED for presentation on Economic Impacts of SEZs at the April stakeholders workshop – see Section 5 in the text. Accompanying research note being submitted to MOFED and USAID.</p>
<p>Provide funding as “paying agent” for ZEPARU for completion of at least 3 outsourced research projects.</p> <ul style="list-style-type: none"> - Strengthening Competitiveness of Industrial Value Chains (continuation from Year 2) - Strategies for Inclusive Growth (some outsourced, some in-house) - Other TBD 	<p>The four Strengthening Value Chain studies have been submitted as deliverables to USAID.</p>
<p>Provide capacity-building support to ZEPARU for managing outsourced research</p>	<p>Completed for the Value Chain studies. Will continue with the tendering and negotiation of the next set of outsourced studies.</p>
<p>Provide STTA to assist ZEPARU in writing winning grant proposals</p>	<p>ZEPARU was to identify a local expert to assist them and so far Dr. Moses Tekere has been identified to fulfil this role</p>
<p>Provide STTA to assist ZEPARU in database development.</p>	<p>Database development and maintenance support to be provided by Senior Advisor Rob Davies during Q12.</p>
<p>Provide STTA to strengthen ZEPARU capacity to produce policy briefs and press releases</p>	<p>This was not done during Q11</p>

Year 3 Work Plan Task/Activity	Status at end of Q11
Provide funding through ZEPARU for revival of the Zimbabwe Journal of Economics (ZJE)	Progress has been made and ZJE set will be in place during Q12
Provide funding to ZEPARU for operational costs relating to research activities	Thus far no research-related operational costs for SERA associated studies have been incurred.
Assist ZEPARU with planning and delivery of research seminars	There was no activity
Provide funding for the publication of ZEPARU research and analysis products	The Economic Literacy Toolkit was printed during Q11
Provide funding for software procurement relating to research needs	There was no request for funding
Provide funding for study tour by ZEPARU ED of leading economic development think-tanks in Africa, Europe and USA	Was not initiated during Q11.
2.2. Parliamentarian Training	
In collaboration with Parliamentary leaders, SAPST and ZEPARU, hold launch workshop for Economic Literacy training program	The design and delivery of the parliamentarian training, and associated Launch Workshop, is on hold pending resolution of the issue of "sitting fees".
Funding for publication of the Economic Literacy Tool-Kit	Toolkit printed.
In collaboration with Parliament, SAPST and ZEPARU: design and deliver training on Economic Literacy.	On hold as noted above.
Implement Certificate Program in Basic Economics for Parliamentarians	On hold as noted above.
2.3a. Short-term Training of Economists	
With ZEPARU and MOF, establish training priorities for SERA support for each quarter	ZEPARU provided a Training Program for 2014 in early Q10, and SERA has provided support for an identified training on Survey Methodology. Rob Davies has discussed the implementation of a training on economic modelling data with MOFED staff, the training is planned for Q12.
With ZEPARU and MOF, design, develop and deliver at least 5 customized local short-courses for economists. <i>Menu of subjects include (dates TBD):</i>	

Year 3 Work Plan Task/Activity	Status at end of Q11
<i>Applied Econometrics for Policy Research</i>	Course provided in Q9 by Prof. Paul McNelis in Harare Zimbabwe
<i>Advanced Excel Skills (continuation from Year 2)</i>	Approval received for continued provision of course. 1 st instance was held in Q11. 2 nd course to be held in Q12
<i>Public Finance Management and Budget Control</i>	Dates for this course TBA by ZEPARU after consultations with MOFED
<i>Tax Analysis and Revenue Forecasting (with ATI)</i>	MOFED has nominated two economists to attend the ATI Introduction to Tax Analysis and Revenue Forecasting course scheduled for, 21-25 July 2014; and the Advanced Revenue Forecasting and Tax Analysis course, scheduled for 28 July – 1 August 2014
<i>Macroeconomic Analysis and Management (with MEFMI)</i>	Dates for this course TBA by ZEPARU as they intend to co-fund this training with funding from ACBF which is yet to be released.
<i>Monitoring and Evaluation of Government Programs and Projects</i>	Dates for this course TBA by ZEPARU after consultations with MOFED
<i>Survey design and sampling methods</i>	Course provided in Q10 in Harare, Zimbabwe
<i>Introduction to CGE Modeling (with TIPS)</i>	Training provided in Q9 in Pretoria, South Africa
<i>Panel Data Econometrics</i>	Support for this course cancelled in Q10 and will be revived at such time as the Reserve Bank has the required software, Matlab in place to undertake the training.
Support 30 economists to attend regional short-courses	<ul style="list-style-type: none"> - 2 economists sponsored to attend 2-week ESAMI course in March 2014 on Financial Planning and Modelling in Kampala, Uganda. - 2 economists sponsored to attend 2 week COMESA course in June 2014 on Advanced Application of Panel Modelling to Transmission Mechanism of Monetary Policy in Nairobi, Kenya. - 1 RBZ staff sponsored to attend 2 week MEFMI course in July 2014 on Foundations of Debt Management in Lilongwe, Malawi.

Year 3 Work Plan Task/Activity	Status at end of Q11
Conduct ex-post evaluations 6 months after each training event to assess value on the job and knowledge retention	Ongoing
2.3b. Long-term Training of Economists	
Continue bursary funding for up to 20 government economists as ZEPARU Scholars for part-time MSc program in Economics at UZ	15 bursary recipients finished second semester in MSc program at UZ. 11 sat and passed exams and 4 submitted their thesis research.
Continue bursary funding for 3 RBZ economists as ZEPARU Scholars pursuing PhD programs in economics in South Africa	Ongoing. Three economists from RBZ continue their PhD studies in South Africa
Monitor use of laptop computers provided by SERA to ZEPARU Scholars	Ongoing, at intervals of 6 months; intern engaged to assist.
Provide logistical and personal support to ZEPARU Scholars studying in South Africa	Funding being provided to PhD bursary recipients for registration, visa, health insurance, travel, lodging, subsistence expenses, and books.
Track progress of all SERA-funded bursary recipients	Ongoing.
2.4. Workshops and other research dissemination events	
Assist ZEPARU in planning, organizing and implementing annual International Economics Conference for 2013 (possibly in collaboration with MOF)	Not implemented.
Provide funding for research seminars, stakeholders workshops and guest speaker seminars, and policy dialogue events co-hosted with other organizations	There was no activity in this area.
3. Assistance to ZIMSTAT	
Coordinate with ZIMSTAT on priorities, activities	Ongoing meetings as needed, determined by progress with ongoing activities and ZIMSTAT schedules.
Liaise with other donors for coordination on support for ZIMSTAT	Ongoing intermittent discussions with WB, UNDP, DFID, and AfDB.
Fund completion of Central Business Register (CBR) project	Tranches 5 of 6 for the Data Collection PO issued. Tranche 3 of 4 for the Data Cleaning/Coding/Entry PO issued.
Co-finance the Survey of Services (SS) project	Pending completion of the CBR to provide the sample master frame. Likely to begin in Q12 pending ZIMSTAT progress with the CBR.

Year 3 Work Plan Task/Activity	Status at end of Q11
STTA for completing development of distance-learning in-service training system	Distance learning strategy included specification of IT infrastructure requirements, but ZIMSTAT management determined that SERA funding should be allocated to CBR and SS. Roll-out of pilot will depend on co-financing for the IT procurements. This activity is on hold pending provision of suitable internet connectivity in ZIMSTAT provincial offices.
STTA to assist with ZIMSTAT website upgrade	Upgrade specifications finalized and bids for development of the new site under review.
STTA to assist with the development of procedures for providing researchers with access to anonymized microdata sets, in full compliance with confidentiality requirements	There was not request and no activity in this area.
STTA to conduct quality assurance review of CBR and ZimDat databases	Scheduled for Q12 as part of support to SS
STTA for creation of service sector index (or multiple service indices)	Scheduled to take place after SS finished.
STTA for rebasing the Volume of Manufacturing Index and possibly other economic indices	No initiated.

* This table excludes some lines from the Year 3 Work Plan that were only sub-tasks or illustrative examples.

ANNEX 2: Performance Monitoring Indicators

Table A2.1. Output Indicators p A2-2

Table A2.2. Intermediate Results Indicators p A2-6

Table A2.3. Outcome Indicators p A2-9

Table A2.4. Context Indicators p A2-11

TABLE A2.1 – OUTPUT INDICATORS

No.	Item	Baseline	Source	Year 2 Actuals	Year 3 Annual Target	Year 3 Actuals			
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep
ASSISTANCE TO ZEPARU AND MOF									
A. RESEARCH AND ANALYSIS									
1.	Number of completed policy studies by ZEPARU with SERA support and for the MOF: total, and with gender content	0	ZEPARU	Total: 3 With Gender Content: 3 (revised in Q9)	Total (with ZEPARU) : 8 With gender content: 4 Total (for MOFED) : 2 With Gender content: 1	Total (with ZEPARU) : 2 (Capital account restrictions in Zimbabwe, Choice of future currency regime) With gender content: 0 Total (for MOFED) : 0	Total (with ZEPARU) : 1 (Enhancing Zimbabwe’s Regime for Resolving Corporate Financial Distress) With gender content: 0 Total (for MOFED) : 0	Total (with ZEPARU): 3 (Contributions and Challenges facing the financial sector; Financial Inclusion Strategies; Financial Regulation and Supervision in Zimbabwe) With Gender Content: 2 Total (for MOFED): 1 (Impacts of SEZ on Economic Transformation) With Gender Content: 0	
2.	Number of completed policy studies outsourced by ZEPARU with SERA support: total, and with gender content	0	SERA	0	Total: 4 With Gender Content: 2	Total: 1 (Economics of Employment Creation) With Gender Content: 1	Total: 0 With Gender Content: 0	Total: 4 With Gender Content: 4 (Chemical Industries Value Chain; Agro& Beverages Industries Value Chain; Engineering and	

No.	Item	Baseline	Source	Year 2 Actuals	Year 3 Annual Target	Year 3 Actuals			
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep
								Metals Industries Value Chain; Cotton to Clothing Industries Value Chain)	
3.	Person-hours of training completed in fiscal policy and fiscal administration supported by USG assistance (USAID PMP indicator): total, women	0	SERA	Total: 7600 Women: 1895	Total: 6500 Women: 3250	Total : 2809.5 Women : 805	Total : 645 Women : 133.75	Total: 189.75 Women: 0	
4.	Number of days of SERA technical assistance in fiscal policy and fiscal administration (USAID PMP indicator)	0	SERA	442	400	67.4	21	110	
B. PARLIAMENTARIAN TRAINING									
5.	Number of SERA-supported seminars for Parliamentarians, on economic policy and economic literacy.	0	SERA	0	12 seminars	Clerk of Parliament approved economic literacy toolkit. STTA recruiting for training to begin in Q10	STTA recruiting put on hold. Consultations continuing with SAPST and Parliamentarian authorities on the roll out plan for the training.	Parliamentary toolkit report printed, ZEPARU to distribute to Parliament in Q12. Consultations continuing with SAPST and Parliamentarian authorities on the roll out plan for the training.	
6.	Number of Parliamentarians trained with SERA support: total, women	0	SERA	0	Total: 200 Women: 100	0 (see previous line)	0 (see previous line)	0 (see previous line)	
C. SHORT-TERM TRAINING OF ECONOMISTS									
7.	Number of SERA-supported customized short-courses for training economists.	0	SERA	6 customized short courses	5 customized short courses	2 customized short course (Applied Econometrics, Advanced Excel)	1 customized course (Intro. to Survey Methodology)	1 customized short course (Advanced Excel)	
8.	Number of economists attending customized short-courses: total, women	0	SERA	Total: 121 Women: 47	Total: 115 Women: 58	Total: 33 Women:10	Total : 23 Women: 5	Total: 13 Women: 4	
9.	Number of individuals sponsored to attend external training courses: total,	0	SERA	Total: 31 Women: 12	Total: 33 Women: 17	Total: 7 Women: 1	Total: 2 Women: 0	Total : 3 Women: 0	

No.	Item	Baseline	Source	Year 2 Actuals	Year 3 Annual Target	Year 3 Actuals			
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep
	women								
D. LONG-TERM TRAINING OF ECONOMISTS									
10.	Number of individuals w/ SERA bursaries to part-time MSc in Economics at U Zimbabwe: total, women	0	SERA	Total: 15 Women: 4	Total: 20 Women: 5	Total: 15 Women: 4	Total: 15 Women: 4	Total: 15 Women: 4	
11.	Number of individuals w/ SERA bursaries to PhD in Economics at UCT or a comparable university (University of Pretoria and Nelson Mandela Metropolitan University) in South Africa - total, women	0	SERA	Total: 3 Women: 0	Total: 3 Women: 0	Total: 3 Women: 0	Total: 3 Women: 0	Total: 3 Women: 0	
E. WORKSHOPS (FOR OUTREACH/DISSEMINATION)									
12.	Number of SERA-supported outreach/dissemination workshops	0	SERA	3	3	1 (Resolving corporate financial distress)	2 (AfriConsult Cotton to Clothing Value Chains; SIRDC Chemical Industries, Agro and Beverages Eng. and Metals)	2 (SEZ Workshop; CTC Workshop on Prevention of Insolvency in Zimbabwe)	
13.	Number of participants in SERA-supported workshops or seminars a) total, women b) government, private sector, ZEPARU/SERA, other	0	SERA	a) Total: 262 Women: data not available b) Government: 85 Private Sector: 51 ZPR/SERA: 34 Other: 92	a) Total: 300 Women:150 b) For tracking purposes no targets	a) Total: 60 Women: 18 b) Government:20 Private Sector: 30 ZPR/SERA: 10 Other: 0	a) Total: 203 Women: 62 b) Government: 30 Private Sector: 67 ZPR/SERA: 7 Other: 99	a)Total : 349 Women: data not available	
ASSISTANCE TO ZIMSTAT									
A. IMPROVE ORGANIZATION AND COORDINATION OF NSS									
14.	Number of documents containing meta-data and data manuals produced and	0	SERA	1	2	0	0	0	

No.	Item	Baseline	Source	Year 2 Actuals	Year 3 Annual Target	Year 3 Actuals			
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep
	posted on-line with SERA support								
15.	Number of SERA-supported public information events on economic statistics, through ZIMSTAT	0	SERA	0	3	0	0	0	
16.	Number of participants in SERA-supported public events through ZIMSTAT - total, women	0	SERA	0	Total: 100 Women: 50	0	0	0	
B. DEVELOP PHYSICAL, IT AND STATISTICAL INFRASTRUCTURE									
17.	Number of SERA-supported training events for ZIMSTAT staff	0	SERA	2 (training workshop for enumerators), (Distance Learning Training of trainers)	2	0	0	0	
18.	Number of participants in SERA - supported training courses for ZIMSTAT staff - total, women	0	SERA	Total: 183 Women: 48	Total: 150 Women: 75	0	0	0	
19.	Cum. number of distance learning training modules in economic statistics developed/supported by SERA	0	SERA	Software platform for DL system and strategy paper for provision of DL developed. Training of trainers undertaken in April. Initiation of pilot phase of implementation of DL and SERA support put on hold because SERA assistance in Q8 focused on development of CBR	6	Initiation of pilot phase of implementation of DL and SERA support put on hold because SERA assistance continues to focus on the implementation of CBR Inquiry	Initiation of pilot phase of implementation of DL and SERA support put on hold because SERA assistance continues to focus on the implementation of CBR Inquiry	Initiation of pilot phase of implementation of DL and SERA support put on hold because SERA assistance continues to focus on the implementation of CBR Inquiry	

TABLE A.2.2 – INTERMEDIATE RESULT INDICATORS

	Item	Baseline	Source	Year 2 Actuals	Year 3 Annual Target	Year 3 Actuals			
						Oct–Dec	Jan–Mar	Apr–Jun	Jul–Sep
ASSISTANCE TO ZEPARU AND MOF									
A. RESEARCH AND ANALYSIS									
1.	Number of policy briefs/studies drafted and presented for public/stakeholder consultation with USG assistance(USAID PMP indicator): total, and with gender content	0	ZEPARU	Total: 5 -Tourism Sector Study -Role of Financial Sector in the Economy -Financial Liberalization and Crises -Financial Regulation and Supervision -Access to Bank Credit as a strategy to Industrialization	Total: 8 With gender content: 4	Total : 1 With Gender Content : 0 -Resolving Corporate Financial Distress	Total: 4 With Gender Content: 4 - Chemical Industries Value Chain - Agro& Beverages Industries Value Chain - Engineering and Metals Industries Value Chain - Cotton to Clothing Industries Value Chain	Total: 2 (Enhancing Zimbabwe’s Regime for Resolving Corporate Financial Distress; Impacts of SEZ on Economic Transformation) With Gender Content: 0	
2.	Number of economic research material available through online library on the ZEPARU website	12 (9 Periodic articles, 3 serials)	ZEPARU	27 (16 research papers, 9 economic barometers, 2 policy briefs) 77 economic resource links	>=110 research material	35 (18 research papers, 10 economic barometers, 2 policy briefs, 5 presentations) 77 economic resource links	37 (20 research papers, 10 economic barometers, 2 policy briefs, 5 presentations) 77 economic resource links	47 (30 research papers, 10 economic barometers, 2 policy briefs, 5 presentations) 77 economic resource links	
B. PARLIAMENTARIAN TRAINING									
3.	Number of MPs completing Certificate Program: total , women	0	Parliament	SERA STTA completed and submitted the final draft of the economic literacy tool kit. Consultations	Total: 40 Women: 20	Clerk of Parliament approved economic literacy toolkit. STTA recruiting for training to begin in Q10	STTA recruiting put on hold. Consultations continuing with SAPST and Parliamentarian authorities on the	Parliamentary toolkit report printed, ZEPARU to distribute to Parliament in Q12.	

	Item	Baseline	Source	Year 2 Actuals	Year 3 Annual Target	Year 3 Actuals			
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep
				with Clerk of Parliament on Program launch to begin in Q9			roll out plan for the training	Consultations continuing with SAPST and Parliamentarian authorities on the roll out plan for the training.	
C. TRAINING OF ECONOMISTS									
4.	Cum. number of semesters completed by gov't economists pursuing MSc-Econ at U Zim w/ SERA support - total, women	0	University of Zimbabwe	Total: 40 Women: 2 (One bursary recipient did not sit for examinations, his bursary support was terminated)	Total: 80 Women: 12	Total: 55 Women: 6	Total: 55 Women: 6	Total: 55 Women: 6	
D. WORKSHOPS (FOR OUTREACH AND DISSEMINATION)									
5.	Number of press releases published or positive news reports on SERA-supported research or outreach/dissemination events: total, and with gender content	0	SERA	Total: 4 With Gender content: 0	Total: 10 With gender content: 5	Total: 3 With gender content: 0	Total: 1 With Gender Content: 0	Total : 7 With Gender Content: 0	
ASSISTANCE TO ZIMSTAT									
A. IMPROVE ORGANIZATION AND COORDINATION OF NSS									
6.	Number of economic reports produced by ZIMSTAT with lag of no more than 12 months	2 – revised (CPI report; Poverty Datum Line Report)	ZIMSTAT	7 Quarterly Digest of Statistics, CPI, Business Tendency Survey, Poverty Datum Line Report, PICES Report, Poverty and Poverty Datum Line Analysis in Zim,	9	2 Consumer Price Index and Poverty Datum Line Report	3 Quarterly digest of Statistics, Consumer Price Index and Poverty Datum Line Report	5 Quarterly Digest of Statistics, CPI report, Poverty datum line Report, Quarterly Bulletin of External Trade Statistics, Business Tendency Survey	

	Item	Baseline	Source	Year 2 Actuals	Year 3 Annual Target	Year 3 Actuals			
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep
				Compendium of statistics 2012					
B. DEVELOP PHYSICAL, IT AND STATISTICAL INFRASTRUCTURE									
7	Completion and publication of the Poverty, Income, Consumption Expend. Survey (PICES)	field work underway	ZIMSTAT	PICES Report completed and launched in April 2013.	-	-	-	-	-
8	Completion of Central Business Registry (CBR) update	poor quality data	ZIMSTAT	Data collection, processing and compilation of 76,000 licensed businesses completed. CBR Inquiry started in early August and is expected to be completed in Jan 2014.	Fieldwork completed and results disseminated.	CBR inquiry continued and as at 24 December 2013, 55.5% of questionnaires dispatched had been recovered. Data collection to resume in Q10.	81.7% of CBR questionnaires dispatched recovered. Data processing commenced on March 3, and recovery of questionnaire to continue during data entry.	Recovery of CBR questionnaires to continue as part of routine work. Data processing continued with 57866 questionnaire edited and coded, 48 132 questionnaires entered as of May 2014	
9	Completion and publication of Census of Services (COS)- changed to Survey of Services (SS)	Last done 1981 (partial coverage only)	ZIMSTAT	SS likely to take place in 2014 after CBR is finished.(see previous line)	SS completed and disseminated. Index of Services developed.	SS likely to take place in 2014 after CBR is finished.(see previous line)	SS likely to take place in 2014 after CBR is finished.(see previous line)	SS likely to take place in 2014 after CBR is finished.(see previous line)	
10	Number of ZIMSTAT staff using/completing SERA-supported distance learning training modules: total, women	not applicable	ZIMSTAT	on - line training plan established	Total: 40 Women: 20	Initiation of pilot phase of implementation of DL and SERA support put on hold because SERA assistance continues to focus on the implementation of CBR Inquiry	Initiation of pilot phase of implementation of DL and SERA support put on hold because SERA assistance continues to focus on the implementation of CBR Inquiry	Initiation of pilot phase of implementation of DL and SERA support put on hold because SERA assistance continues to focus on the implementation of CBR Inquiry	

TABLE A.2.3 - OUTCOME INDICATORS

	Item	Baseline	Source	Year 2 Actuals	Year 3 Target	Year 3 Actuals			
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep
ASSISTANCE TO ZEPARU AND MOF									
1.	Number of policy briefs/ studies analysed and drafted with USG assistance, presented for public/stakeholder consultation and that contribute to new policies approved/ passed for implementation (USAID PMP Indicator); total and with gender content	0	ZEPARU	Total: 2 With gender content: 2 (Mining Sector Policy; Financial Sector Development)	Total: 2 With gender content: 1	0	0	Total: 1 Enhancing Zimbabwe's Regime for Resolving Corporate Financial Distress With gender content: 0	
2.	Number of policy briefs/ studies analysed and drafted with USG assistance, presented for public/stakeholder consultation and that contribute to new policies approved/ passed where implementation is confirmed to have begun (USAID PMP Indicator); total and with gender content	0	ZEPARU	Total: 2 With gender content: 2 (Mining Sector Policy; Financial Sector Development)	Total: 2 With gender content: 1	0	0	0	
3.	Number of participants/percent of respondents able to demonstrate knowledge retention by identifying three specific learning objectives from SERA-supported training at least 6 months after each training event (Disaggregated by sex)	0	ZEPARU	Total : 49 Women: 19	Total: 83 Women: 42	Total: 30 Women: 14	Total: 20 Women: 7	Total: 15 Women: 2	
4.	Number of participants/percent of respondents reporting at least one example of on-the-job utilization of content from USAID supported training at least 6 months after each training event (Disaggregated by sex)	0	ZEPARU	Total : 64 Women: 26	Total: 83 Women: 42	Total: 30 Women: 15	Total: 20 Women: 7	Total: 16 Women: 3	
5	Number of "hits" and downloads of policy briefs/reports/studies posted on ZEPARU website	568 hits 353 downloads	ZEPARU	7585 hits 2750 downloads (through to Sept 2013)	100 percent increase over prior year	17045 hits 4037 downloads	6536 hits 869 downloads (Jan – March 2014)	5466 hits 2991 downloads (April – June 2014)	

	Item	Baseline	Source	Year 2 Actuals	Year 3 Target	Year 3 Actuals			
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep
6	Amount of funding for ZEPARU, excluding SERA and ACBF support	Budget vote 2010=\$10,000 2011=\$200,000	ZEPARU	\$139,595 (of which \$85,000 from GoZ)	\$300,000, incl. \$200k budget vote + other sources	Funds received this quarter AfDB: 8 250 Motor Industry Association: 1 400 UNDP Gender Training: 9 450 UNDP Seminar Series: 9 000 AERC: 5 000	Funds received this quarter AfDB: 8 250 GoZ: 5 000 TARSC: 1540 ZB Bank : 3600	Funds received this quarter UNDP: 1,500 National AIDS Council: 2,106 TARSC: 11,208 ACI: 7,500 ACA/CZI: 2,800 ZNCC: 2,000 Total: 27,114	
ASSISTANCE TO ZIMSTAT									
7.	Improved National Income and Product Accounts (NIPA) statistics using PICES data and economic surveys that benefit from CBR upgrade	Seriously deficient statistical inputs to NIPA	ZIMSTAT	PICES Report completed and launched in April 2013. CBR Data collection, processing and compilation of 76,000 licensed businesses completed. CBR Inquiry started in early August and is expected to be completed in Jan 2014.	Second revision to NIPA using SOS data complete.	PICES Report completed. CBR inquiry continued and as at 24 December 2013, 55.5% of questionnaires dispatched had been recovered. Data collection to resume in Q10.	PICES Report completed. 81.7% of CBR questionnaires dispatched recovered. Data processing commenced on March 3, and recovery of questionnaire to continue during data entry.	PICES Report completed. CBR Data processing continued. 57866 questionnaires edited and coded, 48 132 questionnaires entered.	
8.	Number of economic reports available on the ZIMSTAT website, with lag of no more than 12 months	1 (revised) Poverty datum line report	ZIMSTAT	5 Quarterly Digest of Statistics, CPI report, Poverty datum line Report, PICES Report, Poverty Datum Line Analysis Report, Compendium of Statistics 2012	8	5 Quarterly Digest of Statistics, CPI report, Poverty datum line Report, PICES Report, Poverty Datum Line Analysis Report	5 Quarterly Digest of Statistics, CPI report, Poverty datum line Report, PICES Report, Poverty Datum Line Analysis Report	5 Quarterly Digest of Statistics, CPI report, Poverty datum line Report, Quarterly Bulletin of External Trade Statistics, Business Tendency Survey	

TABLE A.2.4 - CONTEXT INDICATORS

	Item	Baseline	Source	Year 2 Actuals	Year 3 Annual Target	Year 3 Actuals			
						Oct-Dec	Jan-Mar	Apr-June	Jul-Sept
ECONOMIC GROWTH									
1.	Real GDP Growth	IMF estimate 6.0% for 2011; projection 3.1% in 2012; 3.0% for 2013-15	IMF for updated estimates, ZIMSTAT for actuals	IMF growth estimate for 2012 remains at 4.42%; projections reduced to: 3.18% in 2013; 3.57% in 2014; 4.15% in 2015	IMF baseline proj. for 2014 exceed by 1% = 4%	IMF growth estimate for 2012 remains at 4.42%; projections reduced to: 3.18% in 2013; 3.57% in 2014; 4.15% in 2015	IMF growth estimate for 2012 remains at 4.42%; projections reduced to: 3.18% in 2013; 3.57% in 2014; 4.15% in 2015	IMF Growth projection for 2013 reduced to: 2.955%. Projections for 2014 increased to 4.243% and 4.469% in 2015	
POVERTY REDUCTION									
2.	Poverty indicators as available (total, male, female)	UZ/MZF 2011: total consumption poverty rate = 87%	Agencies conducting poverty surveys, with or w/o SERA support	HH poverty prevalence = 62.6% HH extreme poverty prevalence=16.2% Individual poverty prevalence=72.3% Individual extreme poverty prevalence=22.5% (ZIMSTAT Poverty Report 2011/12)	Quick Poverty Survey developed, conducted and published.	PICES data remains latest available data. HH poverty prevalence = 62.6% HH extreme poverty prevalence=16.2% Individual poverty prevalence=72.3% Individual extreme poverty prevalence=22.5% (ZIMSTAT Poverty Report 2011/12)	HH poverty prevalence = 62.6% HH extreme poverty prevalence=16.2% Individual poverty prevalence=72.3% Individual extreme poverty prevalence=22.5% (ZIMSTAT Poverty Report 2011/12)	PICES data remains latest available data. (see previous quarter)	
EMPLOYMENT CREATION									
3.	Formal sector non-gov't jobs (total, male, female), excluding agriculture. No breakdown by sex available	422,700 = latest ZIMSTAT data for Dec 2008. No breakdown by sex available	ZIMSTAT	Paid employment as % Ec Active Pop age 15+: Total: 23.8% Men: 31.2% Women: 16.2%	10% growth in formal sector jobs	PICES data remains latest available data. Paid employment as % Ec Active Pop age 15+: Total: 23.8% Men: 31.2% Women: 16.2%	Paid employment as % Ec Active Pop age 15+: Total: 23.8% Men: 31.2% Women: 16.2%	PICES data remains latest available data. (see previous quarter)	

	Item	Baseline	Source	Year 2 Actuals	Year 3 Annual Target	Year 3 Actuals			
						Oct-Dec	Jan-Mar	Apr-June	Jul-Sept
				Total employment outside gov & agric: Total: 1,046,463 Men: (65.2%) Women: (34.8%) (PICES 2011/12, & Nathan calc's)		Men: 31.2% Women: 16.2% Total employment outside gov & agric: Total: 1,046,463 Men: (65.2%) Women: (34.8%) (PICES 2011/12, & Nathan calc's)	Total employment outside gov & agric: Total: 1,046,463 Men: (65.2%) Women: (34.8%) (PICES 2011/12, & Nathan calc's)		
FISCAL MANAGEMENT AND ADMINISTRATION									
4.	Non-mineral revenue (NMR)	2.6 billion (2011)	Baseline from ZIMRA 2011 Revenue Performance Report	NMR for 2013 Q3=\$858.3m Same period 2012 = \$786.2m Growth = 9%	Non-mineral revenue gr. >= growth of non-mining GDP	NMR for the year 2013 =\$3.296 billion NMR for the year 2012=\$3.12billion Growth= 5.6%	Net revenue collections for 2014 Q1 = 834.6 million Net revenue collection for 2013 Q1= 818.6 million Growth = 2%	Net revenue collections for the first half of 2014 = 1.72 billion Same period 2013 = 1.66 billion Growth = 3.6%	
5.	Percentage of central government expenditure on social services and productive infrastructure (excl. personnel cost)	Est. 18.42% (September 2011)	MOF	Government capital expenditure as a % of total expenditure = 6.6% (Treasury State of the Economy Report, August 2013)	24%	Capital expenditure as a % of total disbursements to November 2013 = 9.25% (MOFED, 2014 National Budget Statement)	Capital expenditure as a % of total disbursements for 2013 = 10% (MOFED 2013 Fourth Quarter Treasury Bulletin)	Capital expenditure as a % of total disbursements for 2014 Q1 = 3.7% (MOFED 2014 First Quarter Treasury Bulletin)	
DEBT RELIEF									
6.	Improved debt management	Controversy on use of HIPC	MOF	IMF approved a Staff Monitored Program for Zimbabwe covering the period April-December 2013	HIPC decision point	Validation and reconciliation exercise of external debt database completed.	RBZ debt has been assumed by treasury. External debt resolution ongoing. Discussions between GoZ and IMF staff mission on combined 1 st and	1 st and 2 nd review of SMP indicate performance of SMP mixed with some targets met, some missed. SMP period scheduled to expire at end-2013	

	Item	Baseline	Source	Year 2 Actuals	Year 3 Annual Target	Year 3 Actuals			
						Oct-Dec	Jan-Mar	Apr-June	Jul-Sept
							2 nd reviews under SMP successfully undertaken in March 2014	was extended by fund management through end-June 2014 to allow time to strengthen policies	
INVESTMENT PROMOTION									
7.	Foreign direct investment, net inflow (US\$ millions)	\$105m, 2009 \$122.6m, 2010 (RBZ Actuals)	Baseline: Actuals: RBZ BOP Data	2012 estimate remains at \$353.5m. 2013 projection = \$334.0m	10% growth	2012 estimate remains at \$353.5m. 2013 projection = \$334.0m	2013 estimate increased to 373.0m Projections for 2014= 406.0m 2015= 591.0m	2013 estimate increased to 373.0m Projections for 2014= 406.0m 2015= 591.0m (projections updated annually)	
GENDER EQUITY									
8.	Formal sector employment, non-gov't: % women (as available)	37% of women formally and informally employed. Data n. a. on formal sector jobs by sex	Zimbabwe Demographic and Health Survey 2010 -2011	% "employed" age 15+ in non-gvt excl. agric. Male = 65.2% Female = 34.8% % of paid employment Male = 66.4% Female = 33.6% (Nathan calc., data from final PICES Report 2011/12)	10% growth	PICES data remains latest available data. % "employed" age 15+ in non-gvt excl. agric. Male = 65.2% Female = 34.8% % of paid employment Male = 66.4% Female = 33.6% (Nathan calc., data from final PICES Report 2011/12)	% "employed" age 15+ in non-gvt excl. agric. Male = 65.2% Female = 34.8% % of paid employment Male = 66.4% Female = 33.6% (Nathan calc., data from final PICES Report 2011/12)	PICES data remains latest available data. (see previous quarter)	
BUSINESS ENVIRONMENT									
9.	New business registrations (number per calendar year)	8550 in 2011	Registrar of Companies	7445 (through to September 30, 2013)	15000	2333 (Oct-Dec) 9778 (through to December 31,	2645 (Jan-March 2014)	2674 (April-June 2014)	

	Item	Baseline	Source	Year 2 Actuals	Year 3 Annual Target	Year 3 Actuals			
						Oct-Dec	Jan-Mar	Apr-June	Jul-Sept
						2013)			
10.	Doing Business Ranking	171 out of 183 countries for 2012	IFC/WB Doing Business Report 2012	172 out of 185 countries for 2013	165	170 out of 189 countries for 2014 Figure for 2013 revised to 168 out of 189 countries	170 out of 189 countries for 2014 Figure for 2013 revised to 168 out of 189 countries	170 out of 189 countries for 2014 Figure for 2013 revised to 168 out of 189 countries	
FINANCIAL SECTOR									
11	Level and Growth of deposits in banking system	December 2011 total deposits = \$3318.2m , Growth = 42.6%	RBZ Monthly Report	August 2013 = \$3796.2m Growth from year earlier = 5.77%	> Nominal GDP growth	November 2013=\$3807.1m Growth from year earlier= (-) 0.46%	February 2014 = \$4021.78m Growth from year earlier = 5.46%	May 2014 = 4325.73m Growth from year earlier = 7.66%	
12	Bank interest spread (% points) (average lending rate less SERA estimate of average interest cost of deposit funds)	Est. 9.9% (October 2011)	RBZ Monthly Weekly Reports	5.89%* (August 2013)	5.5%	5.6%* (November 2013)	5.5%* (February 2014)	5.28%* (April 2014)	
13	World Bank Statistical Capacity Indicator (Indicator from NSDS Monitoring F/Work).	49 (2011)	World Bank	53 (2012) Figures for 2013 expected by end of Sept.	70	54 (2013)	54 (2013)	54 (2013) Updated annually in September	

* Best estimate of Interest Spread given here = weighted average deposit rate – corporate clients weighted average lending rate.