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

QUARTERLY PROGRESS REPORT PROGRAM QUARTER 13: OCTOBER-DECEMBER 2014

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

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January 30, 2014

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ACRONYM LIST

ACBF	African Capacity Building Foundation
AfDB	African Development Bank
CBR	Central Business Register
CIPE	Center for International Private Enterprise
COMESA	Common Market for Eastern and Southern Africa
COMZ	Chamber of Mines of Zimbabwe
COP	Chief of Party
COTR/COR	Contracting Officer's Technical Representative/ Contracting Officer's Representative
CSO	Civil Society Organisation
CZI	Confederation of Zimbabwe Industries
DFID	Department for International Development
DG	Director General
EAC	East African Community
ED	Executive Director
ESAMI	Eastern and Southern African Management Institute
GOZ	Government of Zimbabwe
ILO	International Labour Organisation
IMF	International Monetary Fund
IPEC	Insurance and Pensions Commission
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
NIPC	National Incomes and Price Commission
NMMU	Nelson Mandela Metropolitan University
PICES	Poverty, Income and Consumption Expenditure survey
PFM	Public Finance Management
QPR	Quarterly Performance Report
RA	Resident Advisor
RBZ	Reserve Bank of Zimbabwe
SADC	Southern African Development Community
SERA	Strategic Economic Research and Analysis
SOW	Scope of Work
SS	Survey of Services
STTA	Short-Term Technical Assistance
TFTA	Tripartite Free Trade Area

TIPS	Trade and Industry Policy Studies
UNDP	United Nations Development Program
UNICEF	United Nations Children’s Fund
UP	University of Pretoria
USAID	United States Agency for International Development
UZ	University of Zimbabwe
VAT	Value Added Tax
WB	World Bank
ZELA	Zimbabwe Environment and Law Association
ZEPARU	Zimbabwe Economic Policy Analysis and Research Unit
ZIA	Zimbabwe Investment Authority
ZIMACP	Zimbabwe Agricultural Competitiveness Program
ZIMRA	Zimbabwe Revenue Authority
ZIMSTAT	Zimbabwe National Statistics Agency
ZNCC	Zimbabwe National Chamber of Commerce

SERA HIGHLIGHTS – PROGRAM QUARTER 13

Assistance to ZEPARU

Policy research: After a long delay due to the Ministry of Labour and Social Welfare not agreeing on a date for the validation workshop, the SERA-funded outsourced study entitled ‘The Nexus between Growth, Employment and Poverty in Zimbabwe: The Economics of Employment Creation’ was presented at a stakeholder validation workshop during Q13.

However two other policy studies that were expected to be presented at stakeholder workshops: ‘COMESA-SADC-EAC Tripartite Free Trade Area: Implications for Zimbabwe’, and the ‘Cost Drivers Analysis of the Zimbabwean Economy’ were not presented during the quarter under review. However, indications from MIC are that the latter study will be presented at a validation workshop early in Q14.

Training: SERA supported 6 economists to attend three regional short-courses offered by MEFMI in, Malawi, Namibia and Rwanda.

During the course of Q13, 11 SERA-funded ZEPARU bursary recipients in the part-time M.Sc. Economics program continued studies at the University of Zimbabwe (UZ) of whom 7 are male and 4 are female.

Three Ph.D. students continued their studies in two South African universities, one at the University of Pretoria (UP) and two at the Nelson Mandela Metropolitan University (NMMU).

Assistance to ZIMSTAT

Following the completion of Central Business Register (CBR) Inquiry Report - 2013, and its review by SERA, ZIMSTAT proceeded with Phase 1 of the Survey of Services (SS) implementation, and the CBR re-canvas. Key SERA financial support is scheduled for Phase 2 of the data collection, as well as data processing.

SERA has engaged a website development company to build ZIMSTAT’s new website, based on the blueprint developed this year. In addition, SERA continued to coordinate with the World Bank and UNICEF to facilitate support to ZIMSTAT for the provision of and training on their respective website modules, for micro-data/report hosting and data visualization, to be integrated into the new website.

Assistance to other partners

ZIA ‘Start A Business’ Study: The research commissioned during Q13 focused on the following areas: an inventory of the different business licences that exist and what they are for; identify duplication and questioning the need of each particular licence or set of licences, and the opportunities for harmonising licences and elimination of licences/permits where there is no need or there is duplication. The study entitled ‘On the Brink of Break-Through: Starting A Business in Zimbabwe’ was undertaken and completed during the quarter under review, though its validation workshop could only be undertaken during early Q14.

CIPE Corruption Survey: SERA, with the Center for International Private Enterprise (CIPE), continued to coordinate with the CZI and ZNCC to initiate a survey of 400 Zimbabwean business owners in the cities of Harare and Bulawayo. The survey will assess their experience in conducting business with a focus on the issues of transactional corruption. The activity will raise awareness and provide stakeholders in Zimbabwe’s private sector with evidence-based research and material with which to advocate for reforms.

High Frequency Phone Survey: SERA coordinated with the World Bank in advance of initiating a high frequency economic and social information survey using mobile phones. The activity aims to collect regular information on living standards in Zimbabwe from a nationally representative sample. The survey methodology, developed by the World Bank to collect reliable household-level data at modest cost, has been rolled out in five African countries under its “Listening to Africa” initiative.

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. Parliamentarian 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. A major development during the quarter under review has been the expansion of the program to cover new partners, namely: the Zimbabwe Investment Authority on ‘Starting A Business’

indicators, PACT, a jointly funded project with DFID on 'Formalizing Artisanal Gold Mining and Trading in Zimbabwe', and continuation of our work with COMZ and ZELA on mineral revenue transparency .

The present Quarterly Progress Report (QPR) covers SERA Program Quarter 13, October-December, 2014. The report discusses progress on each of the Services and Tasks cited above, challenges faced, and plans for the next quarter. **Annex 1** provides the latest update of the Performance Monitoring Indicators from our revised Monitoring and Evaluation Plan, as approved by USAID in October 2014.

2. MANAGEMENT AND ADMINISTRATIVE SERVICES

For this first program component, Nathan activity during the reporting period focused on management and administration of operations, and fulfillment of reporting requirements.

Management and Administration of Operations

Management and administration of SERA Program operations continued to proceed smoothly during the quarter under review. 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/Zimbabwe 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 Bigbony Chikwavarara, to discuss all aspects of program implementation. The Senior SERA Program advisor Ashok Chakravarti continued to actively participate 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 and other partners including ZELA, ZIA, COMZ, and progressively ZNCC and CZI have become active participants in our program. 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 Technical Services sections 3, 4 and 5 for Assistance to ZEPARU, Other Parties, and ZIMSTAT) and the agenda of activities that are under development for the following quarter (see section 9: Planning for the next Quarter).

VAT refunds: For the duration of Q13, Nathan Associates did not receive any VAT refunds from the Zimbabwe Revenue Authority (ZIMRA). As of Q13 the total refund received covering through February, 2013 is \$21,880.77 out of a total claim of \$41,984.50 leaving \$20,103.73 in refund claims through December, 2014 outstanding. The SERA Program Manager will continue to communicate with USAID's finance office to facilitate this process.

The SERA Program Manager returned early from maternity leave on a part time basis, putting in about 4 hours a day until the end of Q13.

Reports

During Quarter 13, Nathan Associates complied with all periodic reporting requirements, including submission of the quarterly financial and accrual reports. We also submitted periodic weekly "bullets" on program highlights as warranted by activities.

Technical Management

The COP continued to manage the program during Q13 with continued support from the Senior Advisor, Ashok Chakravarti. Professor Chakravarti has continued to take charge of a number of ongoing and new 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" and supported the consultant on Zimbabwe Investment Authority's (ZIA) 'Start a Business' (SAB) study which was commissioned and completed during the quarter under review. However, due to conflicting schedules of ZIA, the dissemination workshop for the 'SAB' study which was originally scheduled towards the end of the quarter was postponed to early Q14. The follow up study or phase two on the state and conduct of licensing reforms was also postponed to Q14. Ashok also took the lead in coordinating the Center for International Private Enterprise (CIPE) business survey activity of 400 Zimbabwean business owners in the cities of Harare and Bulawayo. During the Q13 he mobilized and canvassed the local counter parties, CZI and ZNCC to work with CIPE and SERA on the survey. His participation has eased pressure on the part of the COP and he will continue to support SERA with approximately 4-6 days per month during the rest of Year 4.

Nathan's Program Director for SERA, Peter Miller continues to provide extended management support to the program. During Q12 Mr. Miller continued to coordinate our US based subcontractors IBI and J.E. Austin's fielding of expat consultants for the Extractive Industries Transparency, and the Cost Drivers studies respectively. Peter also took the lead in coordinating SERA's work with key elements of ZIMSTAT, supported coordination with the World Bank on the High Frequency Survey, and Program Budgeting activities, and provides oversight of the Home Office project support team.

Following the successful implementation of a one week modeling workshop facilitated by Professor Rob Davies and a New Zealand based expat, Dirk van Seventer, the Senior Economic Advisor to ZEPARU, Rob Davies began to request for data on Supply and Use Tables from ZIMSTAT. This data was to be used in the next round of modeling training in which ZEPARU was in the process of constructing a Social Accounting Matrix for Zimbabwe where the major data gap in this exercise is the lack of Supply and Use Tables. Supply and Use Tables are normally constructed as part of the process of constructing the national accounts. This process was, however, not completed during Q13 and will therefore be pursued during Q14.

3. TECHNICAL SERVICES: ASSISTANCE TO ZEPARU

This section reviews SERA support to ZEPARU during Quarter 13 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 continued to engage ZIMSTAT for data on Supply and Use Tables to be used in the next round of modeling training in which ZEPARU was in the process of constructing a Social Accounting Matrix for Zimbabwe. Supply and Use Tables are normally constructed as part of the process of constructing the national accounts.

Nathan Associates continued to provide coordination support to ZEPARU activities. The SERA office position of Training/M&E Coordinator continued to be covered by Ms. Ndari while Ms. Matorofa continued her maternity leave. This position continued to provide approximately 70% full time support to ZEPARU-related activities. At the ZEPARU office Mr. Wellington Matsika continued to cover the position of Training Coordinator, in Ms. Ndari's absence from that post, to help manage their training activities, workshops, and research dissemination events, especially those supported by SERA.

During the quarter under review, 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; expansion of activities to include other partners; continued monitoring of website use and public information on research products.

SERA-supported ZEPARU studies:

Financial Sector studies: During the Q13, SERA was not able to revisit with ZEPARU the planned expansion of the financial sector research under the mentorship of Daniel Makina. SERA changed to focus its policy research into non-bank areas such as capital markets, insurance and pension sectors. These sectors complement the banking sector in the provision of liquidity in the economy, and unlike the latter they provide long-term capital crucial for sustainable development. However, in subsequent consultations with the MOFED and the Insurance and Pensions Commission (IPEC), show that there is keen interest by the Authorities for a study on the Pension sector focusing on both the regulatory and management regime in the pensions industry on one side and the need to quantify and explain the manner in which the value of the asset classes have changed since dollarization in 2009, especially those which were invested in property and equities and prescribed assets. By the end of the quarter, the SOW of work was being finalized pending further consultations with various stakeholders and industry experts.

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 completed their report under the mentorship of Dr. Robert Kirk. The final report entitled 'COMESA-SADC-EAC Tripartite Free Trade Area: Implications for Zimbabwe' was completed and submitted as a final deliverable at the end of Q12, although ZEPARU and the MIC failed to organize the expected dissemination workshop as per the original terms of conducting the study. Direct consultations with the Ministry of Industry and Commerce, however, revealed that the government negotiators on the Tripartite Free Trade Area used the recommendations of the study.

Modernization of Laws and Procedures for Resolving Insolvencies: Following the successful high level seminar of Permanent Secretaries and selected Chief Executive Officers during Q11 to discuss the recommendations of this study and map the way forward, the Minister of Industry & Commerce announced plans to establish a working group constituted of key stakeholders to develop a priority list of reforms which were to be forwarded to the cabinet. SERA has kept its doors open and remains ready to provide input when requested by Government, and will follow up on any avenues for further support.

Cost Drivers Study: A final Draft Report on the 'Cost Drivers Analysis of the Zimbabwean Economy' by Marcos Arocha, an international consultant and Dumisani Sibanda, a local consultant was submitted for the dissemination workshop at the end of Q12.

During the quarter under review, a MIC official wrote to thank ZEPARU, SERA and the Research Team on the Cost Drivers Analysis Study of the Zimbabwean Economy whose recommendations had already been presented to the Cabinet and adopted in total as announced in the 2015 National Budget, under item

986 (National Pricing Structure). The official stated in categorical terms that “As part of the research team and per our road map to the final document, we are supposed to hold a validation workshop and then come up with the final copies. In the past this has been difficult but now I believe that if you engage the Secretary on the issue we can get better results as the item has been discussed in cabinet and accorded an implementation status”. This was indeed a very positive message and the study recommendations 1) have directly led to and influenced the change of the notorious National Incomes and Price Commission (NIPC) which has now been transformed into a National Competitiveness Commission (a gate keeper policies among other duties); 2) called for the setting up of a Cabinet Standing Committee on the issue (Cost of doing business) which is supposed to report quarterly. A Cabinet Standing Committee on the issue (Cost of doing business) has been set up and is supposed to report quarterly.

SERA will continue to push for a formal dissemination workshop for the SERA-supported study.

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.

ZEPARU finally held their strategic workshop during the quarter under review under funding from Zimbisa, a DFID supported three year project to support key stakeholders such as government, business membership organizations and the media alongside research institutions and think-tanks to engage in evidence-based dialogue. The new ZEPARU strategic plan covering the period 2015-2019 is being crafted on the backdrop of a changed landscape brought on mainly by the ending of ACBF funding at the end of 2014 and the end of the USAID-SERA funding program at the end of 2015. These developments have led to ZEPARU developing a new business model that entails balancing policy work, capacity building activities as well as undertaking consultancy work. These outcomes are in line with recommendations of the Sustainability Study that SERA provided. ZEPARU will need to continue maintaining its strong relationship with the Government whilst at the same time developing new products and services for both existing and new markets. It is believed that this thrust, combined with effective and efficient cost recovery strategies should propel ZEPARU to a level of sustainable financial independence.

Outsourced research

The LEDRIZ report titled ‘The Nexus between Growth, Employment and Poverty in Zimbabwe: The Economics of Employment Creation’ was printed during Q10, and the Ministry of Labour and Social Services combined with ZEPARU, the ILO and LEDRIZ to host a stakeholders’ dissemination workshop on 18 November during the quarter under review. The workshop was opened by the Deputy Minister of Public Service, Labour & Social Welfare, Honourable T. Muzenda. The validation workshop was attended by all the key stakeholders representing Government, Business and Labour. Its key recommendations and way-forward included the following:

1. The adoption of the framework in Chapter 6 of the Report on strategic thrusts and detailed policy recommendations as a defined way forward; and
2. Constitution of a working group to take forward the outcomes of the workshop.

Website development and Public information

ZEPARU’S librarian/outreach officer continued to send emails to users announcing ZEPARU products that are placed on the website, but the circulation of her emails did not reach most of the intended recipients. The SERA COP had to work with ZEPARU outreach officer in checking the circulation list and

adding more recipients to the list. It is still hoped that ZEPARU will continue to improve its reach to its readership.

As part of the dissemination of ZEPARU supported policy research products, SERA was requested to fund the printing of the outsourced value chain studies, namely:

- Agro-Industries Food and Beverages Value Chain Study,
- Chemical Industries Value Chain Analysis Study,
- Zimbabwe`s Cotton-to-Clothing Value Chain Study, and
- Engineering and Metal Industries Value Chain Study.

This request was, however, turned down by USAID on grounds that ZEPARU`s primary dissemination vehicle should be the website and email circulation of reports by ZEPARU. In subsequent discussion with ZEPARU the USAID COR agreed to reduce the number of copies printed from 300 to 200. USAID-SERA Program provided funding for (a) the re-print of 400 additional copies of the Parliamentary Tool-Kit; and (b) the printing of ZEPARU study on Financial Sector Liberalisation and Crisis: Experience and Lessons for Zimbabwe. In this case, the quantity of copies to be printed was reduced from 300 to 200.

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 has continued to hold up the roll-out of training based on the Handbook; however ZEPARU distributed the Handbook for use by members of Parliament. At the request of Parliament SERA funded the re-printing of an extra 400 copies of the Tool-Kit for distribution to members of both Houses of Parliament.

The promise by ZEPARU to explore options and avenues to address the issues raised by the Clerk of Parliament as well as seeking funding from other partners to cover the sitting fees has not yielded results. SERA will have to wait for the two parties, Parliament and ZEPARU to mobilize funding as they promised. This is when the two parties would then jointly work on the training program.

Training of Economists (short-term)

The ZEPARU Strategic workshop held during Q13 enlisted the following training courses as some of the priority areas for the year 2015:

- Macroeconomic and CGE Modelling;
- Public Sector Governance and Budgetary Reforms;
- Financial Programming & Policy;
- Advanced Macroeconomic Policy Analysis and Management;
- Public Policy Analysis Formulation and Management;
- Financial Markets Innovations and Opportunities; and
- Macroeconomic Strategies for Competitiveness.

ZEPARU intends to run at least two in-country short courses per quarter targeted at government economists, RBZ and other clients in the private sector and NGOs.

During the course of Q13, SERA together with ZEPARU commenced the planning of a two-week in-country training course on Public Sector Governance & Budgetary Reforms to be held in February 2015.

The training aims to build skills and competencies to effectively and efficiently manage public sector resources in a more transparent manner that reflects accountability and best practice. The target audiences for the course are economists in Government institutions, particularly the Ministry of Finance and Economic Development and its agencies responsible for the stewardship of public resources.

Some of the objectives of the course are:

- To build capacity in the management of public resources in Government institutions;
- To examine and discuss current best practices in public sector financial management reforms;
- To understand the principles and practice of good governance;
- To explain the relationship between good governance and development;
- To define the linkages between the government budget and the economy;
- To apply analytical tools and techniques such as cost benefit analysis, revenue forecasting and outcome oriented budgeting for decision making;
- To apply alternative conceptual approaches to resource allocation and budget formulation; and
- To analyse budget performance and develop a budget reform agenda for the public sector.

External Courses

In addition to planning for in-country short-courses, SERA sponsored economists to attend external short-courses of special value to our partner organizations. Early in Q13 USAID SERA responded to partner requests for 6 economists to attend 3 regional training opportunities. Going forward SERA will be focusing primarily on in-country courses to ensure a wider reach for beneficiaries.

MEFMI workshop on Data Requirements for Economic Management: System of National Accounts, for three economists, 6-17 October 2014 in Lilongwe, Malawi

The beneficiaries of this course were:

- Mr. Edinos Ndovorwi, Senior Economist, Economic Research Department, Reserve Bank of Zimbabwe
- Mr. Chathebert Mudhunguyo, Senior Economist, Fiscal Policy and Advisory Services Department, Ministry of Finance and Economic Development
- Mr. Gamuchirai Chiwunze, Research Fellow, ZEPARU

This course was part of a series that MEFMI conducts annually, which covers the System of National Accounts, Balance of Payments, Monetary and Financial Statistics. The objective of the course was to consolidate the gains from a previous activity held jointly by the IMF and MEFMI in 2010 on adopting the Government Finance Statistics Manual (GFSM) 2001. The course sought to build capacity in the compilation and analysis of Government Finance Statistics in order to feed into the larger body of data required for economic policy formulation. Specific focus was made on assisting member countries in designing a migration plan from the old system (GFSM 1986) to the new framework (GFSM 2001), improving compliance on General Data Dissemination Standards (GDDS) statistics benchmarks and drawing the inter-relationships between Government Finance Statistics (GFS) and other macroeconomic accounts.

Joint MEFMI/ Financial Stability Institute /Toronto Centre seminar on Macro-prudential Supervision and Basel III, for two senior bank examiners, 7-9 October 2014 in Windhoek, Namibia, with the following beneficiaries:

- Mr. Nicholas Berejena, Senior Bank Examiner, Bank Supervision Department – Reserve Bank of Zimbabwe
- Mr. Gideon Charumbira, Senior Bank Examiner, Bank Supervision Department – Reserve Bank of Zimbabwe

The seminar was intended to bring awareness on the bank supervisory developments, challenges and enhance skills for Basel III. The seminar noted the need for financial sector regulation and surveillance authorities to pay greater attention to the forces that contribute to the build-up of systemic risk. It highlighted the need for central banks and other financial sector officials in the MEFMI region to continue devoting considerable effort to developing financial stability assessment frameworks and macro-prudential supervision instruments that can reduce systemic risks in line with global developments and to support such initiatives with strong capacity building activities. The objectives of the seminar were to:

- Raise awareness of the new global regulatory developments post the global financial crisis;
- Create an environment where senior supervisors can share ideas on supervisory issues; and
- Enhance participants' understanding of some of the technical issues of macro-prudential supervision and Basel III.

MEFMI workshop on Revenue Policy and Administration for one economist, 3-7 November 2014 in Kigali, Rwanda, with the following beneficiary:

- Mr. Melusi Tshuma, Economist, Revenue and Tax Policy Department – Ministry of Finance and Economic Development

The objective of the MEFMI workshop was to expose participants to the latest approaches to effective revenue policy and administration. This workshop was developed against the background that most countries in the MEFMI region are faced with a number of tax issues such as narrow tax base, high dependency on trade taxes, wide untaxed informal sector, ineffective tax exemption, inadequate staff capacity, and limited operational and strategic interaction of tax administration agencies. Revenue policy and administration was therefore viewed as a key area of focus under public expenditure and financial management.

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

Training of Economists (long-term)

SERA funding for long-term training of economists through the ZEPARU Economic Scholars Program continued in Q13 through the continued support of bursaries for 11 government economists who are pursuing the part-time M.Sc. program in Economics at the University of Zimbabwe; Male = 7; Female = 4. This includes 5 economists from the MOFED, 3 from the Ministry of Industry and Commerce, 1 each from ZIMRA, 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 Quarterly Reports. Of the 11 students, 8 are in their third and final year and will complete their studies in 2015, 3 are in their second year.

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 Q13 Mr. Mupunga was in the final stages of completing his thesis with the assistance of his supervisor. His supervisor approved his thesis for submission after undergoing some language and technical editing as per the University policy. The language and technical editing was conducted by Mr. Fred Geel, a Lecturer in the Linguistic Department of the NMMU. Mr. Mupunga is awaiting comments from external examiners to incorporate into his thesis. After satisfying this requirement he will make a final submission of the thesis for possible graduation in April 2015.

Mr. Prudence Stephen Moyo

Position: Senior Economist, Economic Research Division, RBZ

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

University: University of Pretoria

Dissertation: Macroeconomic Dynamics and Stability in a dollarized economy: A case for Zimbabwe.

During the quarter, Mr. Moyo managed to register his thesis title. His current work in progress is mainly on Chapter 1 and Chapter 3 of his thesis. His Chapter 1 focuses on The End of Hyperinflation in Zimbabwe whereas his Chapter 3 is on Optimal Fiscal Policy in Zimbabwe under Dollarisation. He is also exploring literature for the fourth chapter which introduces the financial sector in the framework developed in Chapter 3. Mr Moyo is yet to conclude the simulation and estimation tasks using Matlab software to investigate the dynamic response of key macroeconomic variables to shocks.

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"

Mr. Kavila has completed five chapters of his thesis and is currently working on Chapter 6 entitled: The Role of Monetary Policy in Zimbabwe's Hyperinflation Episode. Of the five completed chapters, two have been approved by his supervisor.

During Q13 our Training/M&E Coordinator, Emmanuella Matorofa was on maternity leave and was covered by Ms Evidence Ndari – who worked 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.

4. TECHNICAL SERVICES: ASSISTANCE TO OTHER PARTIES

Mining Revenue Transparency

Following the completion of the SERA-supported study on 'Building Trust and Transparency in the Zimbabwe Mining Sector' at the end of Q12, SERA continued to work with local consultants on developing additional activities for both the Public Sector, Private and Civil Society Organizations(CSOs). As part of recommendations from the mineral revenue transparency study SERA has embarked on its next activity, the 'Information Mapping', and collaborated with local consultants, for which a sow was being developed towards the end of q13 for Implementation in early Q14. The proposed Information Mapping activity was selected on the basis that it was a much more practical and concrete activity, than embarking on another follow-up study. This exercise/study seeks to bridge the knowledge gap by carrying out an Information Mapping exercise that will clarify for stakeholders the various stages of mining and identifying the deliverable data/information that stakeholders can expect in their quest to understand the industry for purposes of investment, regulation, taxation, or benefit extraction. The availability of the information to all stakeholders will lead to not only a better understanding of mining, but also a corresponding rationalisation and matching of expectations between stakeholders, leading to a mutually beneficial co-existence. This will also result in bridging the knowledge gap which is expected to result in better partnerships for better policymaking.

Local consultants were to provide some Scope of Work for these activities both from the viewpoints of public, private sectors and CSOs.

Starting a Business

During Q13 SERA supported a request by the Zimbabwe Investment Authority to fund research that would provide an analysis of the regulatory environment relating to business licensing and operations, which is affecting the country's ability to attract the much needed investment relative to regional comparators. The research focused on starting a business, with the objective of identifying related Government policies, regulations and processes that could be streamlined. The study entitled 'On the Brink of Break-Through: Starting A Business in Zimbabwe' was undertaken and completed during the quarter under review and included a number of specific reform recommendations which will be followed-up on in coordination with stakeholders over the coming quarters.

Formalizing Gold Artisanal Mining in Zimbabwe

The 'Formalizing, Artisanal & Small-scale Gold Mining and Trading in Zimbabwe' activity, co-funded by DFID and USAID, was launched in Q12. The project inception meeting report was received during the quarter under review and SERA subsequently released the first of five co-financing Tranches. This was followed by the second dissemination meeting towards the end of the quarter, but the report of the later meeting is only expected early in Q14.

Results Based Budgeting

Late in the Quarter SERA teamed up with the World Bank to fund the MOFED's Results-Based Budgeting (RBB) activity which is a key component of the Treasury's Public Finance Management (PFM) Reforms for the benefit of improving governance, accountability and service delivery. The objective of the support is to strengthen the Ministry's capacity in providing training and support to Ministries to lead the implementation of Program Based Budgeting (PBB). The work was started in 2012 with support from DFID and continued in 2014 with financial support from the World Bank.

SERA is supporting two consultants to assist with (a) the mapping of the traditional budget to the already identified programs in the Ministry of Primary and Secondary Education, and the Ministry of Health and Child Care for which results will be monitored, (b) defining output indicators for these programs, and (c) contributing to the analysis of the public expenditures in these sectors as part of a research project that the Ministry of Finance and Economic Development is conducting jointly with the World Bank.

Transactional Corruption in Business Survey

The SERA program proposed to implement a survey of 400 Zimbabwean business owners in the cities of Harare and Bulawayo to assess their experience in conducting business, specifically the issue of transactional corruption. The survey will gather information on business owners' experience setting up their enterprises, dealing with government agencies, paying illegal fees, understanding of laws regarding business operations, tax payments, government tenders, etc. The implementing partner of this proposal will be the Center for International Private Enterprise (CIPE), Washington DC. The project intervention will be managed by a Steering Committee comprised of one or two senior-level representatives from the ZNCC; CZI; CIPE; and SERA project team; and a member of a Zimbabwean research firm, which will carry out the data collection. It is envisioned that the Committee will meet in Harare at least four times during the project period to review progress and provide input/direction as needed. The survey will gather information on business owners' experience setting up their enterprises, dealing with government agencies, paying illegal fees, understanding of laws regarding business operations, tax payments, government tenders, etc.

Mobile Phone High Frequency Survey

In cooperation with the World Bank, the USAID/SERA proposed to pilot regular surveys of living standards in Zimbabwe. To do this the SERA program will support a methodology developed by the World Bank to collect reliable, household-level data at modest cost. This methodology has been rolled out in five African countries under its "Listening to Africa" initiative. The methodology includes two steps. The first step is implementation of a baseline survey, in which respondents are identified and a set of basic household and respondent characteristics is collected. The households surveyed become the panel for the regular phone surveys. Secondly, once the panel is established, a local research company performs regular monthly phone surveys on a range of topics about socio-economic outcomes related to well-being, service delivery, income, security, health and many other topics for which information is not readily available. Data collected during the phone surveys are made publicly available for researchers and policymakers. The project did not take place during Q13 due to delays by the Ministry of Finance in formally writing a letter requesting for funding of the Survey. The proposed survey is still likely to be implemented during the next quarter.

5. TECHNICAL SERVICES: ASSISTANCE TO ZIMSTAT

ZIMSTAT finally completed and delivered the Central Business Register (CBR) Inquiry Report during Q12 in September 2014. The primary objective of the inquiry was to collect information necessary for the setting up of a functional Central Business Register. The CBR shall be used for statistical purposes only, that is, for use as a sampling frame for business censuses and surveys. The CBR will serve as a cornerstone for improving the quality of economic statistics. As reported in the Year 3 Annual Report, SERA completed a quality assessment of the CBR, and Survey of Services plans. The objective of the assessment was to flag any issues that could impact the quality of the SS results, outline the impact that these issues would have on the SS results, and propose feasible work-around to allow the SS to proceed, while accounting for the identified issues.

Support for the Survey of Services (SS):

As a result of the CBR and SS planning assessment, ZIMSTAT agreed to use only two questionnaires in the Survey of Services: the short and long questionnaires, and to drop the medium questionnaire. SERA's willingness to go along with this is based on ZIMSTAT's justifications of the need for obtaining a large and detailed amount of data, provided in ZIMSTAT's response to the Review Report. In this regard, SERA also supported ZIMSTAT's desire to collect detailed gender data in the SS, as specified in the SS questionnaires. Agreement was also reached to re-canvas Harare Province with the CBR instrument to improve the low CBR response rate there. Outputs of the CBR and SS Activity assessment were used to refine the reporting requirements for SERA funding of the SS activity. The first of three funding purchase orders was put in place, and coordination with DFID and UNDP completed to enable the SS activity to proceed while SERA.

The remaining two purchase orders require Contracting Office approval given respectively the amount, and the Cost Reimbursable nature of the proposed contracts.

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 was conducted in two phases. The first phase provided a set of comprehensive specifications for the new website..

This is being followed by the second phase of Website Development. Website developer ZARNET was contracted to develop the new site, and discussions facilitated with ZIMSTAT regarding final colour and visual style selections to allow development to proceed. . It was agreed that ZARNET will develop the website on their own servers while the hosting is worked out between SERA and ZIMSTAT, so that they can proceed immediately. SERA consultant Kuziva Zimunya was available to revisit the wireframes as needed. SERA is compiling information on options for various hosting approaches for ZIMSTAT management review.

During the Quarter ZIMSTAT continued coordination with the World Bank Accelerated Data Program and agreed on dates in mid-January for the NADA module training.

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 work in association with other USAID partners, especially with the Zimbabwe Agricultural Competitiveness Project (ZimACP). Together with ZimACP, SERA developed a concept note on the study on 'The Implications for Macroeconomic Stability, National Food Security, Grain Industry Viability and Competitiveness'.

The study will also analyze the implications for competitiveness and regional trade, and come up with pricing options for consideration by GOZ, assist policy makers to develop consensus among grain industry stakeholders including consumers, on what should be the appropriate role for government in

agricultural pricing and procurement in the Zimbabwe's political context. The study also focuses on the debate about the consequences of such measures for macroeconomic and price stability, food security, and the viability of the local grain industry. Maize in particular, as the staple food of the country, does not only affect the incomes of the growers but impacts the consumption levels of the rural and urban poor who are net purchasers of the commodity.

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. As a follow up of the SERA supported study on 'Building Trust and Transparency in the Zimbabwe Mining Sector', the COP has liaised with other bilateral organisations like the Norwegian Embassy which is also assisting government in the area of mineral revenue transparency. At the same time, the Senior Advisor, Ashok Chakravarti has continued to work with local experts on follow up activities in the mineral revenue transparency, focusing on the roles of all parties, particularly the Private Sector and CSOs.

Poverty

In its first three years, because the SERA program was largely demand driven, the scope of our involvement with poverty issues was also 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 to Q13 continued to involve elements relating to poverty reduction. These included: continuation of support to studies on financial sector development, the last one of which was submitted and delivered during the quarter under review. The issue of poverty reduction is a component of virtually all our work including the Tool Kit for training Parliamentarians, which was still to be presented to Parliament. The study by LEDRIZ entitled 'The Nexus between Growth, Employment and Poverty in Zimbabwe: The Economics of Employment Creation' was presented at a validation workshop during the quarter under review and focused on poverty and employment creation. The study represents an integrated and coordinated approach to development, where employment and poverty reduction, are at the heart of the macroeconomic framework. This inclusive approach ensures that the majority of Zimbabweans are empowered to actively participate in growing the economy, and to also enjoy the benefits of such growth; pro-poor growth.

For the ZIMSTAT component of the program, our support continued to concentrate on the follow-up of the CBR during Q13 and the launch of the SS. ZIMSTAT singled out both 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 1), we can report the following gender-related elements of our activities during Quarter 13:

- Consistently emphasizing the importance of gender balance in meetings with all our counter parties, ranging from ZEPARU, the GOZ and other partners in all SERA supported training and outreach activities.
- Working with all our counter parties to incorporate gender considerations meaningfully in scopes of work for research supported by SERA. This is in line with earlier discussions between SERA, ZEPARU and other partners, on their new research programs whether on public policy, private sector development and areas of inclusive growth include gender lens, 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 1).
- 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 Q13 were as follows:
 - MSc bursary: 4 women, 7 men.
 - PhD bursary: 3 men, no women. The recruiting challenge for this program was discussed in earlier quarterly reports.
- In terms of short term training activities, through to the end of Q13, 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.

7. IMPLEMENTATION OF THE WORK PLAN

Given the need to develop our activities through collaboration with all our partners, including ZEPARU, ZIMSTAT and others in response to their expressed needs, the implementation of our Work Plan for Year 4 is heavily affected by the decisions and actions of these partners. While many planned activities have been carried out on schedule, some are behind schedule but in process, and others have not been prioritized by our partners. This continued to be the case during Q13 where the implementation of our programs were affected by the slow reactions of our partners, especially ZEPARU and government ministries. During Q13 both the MIC and MOFED were slow in taking decisions to enable us to proceed with implementation of our activities. The MIC was slow in making decisions to hold programmed validation workshops on two completed SERA supported studies: the Zimbabwe Country Study on Negotiations for the Tripartite Free Trade Area; and the study of the Cost Drivers. **Annex 1** provides an itemized summary of the status of activities targeted in our Work Plan for Year 4, as implemented through Quarter 13.

Activities completed during the Quarter included:

- The study on 'Starting a Business' in support of the request from the Zimbabwe Investment Authority (ZIA) and the MOFED .
- The ZEPARU-managed outsourced research on the Economics of Employment Creation, with USAID SERA funding, which was finally presented to a dissemination workshop during Q13.

- Training activities targeted in the Work Plan for Year 4 were implemented as shown during the quarter as shown in Annex 1.
- SERA assistance to ZIMSTAT in support of the CBR data collection and data processing.
- Technical review of the CBR and Survey of Services plans.

8. SERA PROGRAM CHALLENGES

As it was the case in Q12, during Q13 the SERA team dealt with the following key challenges, including two items carried over from the previous reporting periods:

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 and capacity building during the quarter. Following a successful staging of an in-country modeling workshop at the end of Q 12, Professor Rob Davies has continued to engage ZIMSTAT on compiling data on Supply and Use Tables which are normally constructed as part of the process of constructing the national accounts. While many statistical agencies now publish these as a matter of course, this is still not the case with ZIMSTAT. By the end of Q13 Rob Davies had not completed the process of engaging the statistical agency to make this data available.

The SERA program continued 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. As shown above in Section 3, ZEPARU has continued to request for SERA support to print some of their policy research products. Though the request to print the outsourced value chain studies was declined by USAID on grounds that ZEPARU had not done enough in circulating the papers through the email, SERA agreed to print two ZEPARU products: (a) the re-print of the Parliamentary Tool Kit for distribution to members of Parliament; and (b) the study on Financial Sector Liberalisation and Crisis: Experience and Lessons for Zimbabwe during Q13.

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 GOZ ministries, especially MOFED and MIC, and other partners has continued and intensified during Q12 and Q13. The challenge of expanding the engagement of the MOFED beyond the training function to include the Ministry's Policy Directors involved in technical and policy oriented work has remained in place.

During Q13 SERA started working with the World Bank on joint funding to support the Results-Based Budgeting in MOFED and introduction of results based budgeting methods in the Ministry of Primary and Secondary Education as well as in the Ministry of Health and Child Care. The objective of the support is the strengthening of Results-Based Budgeting (RBB) through development of a program budgeting framework at the level of MOFED and pilot line ministries.

Through ZEPARU, SERA continued to support MIC on the current study on 'Cost Driver Analysis of the Zimbabwean Economy', which was expected to be presented at a dissemination workshop early in Q13, but this was again postponed to Q14. SERA continued to work with the local consultants involved in the on follow-up activities to the study on 'Building Trust and Transparency in the Zimbabwe Mining Sector. The key partners for this programmatic work are the Chamber of Mines of Zimbabwe (COMZ), ZELA and the Ministry of Mines and Mining Development (MMMD). SERA has also been collaborating with local

consultants on follow-up studies on 'Improving the Regulatory Climate' which is now going to be commissioned early during the next quarter.

9. PLANNING FOR THE NEXT QUARTER

This section outlines selected key activities that were in process during Q13 which will continue in Q14 and new activities planned for Q14.

Assistance to ZEPARU

- Conduct two new rounds of in-country training for government and central bank economists in Advanced Excel Skills during Q13.
- Host the dissemination event of the Cost Drivers of the Zimbabwe Economy and thereafter finalize the Report.
- Work with MEFMI, RBZ and ZEPARU in implementing the in-country training on economic modelling.
- Provide funding for ZEPARU in country training on a number of subjects, including Public Sector Governance and Budgetary Reports with ESAMI, and 'Implications of dollarization to the Zimbabwean economy.
- Continue funding ZEPARU bursaries for 11 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.

Assistance to the GOZ

- Continue to initiate additional direct support for the MOFED and MIC activities.
- Co-funding with the World Bank of the strengthening of the Results-Based-Budgeting for the Ministry of Finance and two line ministries - the Ministry of Primary and Secondary Education and the Ministry of Health and Child Care.

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 sector and CSOs, which included ZELA and ZIA during the quarter.
- Continue co-funding with DFID, the PACT implemented survey for Formalizing Artisanal Gold Mining and Trading in Zimbabwe.
- SERA will commission the CIPE survey in collaboration with CZI and ZNCC on corruption in Zimbabwe, experiences of the Private Sector.

Assistance to ZIMSTAT

- Completion of the new ZIMSTAT website framework and support for a hosting approach decision
- Continued coordination for integrating the NADA cataloguing and ZIMDAT data visualization website modules
- Continued funding of the Survey of Services (SS) data collection, and coordination with ZIMSTAT staff on plans for the SS data processing phase.
- Coordination with ZIMSTAT on STTA plans to help design the CBR Oracle database

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, and 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 MOFED 2015 Budget statement maintains the reduction in the 2014 GDP growth rate estimate from 6.1% to 3.1% which is more in line with the projections of the IMF. The IMF GDP estimate for 2013 was 3.3% and its current projections for 2014 and 2015 stand at 3.1% and 3.2% respectively.

Annual growth in broad money rose to 15.98% in November 2014, from 12.79% in October, the highest such annual increase in nearly 2 years. In absolute terms, broad money rose from US\$3 807.1 million in November 2013 to US\$4 415.47 million in November 2014.

The economy which had temporarily emerged from deflation in July 2014, slid back into deflation in October 2014. Annual headline inflation, which was -0.001% in October 2014, declined further to -0.78% in November 2014, largely driven by the decline in food prices.

Latest data from RBZ estimates the net inflows of Foreign Direct Investment for 2014 at 300.6 million and 591million for 2015. The absolute amount of FDI is still low by regional standards.

Negotiations towards debt relief with the IMF continue with the successor SMP covering a 15-month period, starting in October 2014 through to December 2015. The main objective of the new program is to strengthen the country’s external position, as a prerequisite for arrears clearance, resumption of debt service, and restored access to external financing.

For the year 2014, the Registrar General recorded 10671 new business registrations through to December 2014 compared to 9778 registrations for 2013. This is a 9% annual increase in business registrations.

ANNEX 1. IMPLEMENTATION OF Y4 WORK PLAN – STATUS AT END OF QUARTER 13 *

Year 4 Work Plan Task/Activity	Status at end of Q13
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 3 (also serving as Quarterly Report for Q12)	Done
Work Plan revision, if necessary	Done Year 4 Work Plan approved by USAID with minor modifications; no changes made during Q13 ; 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	Success Story for Cost Drivers study and CBR support being finalized in Q14
Submit monthly activities reports, and weekly highlights as appropriate	Weekly bullets submitted to COR as warranted.
Submit library of reports and information products to DEC	Guidance from COR to be requested in Q14 for accumulated deliverables. Nathan HQ processes the documents for submission as available; frequent delays in getting final formatted copies from partners.

Year 4 Work Plan Task/Activity	Status at end of Q13
2. Assistance to ZEPARU & MOF	
Provide Senior Economic Advisor to ZEPARU, as intermittent STTA	Ongoing
Provide financing to ZEPARU for 3 research interns	Ongoing
Coordinate with ZEPARU, MOF, Private Sector and CSOs on priorities for support and development of activities	Ongoing
Liaise on program activities with Parliament, RBZ	Ongoing Discussions with Parliament ongoing through USAID coordinator Mr. Bigbouy Chikwavarara.
Liaise on program activities with other USAID projects & other donors	Ongoing
2.1. Research and Analysis through ZEPARU, CSOs and MOFED	
Provide technical support and mentoring to assist ZEPARU in producing approximately 4 high quality research products on topics of importance to economic policy makers. Potential themes include (with timing indicative only):	
<i>Private Sector Development (continuing research theme)</i>	Starting a Business reform potential assessment completed. Follow-on activities to implement priority reforms being pursued.
<i>Financial Sector Development, including NBFIs (continuing research theme)</i>	Pension sector study Scope of Work being finalized and consultant recruited.
<i>Strategies for Inclusive Growth (new research theme: some in-house, some outsourced)</i>	Scheduled for Q14
<i>Public Expenditure Management (new research theme)</i>	Scheduled for Q14
Provide technical assistance to the MOFED for at least 4 high quality research studies on priority policy issues. <i>Topics TBD</i>	
Co-fund study on Artisanal Small-scale Gold Mining	On track. Ongoing coordination with PACT and DFID.
High Frequency surveys	Ongoing coordination with the World Bank around activity planning. Local survey firm bids ready for final selection.

Year 4 Work Plan Task/Activity	Status at end of Q13
Business Environment Survey – perceptions of corruption	On track. Contracting arrangements with CIPE completed and bids from local data collection firms being collected. CZI and ZNCC ready to engage in New Year.
Provide funding as “paying agent” for ZEPARU for completion of possibly 1 outsourced research project. <i>Timing TBD.</i>	No outsourced research activity currently identified.
Provide STTA to assist ZEPARU in writing winning grant proposals	Not yet started
Provide STTA to assist ZEPARU in database development and adding data access to website	Not yet started
Provide STTA to strengthen ZEPARU capacity to produce policy briefs and press releases	As needed
Provide STTA to support recommendations from the Sustainability Study, as needed	As needed
Provide funding through ZEPARU for revival of the Zimbabwe Journal of Economics	Scheduled for Q15
Provide funding to ZEPARU for operational costs relating to research activities	As needed
Assist ZEPARU with planning and delivery of research seminars	As needed
Provide funding for the publication of ZEPARU research and analysis products	As needed
Provide funding for study tour by ZEPARU ED of leading economic development think-tanks in Africa, Europe and USA	Scheduled for Q15
2.2. Parliamentarian Training through ZEPARU	
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”.
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 through ZEPARU and MOF	

Year 4 Work Plan Task/Activity	Status at end of Q13
With ZEPARU and MOF, establish training priorities for SERA support for each quarter	The ZEPARU Strategic Workshop held in Q13 listed its training priority for 2015 as shown in Section and undertook to run at least two in-country short courses per quarter targeted at government economists, RBZ and other clients in the private sector and NGOs.
With ZEPARU and MOF, design, develop and deliver at least 5 customized local short-courses for economists. <i>Menu of subjects include:</i>	
<i>Advanced Excel Skills (continuation from Year 3)</i>	Scheduled for Q14
<i>Tax Analysis and Revenue Forecasting (with ATI)</i>	Not yet started
<i>Monitoring and Evaluation of Government Programs and Projects</i>	Not yet started
<i>Survey design and sampling methods</i>	Not yet started
<i>Introduction to CGE Modeling (with TIPS)</i>	Not yet started
<i>Panel Data Econometrics</i>	Discussions with RBZ scheduled for Q14
Support 30 economists to attend regional short-courses	<p>Two economists and one research fellow sponsored to attend 2-week MEFMI course on Data Requirements for Economic Management, in Llongwe.</p> <p>Two RBZ Examiners sponsored to attend 2-day MEFMI/Financial Stability Institute/Toronto Centre seminar on Macroprudential Supervision and Basel III, in Windhoek.</p> <p>One economist sponsored to attend 1-week MEFMI course on Revenue Policy and Administration, in Kigali</p>
Conduct ex-post evaluations 6 months after each training event to assess value on the job and knowledge retention	Ongoing

Year 4 Work Plan Task/Activity	Status at end of Q13
2.3b. Long-term Training of Economists	
Continue bursary funding for 11 government economists as ZEPARU Scholars for part-time MSc program in Economics at UZ	11 bursary recipients continue studies. Eight students are in their final year and are scheduled to graduate in 2015.
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	
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	SERA funding for the CBR was completed, although ZIMSTAT continues to collect outstanding responses to the survey under their operational funding.
Co-finance the Survey of Services (SS) project	Review of the CBR and SS activities completed and initial Purchase order for SS implementation put in place. Additional purchase orders submitted for CO approval.

Year 4 Work Plan Task/Activity	Status at end of Q13
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	Development firm engaged and coordination with ZIMSTAT, the World Bank, and UNICEF continues to pull together the required NADA and ZIMDAT modules and inputs.
STTA to assist with the development of procedures for providing researchers with access to anonymized microdata sets, in full compliance with confidentiality requirements	Scheduled for Q14, however through the coordination with the Accelerated Data Program at the University of Cape Town, ZIMSTAT will be receiving training on the NADA module, which includes coverage of managing micro-data with the module.
STTA to conduct quality assurance review of CBR and ZimDat databases	Postponed to Q14 as part of support to SS
STTA for creation of service sector index (or multiple service indices)	Scheduled for Q15
STTA for rebasing the Volume of Manufacturing Index and possibly other economic indices	Scheduled for Q15

* This table excludes some lines from the Year 4 Work Plan that were only sub-tasks or illustrative examples.

ANNEX 2: PERFORMANCE MONITORING INDICATORS

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Table A2-1. – Output Indicators

No.	Item	Baseline	Source	Year 3 Actuals	Year 4 Annual Target	Year 4 Actuals				Total for Year 4
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	
ASSISTANCE TO ZEPARU AND MOFED										
A. RESEARCH AND ANALYSIS										
1.	Number of completed policy studies: total, and with gender content	0	ZEPARU	Total (with ZEPARU) : 8 With gender content: 3 (details shown by quarter) Total (for MOFED) : 1 With Gender content: 0 (details shown by quarter)	Total (with ZEPARU) : 10 With gender content: 5	Total: 1 (Mining Sector Transparency Study) With gender content: 0				
2.	Number of completed policy studies outsourced by ZEPARU with SERA support: total, and with gender content	0	SERA	Total: 5 With Gender Content: 5 (details shown by quarter)	Total: 5 With Gender Content: 3	0				
3.	Person-hours of training completed in fiscal policy and fiscal administration supported by USG assistance (USAID PMP indicator): total, women	0	SERA	Total: 5537.5 Women:1577.75	Total: 4500 Women: 2250	Total : 257.5 Women : 0				
4.	Number of days of SERA	0	SERA	316	415	16				

No.	Item	Baseline	Source	Year 3 Actuals	Year 4 Annual Target	Year 4 Actuals				Total for Year 4
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	
	technical assistance in fiscal policy and fiscal administration (USAID PMP indicator)									
B. PARLIAMENTARIAN TRAINING										
5.	Number of SERA-supported seminars for Parliamentarians, on economic policy and economic literacy.	0	SERA	0	6 seminars	Request for reprinting of 400 additional copies of Parliamentarian toolkit report approved. ZEPARU distributing copies in Q14.				
6.	Number of Parliamentarians trained with SERA support: total, women	0	SERA	0	Total: 90 Women: 45	0				
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	0				
8.	Number of economists attending customized short-courses: total, women	0	SERA	Total: 92 Women: 30	Total: 115 Women: 58	0				
9.	Number of individuals sponsored to attend external training courses: total, women	0	SERA	Total: 21 Women: 2	Total: 33 Women: 17	Total: 6 Women: 0				
D. LONG-TERM TRAINING OF ECONOMISTS										

No.	Item	Baseline	Source	Year 3 Actuals	Year 4 Annual Target	Year 4 Actuals				Total for Year 4
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	
10.	Number of individuals w/ SERA bursaries to part-time MSc in Economics at U Zimbabwe: total, women	0	SERA	Total: 11 Women: 4	Total: 3 Women: 3	Total: 11 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				
E. WORKSHOPS (FOR OUTREACH/DISSEMINATION)										
12.	Number of SERA-supported outreach/dissemination workshops	0	SERA	5	5	1 (Economics of Employment Creation)				
13.	Number of participants in SERA-supported workshops or seminars a) total, women b) government, private sector, ZEPARU/SERA, other	0	SERA	a)Total : 612 Women: data not available b) Govt : 50 Pvt Sector: 97 ZPR/SERA: 17 Other: 99	a) Total: 500, Women: 250 b)For tracking purposes, no targets	a) Total: 68 Women: 19 b) Govt : 28 Pvt Sector: 16 ZPR/SERA: 4 Other: 20				
ASSISTANCE TO ZIMSTAT										
A. IMPROVE ORGANIZATION AND COORDINATION OF NSS										
14.	Number of documents	0	SERA	0	2	0				

No.	Item	Baseline	Source	Year 3 Actuals	Year 4 Annual Target	Year 4 Actuals				Total for Year 4
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	
	containing meta-data and data manuals produced and posted on-line with SERA support									
15.	Number of SERA-supported public information events on economic statistics, through ZIMSTAT	0	SERA	0	1	0				
16.	Number of participants in SERA-supported public events through ZIMSTAT - total, women	0	SERA	0	Total: 50 Women: 25	0				
B. DEVELOP PHYSICAL, IT AND STATISTICAL INFRASTRUCTURE										
17.	Number of SERA-supported training events for ZIMSTAT staff	0	SERA	0	2	0				
18.	Number of participants in SERA - supported training courses for ZIMSTAT staff - total, women	0	SERA	0	Total: 50 Women: 25	0				
19.	Cum. number of distance learning training modules in economic statistics developed/supported by SERA	0	SERA	Initiation of pilot phase of implementation of DL and SERA support put on hold because SERA assistance focusing on CBR Inquiry	6	Initiation of pilot phase of implementation of DL and SERA support put on hold. SERA assistance now focusing on SS.				

Table A2-2. – Intermediate Result Indicators

No.	Item	Baseline	Source	Year 3 Actuals	Year 4 Annual Target	Year 4 Actuals				Total for Year 4
						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: 9 With Gender Content: 5 (details shown by quarter)	Total: 8 With gender content: 4	Total : 1 (Economics of Employment Creation) With Gender Content : 1				
2.	Number of economic research material available through online library on the ZEPARU website	12 (9 Periodic articles, 3 serials)	ZEPARU	48 (31 research papers, 10 economic barometers, 2 policy briefs, 5 presentations) 77 economic resource links	>=110 research material	54 (35 research papers, 12 economic barometers, 2 policy briefs, 5 presentations) 77 economic resource links				
B. TRAINING OF ECONOMISTS										
3.	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: 70 Women: 10	Total: 81 Women: 14	Total: 70 Women: 10				
D. WORKSHOPS (FOR OUTREACH AND DISSEMINATION)										
4.	Number of press releases published or positive news	0	SERA	Total : 21	Total: 10	Total: 18				

No.	Item	Baseline	Source	Year 3 Actuals	Year 4 Annual Target	Year 4 Actuals				Total for Year 4
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	
	reports on SERA-supported research or outreach/dissemination events: total, and with gender content			With Gender Content: 0	With gender content: 5	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	4 Quarterly Digest of Statistics, CPI report, Poverty datum line Report, Quarterly Bulletin of External Trade Statistics	9	5 Quarterly Digest of Statistics, CPI report, Poverty datum line Report, Quarterly Bulletin of External Trade Statistics, CBR Inquiry Report				
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	CBR data coding and entry completed in July. CBR	CBR updated. Results used as sampling frame for other	CBR Inquiry Report produced in Nov. 2014. First phase of CBR				

No.	Item	Baseline	Source	Year 3 Actuals	Year 4 Annual Target	Year 4 Actuals				Total for Year 4
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	
				Technical report was drafted and finalized in September.	economic surveys	re-canvassing started on 24/11/ 2014 and to continue into Q14				
9	Completion and publication of Census of Services (COS)- changed to Survey of Services (SS)	Last done 1981 (partial coverage only)	ZIMSTAT	SS to commence in Q13 since CBR was finalized in September.	SS completed and disseminated. Index of Services developed.	Phase 1 of SS data collection commenced on 24/11/2014 and ended on 19/12/2014. Recovery rate is currently at 19.4%. Phase 2 to commence in Q14				
10	Number of ZIMSTAT staff using/completing SERA-supported distance learning training modules: total, women	not applicable	ZIMSTAT	Initiation of pilot phase of implementation of DL and SERA support put on hold because SERA assistance focusing on CBR Inquiry	Total: 20 Women: 10	Initiation of pilot phase of implementation of DL and SERA support put on hold. SERA assistance now focusing on SS.				

Table A2-3. – Outcome Indicators

No.	Item	Baseline	Source	Year 3 Actuals	Year 4 Target	Year 4 Actuals				Total for Year 4
						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: 3 With gender content: 1 Corporate Financial Distress, Financial Liberalization and Crises, Zimbabwe Country Study on Negotiations for the Tripartite Free Trade Area	Total: 2 With gender content: 1	Total: 1 (Cost Drivers Study) 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	0	Total: 2 With gender content: 1	Total: 1 (Cost Drivers Study) With Gender Content: 0				
3.	Number of participants/percent of respondents able to	0	ZEPARU	Total: 80	Total: 83	Total: 9				

No.	Item	Baseline	Source	Year 3 Actuals	Year 4 Target	Year 4 Actuals				Total for Year 4
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	
	demonstrate knowledge retention by identifying three specific learning objectives from SERA-supported training at least 6 months after each training event (Disaggregated by sex)			Women: 24	Women: 28	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: 83 Women: 28	Total: 83 Women: 28	Total: 9 Women: 2				
5	Number of “hits” and downloads of policy briefs/reports/studies posted on ZEPARU website	568 hits 353 downloads	ZEPARU	37213 hits 9459 downloads	100 percent increase over prior year	7520 hits 1466 downloads (Oct – Dec 2014)				
6	Amount of funding for ZEPARU, excluding SERA and ACBF support	Budget vote 2010=\$10,000 2011=\$200,000	ZEPARU	\$140,127 (of which \$32,362 from GoZ)	\$300,000, incl. \$200k budget vote + other sources	Funds received this quarter NAC:\$4,213 TARSC:\$7,925 BAZ: \$2,600 ZIMTRADE: \$1,850 ZIMBISA: \$4,465 Total: \$21,053				
ASSISTANCE TO ZIMSTAT										

No.	Item	Baseline	Source	Year 3 Actuals	Year 4 Target	Year 4 Actuals				Total for Year 4
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	
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. CBR data coding and entry completed in July. CBR Technical report was drafted and finalized in September 2014	Second revision to NIPA using SS data complete	PICES Report completed. CBR Inquiry Report produced in Nov. 2014. First phase of CBR re-cavassing started on 24/11/2014 and to continue into Q14				
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	4 Quarterly Digest of Statistics, CPI report, Poverty datum line Report, Quarterly Bulletin of External Trade Statistics	8	5 Quarterly Digest of Statistics, CPI report, Poverty datum line Report, Quarterly Bulletin of External Trade Statistics, CBR Inquiry Report				

Table A2-4. – Context Indicators

No.	Item	Baseline	Source	Year 3 Actuals	Year 4 Annual Target	Year 4 Actuals				Total for Year 4
						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 2013: 3.3%. Projections for 2014 reduced to 3.1% and 3.2% in 2015	IMF baseline proj. for 2015 exceeded by 2% = 5%	IMF Growth estimate for 2013: 3.3%. Projections for 2014 reduced to 3.1% and 3.2% 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 & published	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)				
EMPLOYMENT CREATION										
3.	Formal sector non-gov't jobs (total, male, female), excluding agriculture. No breakdown by sex	422,700 = latest ZIMSTAT data for Dec	ZIMSTAT	Paid employment as % Ec Active Pop age 15+:	5% growth in formal sector jobs	395,900 for June 2014. No breakdown by sex available. (Labour				

No.	Item	Baseline	Source	Year 3 Actuals	Year 4 Annual Target	Year 4 Actuals				Total for Year 4
						Oct-Dec	Jan-Mar	Apr-June	Jul-Sept	
	available	2008. No breakdown by sex available		Total: 23.8% 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)		force data from QDS)				
FISCAL MANAGEMENT AND ADMINISTRATION										
4.	Non-mineral revenue (NMR)	2.6 billion (2011)	Baseline from ZIMRA 2011 Revenue Performance Report	Net Revenue Collections for 2014 Q3=\$884.5m Same period 2013 = \$858.3m Growth = 3%	Non-mineral revenue gr. >= growth of non-mining GDP	NMR for the year 2014 =\$3.329 billion NMR for the year 2013=\$3.296billion Growth= 1%				
5.	Percentage of central government expenditure on social services and productive infrastructure (excl. personnel cost)	Est. 18.42% (September 2011)	MOFED	Government capital expenditure as a % of total expenditure to August 2014 = 5.92% (MOFED 2014 Budget Outturn)	24%	Government capital expenditure as a % of total expenditure to November 2014 = 7.8% (MOFED 2014 Budget Outturn)				
DEBT RELIEF										

No.	Item	Baseline	Source	Year 3 Actuals	Year 4 Annual Target	Year 4 Actuals				Total for Year 4
						Oct-Dec	Jan-Mar	Apr-June	Jul-Sept	
6.	Improved debt management	Controversy on use of HIPC	MOFED	3rd and last review of SMP held in September indicates June-end targets and benchmarks met. Discussions between GoZ and IMF staff mission were on a 15 month SMP successor to end in December 2015 with focus on balancing the primary fiscal budget and addressing debt challenges.	HIPC decision point HIPC program followed	Successor SMP covering a 15 month period began in Oct. 2014 and will continue to Dec. 2015. It will be monitored based on quantitative targets and structural benchmarks.				
INVESTMENT PROMOTION										
7.	Foreign direct investment, net inflow (US\$ millions)	\$105m, 2009 \$122.6m, 2010 (RBZ Actuals)	Baseline: Actuals: RBZ BOP Data	2013 estimate increased to 373.1m Projections for 2014= 300.6m 2015= 591.0m	10% growth	2014 estimate = 300.6m Projections for 2015= 591.0m				
GENDER EQUITY										

No.	Item	Baseline	Source	Year 3 Actuals	Year 4 Annual Target	Year 4 Actuals				Total for Year 4
						Oct-Dec	Jan-Mar	Apr-June	Jul-Sept	
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	No new data available. Final PICES data remains the latest data.				
BUSINESS ENVIRONMENT										
9.	New business registrations (number per calendar year)	8550 in 2011	Registrar of Companies	8056 (through to September 2014)	12000	2615 (Oct-Dec) 10671 (through to December 31, 2014)				
10.	Doing Business Ranking	171 out of 183 countries for 2012	IFC/WB Doing Business Report 2012	170 out of 189 countries for 2014 Figure for 2013 revised to 168 out of 189 countries	165	171 out of 189 countries for 2014				
FINANCIAL SECTOR										
11	Level and Growth of deposits in banking system	December 2011 total deposits =	RBZ Monthly Report	August 2014 =4322.1m Growth from year	> Nominal GDP growth	November 2014 = \$ 4415.47m Growth from year				

No.	Item	Baseline	Source	Year 3 Actuals	Year 4 Annual Target	Year 4 Actuals				Total for Year 4
						Oct-Dec	Jan-Mar	Apr-June	Jul-Sept	
		\$3318.2m , Growth = 42.6%		earlier = 13.85%		earlier = 15.98%				
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	5.16%* (August 2014)	5%	5.22%* (November 2014)				
13	World Bank Statistical Capacity Indicator (Indicator from NSDS Monitoring F/Work).	49 (2011)	World Bank	54 (2013)	60	54 (2013). Figures for 2014 not currently available				