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

QUARTERLY PROGRESS REPORT

PROGRAM QUARTER 18:

JANUARY-MARCH 2016

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

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April 28, 2016

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ACRONYM LIST

BMO	Business Membership Organization
CBO	Community Based Organization
CBR	Central Business Register
COMZ	Chamber of Mines of Zimbabwe
COP	Chief of Party
COTR/COR	Contracting Officer's Technical Representative/ Contracting Officer's Representative
CSO	Civil Society Organization
CZI	Confederation of Zimbabwe Industries
DFID	Department for International Development
DB	Doing Business
DSGE	Dynamic Stochastic General Equilibrium model
EU	European Union
GOZ	Government of Zimbabwe
HCC	Harare City Council
IPEC	Insurance and Pensions Commission
LEDRIZ	Labor and Economic Development Research Institute of Zimbabwe
MAMID	Ministry of Agriculture, Mechanization and Irrigation Development
M&E	Monitoring and Evaluation
MEFMI	Macroeconomic and Financial Management Institute
MIC	Ministry of Industry and Commerce
MJLPA	Ministry of Justice, Legal & Parliamentary Affairs
MLGNH	Ministry of Local Government and National Housing
MMMD	Ministry of Mines and Mining Development
MOFED	Ministry of Finance and Economic Development
MP	Member of Parliament
MPSLSW	Ministry of Public Service, Labor and Social Welfare
NECF	National Economic Consultative Forum
NMMU	Nelson Mandela Metropolitan University
NSSA	National Social Security Authority
OPC	Office of the President and Cabinet
POZ	Parliament of Zimbabwe
QPR	Quarterly Performance Report
RBZ	Reserve Bank of Zimbabwe
RRI	Rapid Results Initiative
SERA	Strategic Economic Research and Analysis
SMEAZ	Small and Medium Enterprises Association of Zimbabwe
SOW	Scope of Work

SS	Survey of Services
STTA	Short-Term Technical Assistance
TWG	Technical Working Group
UNDP	United Nations Development Program
UNICEF	United Nations Children's Emergency 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 Environmental Law Association
ZEPARU	Zimbabwe Economic Policy Analysis and Research Unit
ZIA	Zimbabwe Investment Authority
ZIMRA	Zimbabwe Revenue Authority
ZIMSTAT	Zimbabwe National Statistics Agency
ZNCC	Zimbabwe National Chamber of Commerce

SERA HIGHLIGHTS – PROGRAM QUARTER 18

Assistance to ZEPARU

SERA continues to support ZEPARU primarily in training to economists, both short- and long-term.

Short- Term Training

SERA, the Reserve Bank of Zimbabwe (RBZ), and MEFMI are planning the third phase of the Financial Programming and Policies (FPP) training, to be implemented during Q19. This is a follow-up to the two FPP training sessions SERA and MEFMI supported in 2015 in Kadoma, Zimbabwe. During Phase I and II of the project, participants constructed a set of inter-account links and established a baseline scenario. Participants also focused on addressing data inconsistencies across the macroeconomic accounts. In Phase III, the participants will continue to further examine and eliminate data discrepancies. They will also receive additional conceptual training in the financial programming framework. This project is a long-term macroeconomic policy building exercise meant to develop a consistent macroeconomic and policy modelling group.

Long-Term Training

M.Sc. Bursary

SERA continues to support three female government economists pursuing the part-time M.Sc. program in Economics at the University of Zimbabwe. The group is comprised of one economist each from ZIMRA; the Ministry of Youth Development, Indigenization, and Empowerment; and the Ministry of Transport, Communication, and Infrastructural Development. The three students are in their final year and are scheduled to complete their studies during Q20.

Ph.D. Bursary

SERA continued to support two economists pursuing part-time Ph.D. programs in Economics at South African universities. Of these two students, one successfully completed his program of part-time study for a Ph.D. in Economics at the Nelson Mandela Metropolitan University (NMMU), Port Elizabeth, South Africa. He received his degree and will formally graduate during April 2016. The second candidate is slated to complete his Ph.D. by September 2016.

Assistance to ZIMSTAT

SERA continues to support ZIMSTAT in achieving three major outcomes:

1. Completing the Central Business Registry (CBR);
2. Completing the Survey of Services (SS); and
3. Upgrading the ZIMSTAT website

During this quarter SERA reviewed and provided feedback on the CBR and SS for a final rounding editing. The website upgrade is effectively complete. Once the CBR and SS are complete in accordance with SERA's quality standards SERA will support ZIMSTAT in hosting a dissemination event for all major outputs.

Assistance to Other Partners

SERA continues to provide technical assistance to the Government of Zimbabwe (GOZ) and civil society organizations (CSOs) on a demand-driven basis.

Mining Revenue Transparency

SERA held a validation workshop for the **Mining Revenue Transparency Study** in collaboration with the Zimbabwe Environmental Law Association (ZELA). The validation drew participants from key

stakeholders, including the Chamber of Mines of Zimbabwe (COMZ), the private sector, academia, Community Based Organizations (CBOs), Civil Society Organizations (CSOs), and the media. During the next quarter, SERA will work closely with ZELA to present a Policy Brief to the Mines and Energy Portfolio Committee of the National Assembly to enhance mineral revenue governance and oversight.

Starting a Business

SERA continues to provide ongoing support to the GOZ based on its critical report **“On the Brink of Breakthrough: Starting a Business in Zimbabwe.”** It provides this support in collaboration with the World Bank, and during this quarter its Starting a Business (SAB) activity focused on three pillars: Business Registration, Construction Permits, and Municipal Licensing. With the World Bank Doing Business review occurring during Q19, SERA will continue to support the GOZ in improving its business regulatory environment.

Business Registration: SERA supported the GOZ in completely overhauling the Companies Act and developed a new Act benchmarked on international best practices and drawing lessons from other countries. This included consolidating the Private Business Corporation Act into the new Companies Act, hence reducing bureaucracy, while also enhancing transparency and corporate governance. SERA finalized drafting the new Act during this quarter and will host a high-level stakeholder validation workshop for the new Bill during Q19 to bring the new legislation to be brought before Parliament during Q19.

Construction Permits: Following a request from the Ministry of Local Government and National Housing, SERA mobilized a local governance consultant process map the bureaucratic hurdles to obtaining a construction permit. To identify those hurdles, SERA held extensive discussions with town planning and local government officials, and at the end of the quarter the draft Process Mapping Report is nearly complete. Following on the process mapping, SERA will also review the Regional Town and Country Planning Act to ensure that it efficiently facilitates the building planning process and recommendations for how it can be improved.

Municipal Licensing: SERA conducted a business licensing mapping study, which identified key bottlenecks within the licensing process and helped the Harare City Council (HCC) create an online business licensing process and reduce the time needed to obtain a business license to three days, down from two months. SERA is now assisting the HCC in assessing the revenue sensitivity of shop licensing fees. It will particularly determine whether the economic impact of reducing the cost of Shop licensing fees from the current level of US\$530 to US\$200 has positive revenue effects by encouraging small businesses to obtain a license and enter the formal sector.

Transactional Corruption in Business Survey

The three Business Membership Organizations (BMOs) CZI, ZNCC, and SMEAZ successfully hosted a validation workshop for the **“Business Transactional Corruption Survey,”** which included key survey participants, and attracted participants from academia and CSOs involved in anti-corruption and corporate governance reform. The survey covered 403 companies and identified a high incidence of business transactional corruption across most public service delivery channels, business licensing, trading across borders, public procurement, property registration, and law enforcement. To further spread the results and facilitate action, the three BMOs have sought technical support to host a Business Dialogue Session on the Survey to reach a wider stakeholder base that includes the public sector, private sector, law enforcement agencies, and CSOs.

Business Regulatory Review

In response to a request from for the MIC, SERA began a business regulatory review by mapping all business regulations constraining industry competitiveness, spanning across the agriculture, manufacturing, and service sectors. From its findings SERA will package three case studies to demonstrate the negative effects of the regulatory barriers to business viability and competitiveness. Once complete, SERA will prepare a composite report with a compendium of all business regulatory barriers and provide recommendations on key business regulatory barriers to be dismantled to enhance industry competitiveness, and thereby promote national economic competitiveness.

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 objectives of policy reform and capacity development to a variety of stakeholders, including:
 - a. Assistance to the Public, Private and Civil Society Organizations on
 - i. Policy 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

Our mandate is 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. SERA is pursuing these aims primarily by providing technical and financial support to a wide variety of agencies starting with ZIMSTAT and ZEPARU and now including a host of other partner organizations.

The present Quarterly Progress Report (QPR) covers SERA Program Quarter 18, January-March, 2016. 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

SERA's management and administrative activity during the reporting period focused on operations, fulfilling reporting requirements, and technically implementing the work program for FY 2016.

Management and Administration of Operations

Managing and administering SERA Program operations continued to proceed smoothly during the quarter under review. Recurrent tasks included maintaining accounts and records, making timely payment of payroll and taxes, managing equipment inventory, and ensuring compliance with USAID regulations on procurements and activities. Nathan headquarters continued providing efficient backstopping in the areas of contract administration, recruiting consultants, financial management, and reporting.

As in the previous four years of the initial contract, the SERA Program continued to maintain full and open communications with USAID/Zimbabwe which is a critical element of the program's field operations. The SERA Chief of Party (COP) and the two Technical leads (TLs), Senior Program Advisor Ashok Chakravarti and Senior Economist Rongai Chizema, have continued to meet weekly with USAID's Contracting Officer's Representative (COR), Tom DiVincenzo and USAID's Program Management Specialist, Snodia Chikanza. SERA's technical management team continues to also collaborate closely with the program's primary partner organizations, including the Zimbabwe Investment Authority (ZIA), the Chamber of Mines of Zimbabwe (COMZ), The Zimbabwe National Chamber of Commerce (ZNCC), the Chamber of Zimbabwean Industries (CZI), and the National Economic Competitiveness Forum (NECF), all of which have become active participants in the program. Concomitant tasks include developing and supervising STTA assignments, training events, equipment procurements, and validation workshops. These activities are captured in technical sections below (see "Technical Services: Assistance to Partners"), along with the activities the SERA team is developing for the next quarter (see "Planning for the Next Quarter").

VAT Refunds

By the end of Q18, SERA received \$2,956.47 VAT refunds from the Zimbabwe Revenue Authority (ZIMRA) for claims from October through December 2015. However, these have been made available, and as of the end of Q18 the total refund received is \$53,804.39 out of a total claim of \$63,370.92 in refund claims is outstanding through March 2016. The SERA Finance Officer will continue to communicate with USAID's controller's office to facilitate the recovery of VAT paid by Nathan Associates.

Reports

During Q18, SERA complied with all periodic reporting requirements, including submission of the quarterly financial and accrual reports. The program also submitted weekly "bullets" on program highlights for distribution by USAID/Zimbabwe as warranted by activities.

Technical Management

The COP continued to manage the program during Q18 with focused support from the two TLs, who continue to lead technical activities as follows:

Ashok Chakravarti

- Mining Information Mapping Study
- Doing Business Reform work with World Bank led Technical Working Groups on the Shop License Act and Review of the Companies Act
- Business Regulatory Reform Studies
- Building and Construction Permits Reform

- Agricultural Productivity Study

Rongai Chizema

- Pension Industry Study
- Survey of Transactional Corruption
- Wage Structure Diagnostic Study
- Municipal Licensing System
- Gender Study
- Infrastructure study

Daniel Ndlela

The COP retained technical leadership in the remaining work streams, namely:

- RBZ Financial Programming and Policies Phase 3 Training workshop in collaboration with MEFMI
- RBZ Macroeconomic Model for Zimbabwe for policy analysis, forecasting and simulation in collaboration with MEFMI
- Overseeing ZIMSTAT's continued CBR and SS activities, as well as work on the final stages of the ZIMSTAT website.

During Q18 the Nathan Headquarters team of Peter Miller, Mathew Dellinger, and Timothy Filla continued to coordinate and facilitate projects inputs. At the end of January 2016, SERA Program Manager Angeline Zengeni left the project. The project responded by re-assigning responsibilities within the team and providing increased support from the home office.

3. TECHNICAL SERVICES: ASSISTANCE TO ZEPARU

SERA shifted its activities in Q18 towards providing more technical assistance affecting current national policy reforms, while pursuing high-value training activities. In supporting ZEPARU, SERA continued to focus on training economists (short-term and long-term). SERA Training Coordinator Evidence Ndari manages ZEPARU's training activities.

SERA has also continued to support ZEPARU in updating and maintaining its website, as it hosts vital publications funded by SERA since the start of the program. During this time ZEPARU has made significant improvements to the website and recovered the files that had been lost by their service provider. The SERA COP has continued to work with ZEPARU's Outreach Officer to improve its dissemination of data and analysis through the website. During the quarter under review, SERA committed to printing four of the Value Chains studies the program completed in collaboration with ZEPARU during 2013 and 2014.

Training of Economists (short-term)

During the quarter under review, SERA, the Reserve Bank of Zimbabwe (RBZ), and MEFMI planned the third phase of the Financial Programming and Policies (FPP) training. They will collaboratively hold this in-country training workshop in early Q19. This is a follow-up to the two FPP training sessions SERA and MEFMI supported in 2015 in Kadoma, Zimbabwe. During Phase I and II of the project, participants constructed a set of inter-account links and established a baseline scenario. Participants also focused on addressing data inconsistencies across the macroeconomic accounts. In Phase III, the participants will continue to further examine and eliminate data discrepancies. They will also receive additional conceptual training in the financial programming framework. This project is a long-term macroeconomic policy building exercise meant to develop a consistent macroeconomic and policy modelling group.

SERA, the RBZ, and MEFMI also laid plans to hold the second phase of the Macroeconomic Modeling workshop in Q19. This will be a follow-up to the first phase which was held in October 2015, in Kadoma. The project will produce an E-Views macroeconomic model for use in policy simulation, forecasting and economic analysis.

Training of Economists (long-term)

M.Sc. Bursary

SERA continued providing long-term training for economists through the ZEPARU Economic Scholars Program in Q18 by providing bursaries for three female government economists pursuing the part-time M.Sc. program in Economics at the University of Zimbabwe. The group includes one economist each from ZIMRA; the Ministry of Youth Development, Indigenization, and Empowerment; and the Ministry of Transport, Communication, and Infrastructural Development. The three students are in their final year and are working on their dissertations. All the students are scheduled to graduate in September 2016.

Ph.D. Bursary

SERA Ph.D. candidate, Dr. William Kavila, successfully completed his Ph.D. in Economics at Nelson Mandela Metropolitan University (NMMU), Port Elizabeth, South Africa. To date SERA has supported two ZEPARU scholars in achieving their Ph.D. with one remaining. Mr. Prudence Stephen Moyo, an RBZ Economist in the Economic Research Division is undertaking his M.Phil./Ph.D. in Economics at the University of Pretoria and continues working towards his degree, having met with his supervisor to seek guidance on his thesis during this quarter. Chapters 2-4 of his thesis are in their advanced stages, and he is currently focusing on checking the thesis for consistency. Chapter 2 is on the end of hyperinflation and economic performance in Zimbabwe. Chapter 3 is on optimal fiscal policy in a dollarized economy. Chapter 4 focuses on estimating a Dynamic Stochastic General Equilibrium

(DSGE) Model for Zimbabwe. His thesis is entitled 'Macroeconomic Dynamics and Stability in a dollarized economy: A case for Zimbabwe'.

4. TECHNICAL SERVICES: ASSISTANCE TO OTHER PARTIES

Mining Revenue Transparency

The Mining Revenue Transparency study mapped information available to stakeholders throughout the industry to identify how that information can be made more broadly available. It clarifies the stages in the mining cycle and identifies the gaps in information currently available for stakeholders for purposes of investment, regulation, taxation, community benefit extraction, transparency, and accountability. SERA held a validation workshop for the study on March 4, 2016, in collaboration with the Zimbabwe Environmental Law Association (ZELA). The validation drew participants from key stakeholders such as COMZ, the private sector, academia, Community Based Organizations (CBOs), CSOs, and the media. During Q19, SERA will work closely with ZELA to present a Policy Brief to the Mines and Energy Portfolio Committee of the National Assembly to enhance mineral revenue governance and oversight.

Starting a Business

SERA continued follow-on activities supporting the recommendations from its Study **“On the Brink of Break-Through: Starting a Business in Zimbabwe.”** These activities are currently engaging key stakeholders to examine and undertake necessary regulatory reforms in the company registration and municipal licensing systems.

Business Registration

During Q18 SERA continued to provide technical assistance in collaboration with the World Bank to the Starting a Business Thematic Working Group (TWG), escalating its input as part of the OPC/Rapid Results Initiative (RRI) 100-day Work plan to accelerate the Doing Business (DB) reforms. During Q17 SERA mobilized two consultants (one international and one local) to review the Companies Act, and the Private Business Corporation Act. During Q18, SERA’s support contributed to overhauling the Companies Act and developing a brand new Act benchmarked on international best practices and drawing lessons from countries including New Zealand, Botswana, and Tanzania.

SERA’s support also included consolidating the Private Business Corporation Act with the new Companies Act, reducing bureaucracy while enhancing transparency and corporate governance. The new legislation will afford improved protection to minority shareholders. SERA finalized drafting work during the Quarter under review, and high level stakeholders will validate the Bill during Q19. The new legislation is set to be brought before Parliament during Q19. During Q19 SERA will continue to support improving the Business Regulatory regime as Doing Business reforms are escalated ahead of the 2017 World Bank Doing Business review, to be held during the quarter.

Construction Permits

During the quarter under review, SERA supported the TWG on Registering of Property and Construction Permits under the 100-day RRI, in collaboration with the World Bank. Currently Zimbabwe ranks poorly on the Ease of Doing Business ratings, at 155 of 189 economies. Among the contributing factors to its poor overall ranking, Zimbabwe ranks the lowest in “Dealing with Construction Permits,” where it is 184. On average it takes companies 448 days to obtain a construction permit.

Reducing construction permitting times requires first understanding where the greatest constraints lie within the permitting process. Therefore, following a request from the Ministry of Local Government and National Housing (MLGNH), SERA mobilized a local governance consultant to process map the bureaucratic hurdles to obtaining a construction permit. The consultant has completed the review. SERA is now utilizing his input to begin drafting legislative amendments to ease the regulatory burden encountered in obtaining building permits. The proposed reform

package will identify concrete steps that the GOZ can take to reduce construction permitting times, thereby increasing opportunities for private sector investment and employment.

Following-on reviewing the construction permitting process, SERA will also review the Regional Town and Country Planning Act to identify where it can better facilitate the building planning process system in Zimbabwe, to be completed during Q19. SERA is planning a validation workshop for both activities in conjunction with Ministry of Local Government and National Housing and in collaboration with Commonwealth Local Government Forum, (CLGF), a non-state actor funded by the European Union that is actively involved in local governance strengthening work.

Municipal Licensing

Following the successful business licensing mapping and associated reforms SERA helped implement during Q17, the Harare City Council (HCC) has made significant progress in reducing red tape associated with business licensing. Businesses can now renew their shop licenses online, and within 3 days, a marked improvement from the 2 months it took previously. To continue supporting these reforms, SERA is now assisting the HCC in assessing the revenue sensitivity of shop licensing fees. It will particularly determine whether the economic impact of reducing the cost of Shop licensing fees from the current level of US\$530 to US\$200 has positive revenue effects by encouraging small businesses to obtain a license and enter the formal sector. In Q19 SERA will continue to support business licensing reviews with other local authorities to streamline the entire municipal business licensing regime country-wide.

Transactional Corruption in Business Survey

During Q18 three Business Membership Organizations (BMOs), the Confederation of Zimbabwe Industries (CZI), Small and Medium Enterprises Association of Zimbabwe (SMEAZ), and Zimbabwe National Chamber of Commerce (ZNCC), successfully hosted a validation workshop for the **“Business Transactional Corruption Survey”**. The Survey, under the theme **“Cost of Compliance,”** examined specific areas where opaque terms, duplicate regulations, lack of access to information, or too much discretionary power given to a public sector agency or service provider, creates opportunities for transactional corruption. The survey, which covered 403 companies, highlighted many key aspects of corruption in Zimbabwe, including the high incidence of business transactional corruption across most public service delivery channels, business licensing, trading across borders, public procurement, property registration, and law enforcement. During Q19 SERA will continue supporting the three BMOs in hosting a Business Dialogue Session on the Survey, reaching out to a wider stakeholder base that includes the public sector, private sector, law enforcement agencies, and CSOs. The event will help raise awareness on the prevalence and forms of business corruption and seek to create cohesion between stakeholders on specific reforms to stem business transactional corruption in Zimbabwe.

Business Regulatory Review

During Q18 SERA, in response to a request from the Ministry of Industry and Commerce (MIC), SERA mobilized an international expert and two local experts to work on conducting a business regulatory review. The activity is mapping business regulations constraining industry competitiveness, spanning the agricultural, manufacturing, and service sectors. From the mapping, SERA will provide three case studies demonstrating in depth the effects of the regulatory barriers to business viability and competitiveness. Once complete, SERA will develop a composite report with a compendium of all business regulatory barriers and a comprehensive final report providing recommendations on addressing those barriers to enhance industry competitiveness. This major contribution to the Doing Business reform agenda hopes to have far reaching implications on restoring the country's competitiveness. The assignment is on target to be completed during Q19.

Wage Structure Study

During this quarter SERA completed the Wage Structure study, analyzing Zimbabwe's earnings structure and its impact on labor costs, both in the public and private sectors. The Study further assessed the effects of the country's current wage structure on the macroeconomic capability of the GOZ to support sustainable development, and the ability of the economy to remain competitive. In addition, the Study also assessed the impact of labor laws on labor market flexibility, wage setting mechanisms, and the regulations and corporate governance standards underlying the determination of wage and management salaries in the public and private sectors.

The study's highlights include identifying Zimbabwe's high public wage premium, and that wage setting systems are not linked to productivity, eroding the country's economic competitiveness. The Study also found wide income disparities between top management, middle management, and shop floor employees, which were primarily caused by ineffective corporate governance systems and limited transparency in management systems in the private and quasi-public sectors (parastatals and municipalities). In the public sector, the study found an unsustainably high public sector wage bill threatening fiscal and macroeconomic stability. SERA will further disseminate these findings during a stakeholder workshop to be conducted in collaboration with the NECF during early Q19.

Pension Industry Reform

Following a request from the Ministry of Finance and Economic Development (MOFED) and the Insurance and Pensions Commission (IPEC) SERA undertook a study assessing the current state of Zimbabwe's pensions industry and how it might be utilized to improve economic and social outcomes. Some of the key highlights of the study include recommending transitioning from a non-contributory Public Service Pensions System to a dedicated Defined Contribution and funded Public Service Pension System. Such a transition will stabilize pension liabilities and ensure that the government builds the requisite financial capacity to meet pension liabilities as they fall due in the medium- to long-term. The study also recommends restructuring the IPEC to strengthen pension industry oversight to improve its risk-based oversight capacity. The study also supports its policy propositions by recommending complementary legislative reforms covering the key statutes governing the pensions industry to enhance IPEC's oversight capacity.

The study also recommends the National Social Security Authority (NSSA) establish an independent and non-partisan Investments Committee, to include several stakeholder representatives. Such a committee will help in establishing greater investment oversight capacity to address observed corporate governance weaknesses at the NSSA, which have contributed to its recent financial challenges.

5. TECHNICAL SERVICES: ASSISTANCE TO ZIMSTAT

During Q18, SERA continued to support ZIMSTAT in finalizing both the Central Business Register and the Survey of Services.

Support for the Central Business Register (CBR)

Zimbabwe National Statistics Agency (ZIMSTAT) submitted its 2013/2014 Central Business Register (CBR) for review and comments by SERA during Q18. In response SERA Senior Statistics Expert Dr. Beverley Carlson provided recommendations and support on:

- Cleaning CBR questionnaire data;
- Ensuring data consistency; and
- Updating the CBR report

At the end of the quarter ZIMSTAT was making final revisions to the CBR based on Dr. Carlson's comments.

Support for the Survey of Services (SS)

As in the case of the CBR, ZIMSTAT submitted the Survey of Services (SS) 2013 Report early in the quarter. Upon review, the SERA team found that prior to finalizing the report ZIMSTAT should address the low response rate in Bulawayo by doing targeted re-canvassing and establishing consistent terminology throughout the report.

Support for ZIMSTAT Website Development:

At this time SERA has completed its support for upgrading the ZIMSTAT website (www.zimstat.co.zw). The site currently displays all censuses and surveys implemented by the Agency. SERA is now collaborating with ZIMSTAT to plan a joint launch event for the website, CBR, and SS.

6. CROSS-CUTTING ISSUES

The SERA 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 SERA program coordinates with other USAID programs at the direction of USAID. It also practices effective donor coordination by collaborating with other partners, in particular with the World Bank on Doing Business work. Technical Leads Ashok Chakravarti and Rongai Chizema have continued to actively participate in two Technical Working Groups (TWGs) with the World Bank: Starting a Business (SAB), Construction Permits, and Registering Property. SERA has also been coordinating its activities with other key stakeholders, namely:

- **Parliament of Zimbabwe** - Following a successful Economic Literacy training workshop for Chairpersons of Parliamentary Portfolio Committees and a member from each Portfolio Committee (including Thematic Committees of the Senate), and the Women’s Caucus Executive Committee during Q17, the Clerk of Parliament recommended that the entire Parliament be exposed to the same training from Q18 onwards. SERA will continue to work with Parliament to launch the anticipated delivery of Parliamentary training during Q19, including supporting Policy Briefs, and other public policy oversight capacity.
- **Zimbabwe Environmental Law Association (ZELA) and Chamber of Mines of Zimbabwe (COMZ)** –Following the completion of the Mining Information Mapping study, SERA conducted a validation workshop for it during Q18 in collaboration with ZELA and COMZ, and several other private sector representatives, Community Based Organizations (CBOs), Civil Society Organizations (CSOs), academia and the media. A Policy Brief to the Parliamentary Committee of the Mines and Energy Portfolio Committee will follow the validation workshop to enhance mineral revenue governance and oversight.

Outside the USAID community, the COP continued discussions on policy issues and program coordination with the World Bank, UNDP, MEFMI and RBZ.

Poverty

SERA’s Pension Industry Reform and Wage Structure studies each contribute to poverty reduction. The Life Pension industry is a critical safety net for preventing poverty by maintaining the asset values of the long-term savings of a significant proportion of the population in the formal sector. Pension funds also play an important role in social security by mobilizing resources for elderly income provision for individuals when they reach the age of retirement. The elderly are among the most at risk for falling into poverty, and pension incomes help the elderly mitigate that risk.

The Wage Structure study focuses on Zimbabwe’s earnings structure and its impact on labor costs, both in the public and private sectors. The study assesses the effects the country’s current earnings and wage structure has on the macroeconomic capability of GOZ to support sustainable development, and the ability of the economy to remain competitive. The study also considers the impact of labor laws, labor market flexibility, wage setting mechanisms, and the regulations and corporate governance standards underlying the determination of wage and management salaries in the public and private sectors, among other factors. Wages play a fundamental role in the distribution of income, economic growth, and the reduction of poverty. Falling labor earnings produce a host of problems: growing inequality, social exclusion, a rise in crime, and even social and political unrest. The knowledge of wage development is therefore important for successfully selecting, designing, and implementing policies that aim at raising national income, achieving its

equitable distribution, and reducing poverty. The knowledge of forces behind wage developments, wage trends, or wage differences, for example, is pivotal in assessing which policies to target towards particular groups. Wages are also one channel through which major internal and external shocks are transmitted to the economy or the population.

Gender

SERA consistently applies a gender lens as far as possible in developing and managing all program activities. As with SERA's work on poverty issues, the demand-driven nature of the program means it must specifically tailor its gender considerations to the specific needs of its stakeholders, and encourage those stakeholders to consider gender implications in their work when programming with SERA.

During Q18, SERA continued to target studies that incorporate a gender dimension, with the following studies from the Year 5 Annual Work Plan including gender-specific aspects:

- Earnings and Wage Structures in Zimbabwe;
- Maximizing the role of women in business: i.e. mapping the challenges impediments and opportunities;
- Unlocking agricultural productivity in Zimbabwe to stem poverty, including the challenges, impediments, and opportunities to boost smallholder agriculture capacity;

During Q18, SERA held discussions with BMOs and other stakeholders, especially the ZNCC, about 'Women's Economic Empowerment Research.' From these discussions SERA is designing a study to identify the constraints women face in developing and managing their businesses, particularly in the informal sector.

In all program activities SERA tracks participants by gender, for which results are recorded in Annex 2. SERA also works closely with program stakeholders to achieve as much gender-balance as possible in all SERA-sponsored training activities.

In addition to the standard practice of tracking participants by gender in our activities, SERA also:

- Consistently emphasizes the importance of gender balance in meetings with the GOZ and other partners in all SERA supported training and outreach activities.
- Monitors and evaluates activities based scoring the gender content of research designs and SERA-supported studies (see Annex 2).
- Works with stakeholders 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, some of our results during Q18 were as follows: MSc bursary: 3 women, no men; PhD bursary: 2 men, no women. The recruiting challenge for this program was discussed in earlier quarterly reports.

7. IMPLEMENTATION OF THE WORK PLAN

As a demand drive project SERA works in close collaboration with local partners, including ZIA, OPC, MJLPA, MOLG, HCC, NECF, and RBZ, to design and implement program activities in response to their needs. Hence, implementing the SERA Work Plan is heavily dependent on other actors, and at times it is necessary to ensure quality and ongoing support with those actors. Nonetheless, SERA continues to complete most planned activities on schedule. During Q18 SERA's partners were proactive in enabling project activities. For example, to improve Zimbabwe's Doing Business environment, the Office of the President and Cabinet (OPC) issued a letter of 'Request for Support to Recruit two Consultants assigned to undertake research on 'Business Regulatory Barriers in Zimbabwe'. In response, SERA engaged two local consultants, Mr. Michael Nyamazana, a Business Regulatory Review Expert, and Mr. Dumisani Sibanda, an Industrial Economics Expert. Additionally, BMOs requested SERA support to host the Dialogue Session on the Business Transactional Corruption Survey. SERA continued to implement these program elements as per our Year 5 Work Plan. **Annex 1** provides an itemized summary of the status of activities targeted in our Work Plan for Year 5, as implemented through Quarter 18.

Activities completed during Q17 included:

- The Study on **"Business Transactional Corruption Survey"** was completed and validated at a Stakeholders Workshop.

Other ongoing studies to be completed in future quarters include:

- The **"Wages Structure Study"**, which will be completed and validated at an NECF-hosted Stakeholder Workshop early in the next quarter.
- The CBR and the SS Reports, conducted by ZIMSTAT with SERA support, which are now undergoing review following comments from the SERA statistics expert; and
- The third phase of the RBZ Financial Programming and Policies (FPP) modeling training workshop, to be held early in Q19.

8. SERA PROGRAM CHALLENGES

SERA continues to face several ongoing challenges.

Technical Assistance to ZEPARU

Limited capacity at ZEPARU to actively engage in program activities continues to be a constraint. During the quarter SERA engaged ZEPARU on printing a number of past value chain studies, including:

- Cotton to Clothing Value Chain Study
- Metal Engineering Industries Value Chains Study
- Chemical Industries Value Chains Study
- Agro-Industries Value Chains Value Chains Study

However, response times to this support have been slow, causing the printing to now occur in Q19.

SERA is also engaging ZEPARU by supporting a young scholars' conference which will involve the M.Sc. and Ph.D. students. This is part of the planned SERA Close Out program. ZEPARU was to come up with a concept note for implementing the activity, although the response has been slow. The activity is to be completed by July 2016, along with all other SERA activities. SERA is continuing to engage with ZEPARU to ensure responsiveness in time to complete the activity within the given timeframe. SERA's support for the activity will include providing an honorarium and covering ZEPARU's costs of working with the students to develop policy papers from their dissertations, organizing the young economist conference, reviewing and editing the policy briefs, and facilitating printing the policy briefs.

Managing an Increasing Number of Counterparts and More Diverse Activities

As SERA continues to support more GOZ, Private Sector, and CSO counterparts as part of its strategic shift, it has developed increasing management needs to effectively respond to all stakeholders. In response, to date SERA has continued to work with Technical Advisor Ashok Chakravarti and Senior Economist Rongai Chizema as Technical Leads, mainly in the Program's technical research activities. SERA continues to look for methods and resources to improve its overall program management and responsiveness to program stakeholders. During Q18, the SERA M&E/Training Coordinator Emmanuella Matorofa has taken on an increasing role managing some project activities at the direction of the COP and Technical leads based on her impressive performance working with project stakeholders to date at training activities.

9. PLANNING FOR THE NEXT QUARTER

This section outlines key activities SERA will implement Q19, the third quarter of Year 5.

Assistance to ZEPARU

1. SERA will continue to fund ZEPARU bursaries for the remaining three female government economists to pursue part time M.Sc. program in economics at the University of Zimbabwe to the end of the project in September 2016.
2. Dr. William Kavila will graduate in April, following complete his degree in Q17.
3. SERA will continue funding Mr. Stephen Moyo, the final ZEPARU bursary economist from RBZ who is pursuing his Ph.D. program at the University of Pretoria, in South Africa.
4. SERA will continue supporting ZEPARU in preparing Policy briefs for completed studies.

Assistance to ZIMSTAT

1. SERA will continue supporting ZIMSTAT in finalizing the Central Business Register (CBR).
2. SERA will continue supporting ZIMSTAT in finalizing the Survey of Services (SS), including providing reviews and comments to ensure product quality.
3. SERA will continue supporting ZIMSAT in launching its upgraded website.

Assistance to Other Stakeholders

Continuing SERA's strategic shift, the project will also continue to provide assistance to other stakeholders on an on-demand basis.

Assistance to the RBZ

SERA will continue supporting RBZ's third phase of the Financial Programming and Policies (FPP) modeling workshop during the next quarter, which will focus on:

- i. Finalizing the baseline scenario by checking the individual forecasts as well as undertaking the iterative process;
- ii. Meeting the relevant Government representatives to finalize the data cleaning process to reduce/eliminate the data inconsistencies; and
- iii. Providing additional conceptual training in the financial programming framework as required.

Assistance to Private Sector and Civil Society Organizations

SERA will:

1. Support the Business Dialogue Session for the Business Transactional Corruption Survey, targeting a multi-stakeholder audience to influence policy reform informed by the survey results. SERA will host the Dialogue Session in collaboration with the BMOs who hosted the Survey: CZI, ZNCC and SMEAZ.
2. Support a Dissemination Workshop for the Mining Minerals Revenue Information Mapping Study in collaboration with ZELA, to inform the Ministry of Finance and Economic Development (MOFED), the Ministry of Mines and Mining Development (MMMD), the private sector, and CSOs involved in mineral governance.

Assistance to the GOZ

SERA will:

1. Continue to support reviewing and finalizing the new Companies Act and other regulatory instruments in support of Doing Business reform with the World Bank, OPC, MJLPA, MLGNH, MIC, MPSSW, MAMID, City Councils, and other stakeholders.
2. Support the Business Licensing and Regulatory Environment of Zimbabwe; and provide the necessary recommendations for implementation by the Government and other stakeholders.

10. PERFORMANCE MONITORING

Annex 1 and Annex 2 provide 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.

The matrices also provide 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 IMF GDP projection for 2016 is currently at 2.7% which is similar to the MOFED growth target announced during the Budget Statement. The country’s growth target is however likely to be revised downwards given the impending drought which has hit the economy.
- Latest data from RBZ shows that the net inflows of Foreign Direct Investment in 2015 amounted to 399.2 million which is a 27.3% fall against a projection of 549 million. The FDI inflows in 2015 were 15.6% lower compared to the \$472.8 million collected in 2014. RBZ expects that FDI inflows will be higher in 2016 and has made a projection of 555 million. RBZ anticipates that the Doing Business Reforms that are currently being implemented in the country will improve the investment climate and hence raise FDI inflows.
- For the year 2015, net revenue collections were US\$3.50 billion which was a 3% decline from 2014 annual net revenue collections of US\$3.60 billion. The decline in revenue collections is a reflection of the subdued state of the economy.
- In the first quarter of 2016 the Registrar of Companies recorded 2159 new business registrations. This is however a 25.3% decline compared to the 2891 new business registrations which were recorded in the same quarter last year.
- With regards to negotiations towards debt relief, the IMF conducted a mission visit from 24 February – 11 March 2016 for the 3rd and final review under the Staff-Monitored Program (SMP) which ended on 31 December, 2015. The IMF also held discussions on providing a medium-term assessment of the Zimbabwean economy. The visit revealed that Zimbabwean authorities had met all quantitative targets and structural benchmarks under the final review of the SMP. The review team highlighted that once the SMP is successfully completed, as an initial step toward reform and re-engagement with international partners, a comprehensive and ambitious economic transformation program is needed to revive the Zimbabwean economy and to cement support among international partners.

Annex 1. Implementation of Year 5 Work Plan – Status at end of Quarter 18

Work Plan Task / Activity	Status at End of Quarter 18
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
1.2. REPORTS	
Submit Annual Report for Year 4 (also serving as Quarterly Report for Q16)	Done
Work Plan revision, if necessary	Done Year 5 Work Plan approved by USAID with minor modifications. additional activities to be 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	On Schedule
Submit monthly activities reports and weekly highlights as appropriate	Weekly bullets submitted to COR as warranted.
Submit Annual Work Plan for Year 5	Done
Submit updated M&E Plan for Year 5	Done

Work Plan Task / Activity	Status at End of Quarter 18
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
Submit Final Report	Scheduled for Q20
2. ASSISTANCE TO GoZ, PRIVATE SECTOR AND CSOs	
Coordinate with GoZ, Private Sector and CSOs on priorities for support and development of activities	Ongoing
Liaise on program activities with Parliament, RBZ	Ongoing SERA, RBZ and MEFMI plans are advanced for the third phase of the Financial Programming and Policies training, scheduled for early Q19.
Liaise on program activities with other USAID projects & other donors	Ongoing - SERA has also been coordinating its activities with other key stakeholders such as NECF and Chamber of Mines. COP continued discussions on policy issues and program coordination with the World Bank, UNDP, and DFID
Coordinate with GoZ to implement Doing Business Reforms	SERA STTA finalized drafting the new Companies Act in Q18. Stakeholder Review of the Draft Companies Bill undertaken in Q18. Validation of the new Bill by high – level stakeholders scheduled for Q19.
2.1. RESEARCH AND ANALYSIS	
Provide technical support in producing approximately 10 high quality research products on topics of importance to economic policy makers through STTAs and outsourced research. Potential themes include <i>(with timing indicative only)</i> :	
<i>Private Sector Development (continuing research theme)</i>	SERA discussions with CZI advanced on the Value Chain Analysis Study. This is scheduled for Q19.
<i>Economic Governance</i>	Mineral Revenue Disclosure and Information Mapping Study Validation workshop undertaken in Q18; Pensions Industry Study completed in Q18.
<i>Strategies for Inclusive Growth (new research theme: some in-house, some outsourced)</i>	Wages Structure Study outsourced in Q17, and is scheduled to be validated and completed in Q19.
<i>Formalizing the informal sector in Zimbabwe</i>	Not done.
<i>Public Expenditure Management (continuing research theme)</i>	No new items in Year 5

Work Plan Task / Activity	Status at End of Quarter 18
Provide technical and financial support in producing Policy Briefs: These briefs will package key research results and highly topical policy issues into a form that is easily accessible for Parliamentary Portfolio Committees	Scheduled for Q19
Business Environment Survey – perceptions of corruption	Completed in Q17. The BMOs Business transactional corruption dissemination workshop undertaken in February 2016. Early in Q19 the BMOs will hold a Business Dialogue Session on 12 May, 2016.
Provide technical and financial assistance for research dissemination	Ongoing
2.2. PARLIAMENTARIAN TRAINING THROUGH ZEPARU	
In collaboration with Parliament: Deliver training on Economic Literacy.	Ongoing - SERA planning with Parliament to provide funding for subsequent workshops on Economic Literacy for the remaining Parliamentarians in Q19 including providing support for generating policy briefs and other public policy oversight capacity.
Provide technical support to PoZ on the following (on a demand –drive basis)	
Policy Research for Portfolios Committees	Scheduled for Q19
Legislative Analysis	Scheduled for Q19
2.3.A SHORT-TERM TRAINING OF ECONOMISTS THROUGH ZEPARU AND MOF	
With RBZ and MoF, design, develop and deliver at least 5 customized local short-courses for economists. Menu of subjects include:	Ongoing
Macroeconomic Modelling (3 phases, phase 1 to be undertaken in October)	SERA Program provided funding for phase one and conducted an in – country short course on Model Building for the RBZ in Q17. Phase II is scheduled for Q19.
Financial Programming and Policies (continuation from Year 4) 3 out of the 5 phases remaining from year 4	SERA plans with RBZ and MEFMI already at an advanced stage for Phase three of the FPP training, scheduled for early Q19.
Conduct ex-post evaluations 6 months after each training event to assess value on the job and knowledge retention	Ongoing

Work Plan Task / Activity	Status at End of Quarter 18
2.3.B LONG-TERM TRAINING OF ECONOMISTS	
Continue bursary funding for 3 government economists as ZEPARU Scholars for part-time MSc program in Economics at UZ	3 bursary recipients in the third and final year continuing in MSc program at UZ
Continue bursary funding for 2 RBZ economists as ZEPARU Scholars pursuing PhD programs in economics in South Africa	The second PhD scholar completed his PhD at NMMU and graduated in December 2015. The third and final scholar is continuing his PhD program at UP.
Monitor use of laptop computers provided by SERA to ZEPARU Scholars	Ongoing
Provide logistical and personal support to ZEPARU Scholars studying in South Africa	Ongoing
Track progress of all SERA-funded bursary recipients	Ongoing
2.5 WORKSHOPS/RESEARCH DISSEMINATION EVENTS	
Assist NECF, CSOs and other partners in planning, organizing and dissemination of commissioned research	Ongoing. Plans are at an advanced stage for SERA to provide funding to NECF for organising and hosting the Policy Dialogue on “Wages Structure Study” in early Q19.
Provide funding for research seminars, stakeholders workshops (such as Parliamentary Portfolio Committees) and policy dialogue events co-hosted with other key stakeholders	Maize Marketing Study to be presented to Parliament Portfolio Committee on Land, Agriculture, Mechanization and Irrigation in Q19.
2.5 TARGETED SUPPORT TO CSOs AND OTHER PARTNERS	
Starting a Business Reforms <ul style="list-style-type: none"> - Municipal Business License Reforms 	Ongoing with SERA STTAs undertaking the following: <ul style="list-style-type: none"> - A Revenue Sensitivity Analysis to establish appropriate fee threshold for shop licenses; - Construction Permits and Plan Approval Review; - Review of the Country and Town Planning Act - Shop Licensing Act Review Municipal Reform and Shop Licenses Building Committee workshop scheduled for Q19

Work Plan Task / Activity	Status at End of Quarter 18
<ul style="list-style-type: none"> - Company Registry Reforms 	SERA STTA finalized drafting the new Companies Act in Q18. Stakeholder review of the Draft Companies Bill undertaken in Q18. Validation of the new bill by high – level stakeholders scheduled for Q19.
<p>Operating a Business Reforms</p> <ul style="list-style-type: none"> - Business Regulatory Environment Reforms 	<p>Two SERA STTA undertaking the following:</p> <ul style="list-style-type: none"> - Case studies on regulations in key economic sectors (mining, manufacturing, tourism and agriculture) - Review of the current Business Licensing and Regulatory Environment of Zimbabwe
<ul style="list-style-type: none"> - Streamlining of Building Plans approvals and permits system 	<p>Construction Permits and Plan Approval Review; Shop Licensing Act Review Country and Town Planning Act Review</p>
<ul style="list-style-type: none"> - Credit Worthiness and Insolvency Reforms 	Taken over by WB
Improving National Competitiveness	Assisted in the drafting of the National Competitiveness Act in Q17. No new items for Q18.
Pension Sector Reforms	Pensions Industry Study initiated in Q17, validation workshop undertaken on 20 November 2014. Study completed in Q18.
3. ASSISTANCE TO ZIMSTAT	
Coordinate with ZIMSTAT on priorities, activities.	Ongoing meetings as needed determined by progress with activities and ZIMSTAT schedules.
Liaise with other donors for coordination on support for ZIMSTAT	Ongoing intermittent discussions with WB, UNDP and DFID
Fund completion of Central Business Registry (CBR) project	SERA STTA reviewed and provided comments for the Draft CBR Report in Q18. By the end of Q18, ZIMSTAT was in the process of revising and updating the Report for completion in Q19.
Co-finance the Survey of Services (SS) project	ZIMSTAT submitted the SS Report in Q18. SERA STTA to complete the review of the report and submit comments for finalization to ZIMSTAT in Q19.
STTA to assist with ZIMSTAT website upgrade	Completed in Q17. SERA to support the joint launch of the CBR, SS and website in Q19.
STTA to assist ZIMSTAT to populate the NADA with anonymized microdata sets, in full compliance with confidentiality requirements.	On-hold.

Annex 2: Performance Monitoring Indicators

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Table A2-1. – Output Indicators

No.	Item	Baseline	Source	Year 4 Actuals	Year 5 Annual Target	Year 5 Actuals				Total for Year 5
						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 : 9 With gender content: 0	Total: 6 With gender content: 3	Total: 0	Total: 1 Pensions Industry Study With gender content: 0			
2.	Number of completed policy studies outsourced with SERA support: total, and with gender content	0	SERA	Total: 1 (ASM Gold Report)	Total: 4 With Gender Content: 2	Total: 1 (Corruption in Business Survey) With gender content: 0	Total: 0 With gender content: 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: 1342.5 Women: 620	Total: 1500 Women: 750	Total : 321 Women : 53.5	Total : 0 Women : 0			
4.	Number of days of SERA technical assistance in fiscal policy and fiscal administration (USAID PMP indicator)	0	SERA	Total: 144.1	415	Data not available	141			
B. PARLIAMENTARIAN TRAINING										

No.	Item	Baseline	Source	Year 4 Actuals	Year 5 Annual Target	Year 5 Actuals				Total for Year 5
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	
5.	Number of SERA-supported seminars for Parliamentarians, on economic policy and economic literacy.	0	SERA	0	10 seminars	1	0			
6.	Number of Parliamentarians trained with SERA support: total, women	0	SERA	0	Total: 250 Women: 125	Total: 54 Women: 20	0			
C. SHORT-TERM TRAINING OF ECONOMISTS										
7.	Number of SERA-supported customized short-courses for training economists.	0	SERA	2 customized short course	5 customized short courses	1 customized short course (Macroeconomic Modelling)	0			
8.	Number of economists attending customized short-courses: total, women	0	SERA	Total: 22 Women: 5	Total: 75 Women: 38	Total: 12 Women: 2	0			
9.	Number of individuals sponsored to attend external training courses: total, women	0	SERA	Total: 0 Women: 0	Total: 0 Women: 0	Total: 0 Women: 0	0			
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: 3 Women: 3	Total: 3 Women: 3	Total: 3 Women: 3	Total: 3 Women: 3			
11.	Number of individuals w/ SERA bursaries to PhD in Economics at UCT or a comparable university (University of Pretoria and	0	SERA	Total: 2 Women: 0	Total: 2 Women: 0	Total: 2 Women: 0	Total: 1 Women: 0			

No.	Item	Baseline	Source	Year 4 Actuals	Year 5 Annual Target	Year 5 Actuals				Total for Year 5
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	
	Nelson Mandela Metropolitan University) in South Africa - total, women									
E. WORKSHOPS (FOR OUTREACH/DISSEMINATION)										
12.	Number of SERA-supported outreach/dissemination workshops	0	SERA	5	5	2 (Maize Marketing & Pricing Policies, Pension Industry)	3 (State of the Mining Industry Survey, Business Transactional Corruption, Mining Information Mapping)			
13.	Number of participants in SERA-supported workshops or seminars a) total, women b) government, private sector, ZEPARU/SERA, other	0	SERA	Total: 313 Women: data not available b) Govt : 177 Pvt Sector: 54 ZPR/SERA:15 Other: 67	a) Total: 500, Women: 250 b)For tracking purposes, no targets	a) Total: 139 Women: 42 b) Govt : 81 Pvt Sector: 35 ZPR/SERA: 10 Other: 13	a) Total: 242 Women: 49 b) Govt : 41 Pvt Sector: 125 ZPR/SERA: 10 Other: 66			
ASSISTANCE TO ZIMSTAT										
A. IMPROVE ORGANIZATION AND COORDINATION OF NSS										
14.	Number of documents containing meta-data and data manuals produced and posted on-line with SERA support	0	SERA	1 (CBR Inquiry Report)	2	0	0			

No.	Item	Baseline	Source	Year 4 Actuals	Year 5 Annual Target	Year 5 Actuals				Total for Year 5
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	
15.	Number of SERA-supported public information events on economic statistics, through ZIMSTAT	0	SERA	0	0	0	0			
16.	Number of participants in SERA-supported public events through ZIMSTAT - total, women	0	SERA	0	0	0	0			
B. DEVELOP PHYSICAL, IT AND STATISTICAL INFRASTRUCTURE										
17.	Number of SERA-supported training events for ZIMSTAT staff	0	SERA	0	0	0	0			
18.	Number of participants in SERA - supported training courses for ZIMSTAT staff - total, women	0	SERA	0	0	0	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	0	Initiation of pilot phase of implementation of DL and SERA support put on hold. SERA assistance now focusing on SS.	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 4 Actuals	Year 5 Annual Target	Year 5 Actuals				Total for Year 5
						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: 4 With Gender Content: 1	Total: 5 With gender content: 3	2 (Maize Marketing & Pricing Policies, Pension Industry Study) With Gender Content : 0	2(Business Transactional Corruption, Mining Information Mapping) 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	64 (40 research papers, 14 economic barometers, 2 policy briefs, 8 presentations) 77 economic resource links (August 2015)	>=120 research material	50 (32 research papers, 14 economic barometers, 1 policy brief, 3 presentations) 40 economic resource links (ZEPARU website was down from Sept-Dec 2015, they had to reload research material)	52 (32 research papers, 15 economic barometers, 5 presentations) 52 economic resource links			
B. TRAINING OF ECONOMISTS										
3.	Cum. number of semesters completed by gov't economists pursuing MSc-Econ at U Zim	0	University of Zimbabwe	Total: 92 Women: 18	Total: 98 Women: 24	Total: 95 Women: 21	Total: 95 Women: 21			

No.	Item	Baseline	Source	Year 4 Actuals	Year 5 Annual Target	Year 5 Actuals				Total for Year 5
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	
	w/ SERA support - total, women									
D. WORKSHOPS (FOR OUTREACH AND DISSEMINATION)										
4.	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: 46 With gender content: 0	Total: 10 With gender content: 5	Total: 7 With gender content: 0	Total: 3 With gender content: 0			
ASSISTANCE TO ZIMSTAT										
A. IMPROVE ORGANIZATION AND COORDINATION OF NSS										
5.	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 CPI report, Poverty datum line Report, Quarterly Digest of Statistics (2015 Q1); Quarterly Bulletin of External Trade Statistics	9	7 Quarterly Digest of Statistics (2015 Q2), Quarterly Digest of Statistics (2015 Q3), CPI report, Poverty datum line Report, Quarterly Bulletin of External Trade Statistics, 2014 Labour Force Survey, 2014 Child Labour Report	3 Quarterly Digest of Statistics (2015 Q4), CPI report, Poverty datum line Report			
B. DEVELOP PHYSICAL, IT AND STATISTICAL INFRASTRUCTURE										

No.	Item	Baseline	Source	Year 4 Actuals	Year 5 Annual Target	Year 5 Actuals				Total for Year 5
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	
6.	Completion and publication of the Poverty, Income, Consumption Expend. Survey (PICES)	field work underway	ZIMSTAT	PICES Report completed and launched in April 2013.	-	-	-			
7.	Completion of Central Business Registry (CBR) update	poor quality data	ZIMSTAT	Data entry of the re-canvassed questionnaires was completed in July 2015. Percentage of recovered questionnaires as at 30 July 2015 = 90.6%. Data cleaning of the captured questionnaires currently in progress. Updating of the CBR report expected to be completed by 30 September 2015.	CBR updated. Results used as sampling frame for other economic surveys	Data cleaning of the CBR captured questionnaires still in progress. Checking for inconsistencies from the CBR tables and updating of the CBR report is currently in progress. Updating of the CBR report to be completed by 29 January 2016.	ZIMSTAT submitted the CBR Draft Report. SERA STTA reviewed and provided comments. ZIMSTAT currently in the process of revising and updating the Report for completion in the next quarter.			
8.	Completion and publication of Census of Services (COS)-changed to Survey of Services (SS)	Last done 1981 (partial coverage only)	ZIMSTAT	Data entry and verification of all questionnaires received was completed in July 2015. Data cleaning of the captured	SS completed and disseminated. Index of Services developed.	Verifying and updating of SS data which had inconsistencies, checking for consistency on the generated SS Tables and SS Report writing	ZIMSTAT submitted the SS Report. SERA STTA still to complete the review of the report and submit			

No.	Item	Baseline	Source	Year 4 Actuals	Year 5 Annual Target	Year 5 Actuals				Total for Year 5
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	
				questionnaires currently in progress.		currently in progress. SS report to be completed by 31 January 2016	comments for finalization to ZIMSTAT in the next quarter.			
9.	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. SERA assistance now focusing on SS.	0	0	0			

Table A2-3. – Outcome Indicators

No.	Item	Baseline	Source	Year 4 Actuals	Year 5 Target	Year 5 Actuals				Total for Year 5
						Oct–Dec	Jan–Mar	Apr–Jun	Jul–Sep	
ASSISTANCE TO ZEPARU AND MOF										
1.	Number of policy briefs/ studies analyzed 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: 1 (Cost Drivers Study)	Total: 2 With gender content: 1	Total: 2 (Municipal Business Licencing Mapping, Pension Industry Study) With Gender Content: 0	No new items this quarter but the Starting a Business Study continuing to influence policy decisions this quarter.			
2.	Number of policy briefs/ studies analyzed 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: 0	Total: 2 With gender content: 1	Total: 1 (Municipal Business Licencing Mapping) With Gender Content: 0	No new items this quarter but the Starting a Business Study continuing to influence policy decisions this quarter.			
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	0	ZEPARU	Total: 33 Women: 10	Total: 42 Women: 21	Total: 0 Women: 0 (No survey scheduled for this quarter)	Total: 0 Women: 0 (No survey scheduled for this quarter)			

No.	Item	Baseline	Source	Year 4 Actuals	Year 5 Target	Year 5 Actuals				Total for Year 5
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	
	after each training event (Disaggregated by sex)									
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: 30 Women: 9	Total: 42 Women: 21	Total: 0 Women: 0 (No survey scheduled for this quarter)	Total: 0 Women: 0 (No survey scheduled for this quarter)			
5	Number of “hits” and downloads of policy briefs/reports/studies posted on ZEPARU website	568 hits 353 downloads	ZEPARU	20228 hits 9459 downloads (through to June 2015)	100 percent increase over prior year	ZEPARU website was down from Sept - Dec 2015	1746 hits 975 downloads			
6	Amount of funding for ZEPARU, excluding SERA and ACBF support	Budget vote 2010=\$10,000 2011=\$200,000	ZEPARU	\$181,299 (of which \$18,000 from GoZ)	\$300,000, incl. budget vote + other sources	Funds received this quarter AfDB:\$30,050 Zimbisa:\$20,080 ACBF:\$20,000 UN University: \$10,000 Women Affairs Ministry:\$10,017 ATI:\$6,500 GoZ: \$7,000 ICT: \$3,000 AERC: \$3,000 ZimTrade: \$3,400	Funds received this quarter AfDB:\$71,640 ACBF: \$20,000 Zimbisa:\$3,010 ZimTrade: \$500 Total: \$95,150			

No.	Item	Baseline	Source	Year 4 Actuals	Year 5 Target	Year 5 Actuals				Total for Year 5
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	
						Total: \$113,047				
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. CBR data entry of the re-canvassed questionnaires completed and data cleaning currently in progress. SS data entry and verification of questionnaires completed and data cleaning currently in progress.	Second revision to NIPA using SS data complete	PICES Report completed. Checking for inconsistencies from the CBR tables and updating of the CBR report currently in progress. Updating of the CBR report to be completed by 29 January 2016.	PICES Report completed. ZIMSTAT currently in the process of finalizing the CBR and SS Reports for completion in the next quarter.			
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	7 Quarterly Digest of Statistics, CPI report, Poverty datum line Report, Quarterly Bulletin of External Trade Statistics, CBR Inquiry Report, 2014 Labour	8	6 Quarterly Digest of Statistics (2015 Q2), CPI report, Poverty datum line Report, Quarterly Bulletin of External Trade Statistics, 2014 Labour Force Survey, 2014 Child Labour Report	3 Quarterly Digest of Statistics (2015 Q4), CPI report, Poverty datum line Report			

No.	Item	Baseline	Source	Year 4 Actuals	Year 5 Target	Year 5 Actuals				Total for Year 5
						Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	
				Force Survey Report; 2014 Child Labour Report						

Table A2-4. – Context Indicators

No.	Item	Baseline	Source	Year 4 Actuals	Year 5 Annual Target	Year 5 Actuals				Total for Year 5
						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 Projections for 2015 further reduced to 1.4% and 2.4% for 2016	= > IMF baseline projection for 2016	IMF Growth Projections remain as: 2015=1.4% and 2016=2.4%	IMF Growth Projections 2016=2.7% 2017=3.5%			
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)	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.	422,700 = latest ZIMSTAT data for Dec	ZIMSTAT	Total = 387,300 for December 2014. No breakdown by sex	2% growth in formal sector jobs	384,700 for June 2015. No breakdown by sex available. (Labour	376,200 for September 2015. No breakdown by sex available.			

No.	Item	Baseline	Source	Year 4 Actuals	Year 5 Annual Target	Year 5 Actuals				Total for Year 5
						Oct-Dec	Jan-Mar	Apr-June	Jul-Sept	
	No breakdown by sex available	2008. No breakdown by sex available		available. (Labour force data from QDS)		force data from QDS)	(Labour force data from QDS)			
FISCAL MANAGEMENT AND ADMINISTRATION										
4.	Non-mineral revenue (NMR)	2.6 billion (2011)	Baseline from ZIMRA 2011 Revenue Performance Report	ZIMRA Revenue Performance Report for 2015 Q3 not yet published. Data available is cumulative total revenue to August 2015=2.294bill (MOFED 2015 Budget Outturn) Same period 2014 = 2.449bill Growth=(-)6.3%	Non-mineral revenue gr. >= growth of non-mining GDP	Net Revenue Collections for 2015 Q3=\$878.22m Same period 2014 = \$884.46m Growth = -0.71%	NMR for year 2015 =\$3.5billion NMR for year 2014 =\$3.603billion Growth = -2.9%			
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 for August 2015 = 2.75% (MOFED Budget	20%	Government capital expenditure as a % of total expenditure to November 2015 = 5.7% (MOFED 2015 Budget Outturn)	Government capital expenditure as a % of total expenditure to March 2016 = 1.2% (MOFED 2016 Budget Outturn)			
DEBT RELIEF										
6.	Improved debt	Controversy	MOFED	IMF mission	HIPC	IMF next mission	IMF mission visit			

No.	Item	Baseline	Source	Year 4 Actuals	Year 5 Annual Target	Year 5 Actuals				Total for Year 5
						Oct–Dec	Jan–Mar	Apr–June	Jul–Sept	
	management	on use of HIPC		<p>visited Harare from Aug 31 to Sept 11, 2015 for the second review under the 15-month SMP.</p> <p>ZIM has made significant progress in implementing the financial sector and labour-market reforms. Remainder of the SMP policy agenda include:</p> <p>(i) mitigating the impact of 2015 adverse shocks on external position and growth</p> <p>(ii) improving the investment climate</p> <p>(iii) restoring confidence in the financial sector</p> <p>(iv) garnering support for a strategy to clear arrears to the IFIs</p>	<p>decision point</p> <p>HIPC program followed</p>	<p>visit scheduled for 24 Feb – 11 March 2016 for the 3rd and final review under the SMP, which ended on 31 December, 2014. The IMF team will also undertake Article IV consultation of providing a medium-term assessment of the Zimbabwean economy.</p>	<p>held from 24 Feb – 11 March 2016 for the 3rd and final review under the SMP. ZIM authorities met all quantitative targets and structural benchmarks under the SMP.</p>			
INVESTMENT PROMOTION										

No.	Item	Baseline	Source	Year 4 Actuals	Year 5 Annual Target	Year 5 Actuals				Total for Year 5
						Oct-Dec	Jan-Mar	Apr-June	Jul-Sept	
7.	Foreign direct investment, net inflow (US\$ millions)	\$105m, 2009 \$122.6m,2010 (RBZ Actuals)	Baseline: Actuals: RBZ BOP Data	2014 estimate 472.8m Projections for 2015 reduced to 549.0m	5% growth	2015 projection = 549m Projections for 2016 not yet available	2015 estimate = 399.2m Projections for 2016 = 555m			
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” women in wage employment, non-agriculture = 36.7% (ZIMSTAT 2014 Labour Force Survey)	2% growth	% “employed” women in wage employment, non-agriculture = 36.7% (ZIMSTAT 2014 Labour Force Survey)	% “employed” women in wage employment, non-agriculture = 36.7% (ZIMSTAT 2014 Labour Force Survey)			
BUSINESS ENVIRONMENT										
9.	New business registrations (number per calendar year)	8550 in 2011	Registrar of Companies	2016(July-Sept) 6987(through to September, 30 2015)	12000	2100 (Oct-Dec) 9051 (through to December 31, 2015)	2159 (Jan-March 2016)			
10.	Doing Business Ranking	171 out of 183 countries for 2012	IFC/WB Doing Business Report 2012	Figure for 2015 revised to 153 out of 189 countries	165	155 out of 189 countries for 2016	155 out of 189 countries for 2016			
FINANCIAL SECTOR										
11	Level and Growth of deposits in banking	December 2011 total	RBZ Monthly	July 2015 =	> Nominal GDP	November 2015 = \$	Latest available			

No.	Item	Baseline	Source	Year 4 Actuals	Year 5 Annual Target	Year 5 Actuals				Total for Year 5
						Oct-Dec	Jan-Mar	Apr-June	Jul-Sept	
	system	deposits = \$3318.2m , Growth = 42.6%	Report	\$4473,96m Growth from year earlier = 5.92%	growth	4745.18m Growth from year earlier = 7.47%	data: December 2015 = \$ 4765.42m Growth from year earlier =8.22%			
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	5.55%* (July 2015)	5%	6.39%* (November 2015)	6.42%* (December 2015) Latest available data			
13	World Bank Statistical Capacity Indicator (Indicator from NSDS Monitoring F/Work).	49 (2011)	World Bank	62 (2015)	60	62 (2015)	62 (2015)			

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