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October 30, 2002

Mr. Neil G. Price  
Contracting Officer  
Regional Center for Southern Africa  
United States Agency for International Development  
Plot No. 14818 Lebatlande Road  
Gaborone West, Extension 6  
Gaborone, Botswana 2170

RE: Contract No. LAG-I-00-99-00036-00, Task Order No. 805  
UI Project 06967-006, Pilot Program on Developing Local Governance in Zimbabwe  
*Quarterly Task Order Progress and Cost Report, July to September 2002*

Dear Mr. Price:

Please find enclosed the *Quarterly Task Order Progress and Cost Report, July to September 2002*, Pilot Program on Developing Local Governance in Zimbabwe as required under Section F.12 of the above referenced contract.

Please direct any technical questions to Dr. Ramson M. Mbetu, CoP, UI/Zimbabwe 263-4-791-574 or E-mail at Mweb.co.zw. Questions of a contractual nature should be addressed to me at 202-261-5396.

Sincerely,



Maria C. Andrade-Stern

Enclosures

cc: Mr. Elish Tafangombe (CTO, USAID/Zimbabwe)  
Mr. Dale Gredler (CTO, USAID/Washington)  
Dr. Ramson M. Mbetu (CoP UI/Zimbabwe)  
USAID Development Clearinghouse  
IAC Chron File  
IAC Deliverables File (06967-006)

**QUARTERLY TASK ORDER  
PROGRESS AND COST  
REPORT**

**JULY TO SEPTEMBER 2002**

**PILOT PROGRAM TO  
DEVELOP LOCAL  
GOVERNANCE IN ZIMBABWE**

Prepared for



Pilot Program to Develop Local Governance in Zimbabwe  
United States Agency for International Development  
Contract No. LAG-I-00-99-00036-00, Task Order No. 805

Prepared by

Dr. Ramson M. Mbetu  
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September 2002  
UI Project 06967-006

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ATTACHMENT: Cost Report

## QUARTERLY TASK ORDER PROGRESS AND COST REPORT

JULY TO SEPTEMBER 2002

### PILOT PROGRAM TO DEVELOP LOCAL GOVERNANCE IN ZIMBABWE

<b>Task Order No.:</b>	LAG-I-00-99-00036-00, TO No. 805
<b>Date of Issuance:</b>	June 5, 2001
<b>Amount Obligated Under Task Order:</b>	\$ 1,969,264
<b>Total Potential Task Order Amount:</b>	\$ 2,908,171
<b>Dollars Expended To-date:</b>	\$ 321,247

**Key personnel** Dr. Ramson M. Mbetu, UI/Harare, [rammbetu@mweb.co.zw](mailto:rammbetu@mweb.co.zw), 263-4-791574  
Ms. Rebecca Lawrence, UI/Washington, [Rlawrenc@ui.urban.org](mailto:Rlawrenc@ui.urban.org), 202-261-5764

#### Task Order Description

This Task Order initiates a pilot program to assist local authorities (four urban councils and two rural district councils) in Zimbabwe to implement mechanisms for improving local governance. The program will: provide small grants to local civil society organizations (CSOs), technical assistance (TA) to local authorities in more accountable financial management practices, train local authorities and CSOs in participatory local governance, and develop restructuring action plans for local government operations, particularly to improve own-source revenue generation and restructure council debt.

#### I. HIGHLIGHTS

The highlights of the previous quarter included the following:

- Completion of the broader workshops in Gweru City Council.
- Ensuring participatory budget formulation process within all the sites.
- CSO grant advertisements and consideration of proposals.

#### II. PROGRESS OF MAJOR ACTIVITIES

The quarter began with a visit from the international team, the arrival of a new USAID/Zimbabwe Mission Director, and a reassessment of the program with all local authorities. Of particular concern were the local authorities of Gweru and Kariba, because active participation had recently begun to appear doubtful. Difficulties in Gweru were based on a misunderstanding on the focus of the program after the March



Presidential elections and the desire to evaluate the impact of the program before further progress could be made. The Kariba situation was compounded by the removal of the Kariba Municipal Council and the Executive Mayor by the Minister of Local Government, Public Works and National Housing and the establishment of a Commission of three to govern the affairs of the Municipality. Additionally, the council still had no substantive Town Clerk, Treasurer, or Town Engineer.

Thus, much of the quarter was invested in resolving the issues in these two authorities. By quarters' end, there was general progress made in reaffirming Gweru's participation in the PPLG. Contact channels had been set up, dates for Board meetings chosen (July 24-25), and considerations for the CSO grant-making process were set in motion.

### **Gweru Broader Workshop**

The Gweru Broader Workshop was successfully conducted with the active participation of representatives and the council, especially the executive mayor and heads of departments. A task force representing CSOs was set up with the Chamber Secretary as secretary to the Task Force. Its main role was to work with the City Council in creating an inclusive budget for 2003. This task force has been the most active in its existence. It has held more than five meetings and participated directly with the city officials in formulating the 2003 budget for the city. There are elaborate meeting minutes even though they sometimes complained of the absence of the Deputy Chamber Secretary in the meetings.

### **Efforts to Ensure a Participatory Budgeting Process**

The second major activity during the quarter included the effort to ensure a participatory budgeting process for the five local authorities. Team members set out to ensure that the 2003 budget preparation process was different from previous years in its ability to foster dialogue between councils and stakeholders. This activity included visits and discussions with all local authorities. Progress has been made in this activity, but the degree of success varied from one local authority to another. The most visible achievement was recorded in Gweru followed by Masvingo, then Chipinge and Gwanda and lastly in Kariba. The Gweru process has certainly taken root. The Masvingo process actually changed after a discussion between the Executive Mayor, Town Clerk, Chamber Secretary and the Treasurer where it was emphasized that the council could not go back on the commitments they made to stakeholders at the public meetings. After the discussions, the city decided to prepare a presentation to stakeholders on the 2002 budget prior to the preparation of the 2003 budget. At the meeting, the stakeholders applauded the city fathers for taking the initiative to consult before completing preparations. The stakeholders were then invited to submit their priorities through their ward counselors or directly to council. These submissions were then costed and presented to stakeholders for decisions on priorities and for estimated tariff increases. The agreed-to budget was published in a newspaper for objections over a one-month period. It is anticipated that there will be limited objections in Gweru and Masvingo.

The Chipinge budget process is rather more difficult due to the fact that constituents are spread over a much larger geographical area. The budget process is therefore more expensive and submissions tend to be shopping lists of rather a capital nature. The steering committee has played a leading role with the council.

In Gwanda, advertisements for CSO grants appeared on August 8. The Town Clerk resolved the questions of the Executive Mayor regarding the grants program by explaining that the PPLG program and grants initiative was the result of a request made to USAID by local authorities.

The initial meeting of the technical team, formed at the larger workshop in June, is scheduled for the second week of October. The focus will be the 2002 budget out-turn. Following the team meeting but prior to finalizing the budget and tariff increases, residents of the town will be consulted together. These meetings were delayed as a direct result of the apprehensions expressed by senior government officials who felt that the statements of the U.S. government regarding the Zimbabwean government would be reflected in the PPLG's support to CSOs.

The Kariba situation is rather more complex, as indicated above. The Commission reports directly to the Minister and is cautious regarding the program. However, the chairman of the Commission met the team on three occasions and expressed his desire to see the program move forward, providing it does not cause more problems for Kariba as a local authority. It is generally agreed that in Kariba, the program is faced with both unique opportunities and constraints. On the opportunities side, the population in Kariba is particularly well aware and better able to select appropriate persons as counselors. They also expect a certain level of performance from these counselors. However, a major constraint is that the general perception is that the program could act to strengthen committee members as potential candidates for council elections, upon the completion of the commission's term of office. In response to these potential obstacles, a particularly cautious approach has been adopted, including a needs assessment and subsequent trainings that will focus on the management capacity of the council.

### **CSO Grants**

On CSO grants, progress has been made in terms of (a) agreement on the RFA and the advertisement, (b) advertisements for three local authority areas, (c) receipt of proposals by some CSOs, and (d) general agreement on the way forward based on the proposals.

UI and USAID agreed on the text of the RFA and the advertisement for CSO grants. It was also agreed that the initial advertisements would appear in seven national newspapers and would cover three local authorities: Masvingo, Chipinge and Gwanda. Further negotiations proceeded with Gweru and Kariba on the dates and form of the advertisements. Discussions with the Executive Mayor of Gweru and the Commission Chairman of Kariba were inconclusive regarding the publication of advertisements. In Gweru, the Council has not given approval to the Mayor to go forward with the advertisements. In Kariba, the Commission Chair was asked by the Commission to withhold the publication of advertisements for the grants. The PPLG team came to agreement with USAID that the grant program may not go forward in these two sites for the duration of the PPLG.

Advertisements soliciting proposals were posted on August 8 and 11; the submission deadline was August 29. Six proposals were received from Chipinge, two from Masvingo and one from Gwanda. Reasons for the poor response include: a general lack of local governance CSOs in Zimbabwe, particularly at the local level; fear of political reprisals by some CSOs concerned about being labeled as opposition entities by the ruling party; and, lack of CSO capacity to prepare proposals. Consequently, awards were made only to



CSOs from Chipinge. The PPLG team decided to allocate additional time to Gwanda and Masvingo CSOs, including possible assistance from the team in learning how to address an RFA and develop a proposal.

### **III. DELIVERABLES AND REPORTS**

The Evaluation report and RAP outline were a major deliverable of the Task order. Much of the work has been completed. These deliverables will be finalized early in the next quarter.

Reports have been prepared on progress to date following the visits of the PPLG local team.

### **IV. PROBLEMS OR DELAYS AFFECTING THE TASK ORDER PERFORMANCE**

The PPLG has had constant problems due to the unstable political environment and the hostile attitude to CSOs and foreign governments and NGOs in Zimbabwe. This pertains largely to bilateral (USA-GoZ) relations occasionally fuelled by press statements. The appearance of these statements, coinciding with the CSO grants advertisements, tended to raise temperatures, especially with the RDC elections scheduled for September 28-29, 2002. This has had a significant impact on activities in Gweru, Gwanda, and Kariba.

The second problem has been the lack of availability of team members for long stretches of time. It is essential for a program such as this to have a basic permanent staff and that the staff have ample time and leeway to engage in follow-up on activities. As it is now, many staff members can only allot a maximum of five days a month to the PPLG. Thus, their commitment to and availability for PPLG activities is severely limited by their other professional engagements.

The Mutoko RDC has not received a letter informing them of their removal from the PPLG. It appears that the RDC has only been indirectly informed of the decision when the CSO grants advertisements were published. This issue makes the good relationships that the PPLG team has developed with local authorities in the PPLG more vulnerable.

### **V. WORK PLANNED FOR THE NEXT REPORTING PERIOD**

There are a number of upcoming changes that will affect the work of the PPLG. For example, there will be new Counselors in Chipinge RDC. The PPLG team will need to quickly establish a relationship with the new council members to ensure continuity and functioning of the Steering Committee in the budgeting process and beyond.

There is a need for RAPs to be prepared based on the participatory budgeting process to date. There is also a focus on discussions by the local authorities in a round table before finalization of the current phase.

Additional needs assessment of the CSOs in the pilot sites will be completed in the final quarter, with training programs set in motion.



More work will be in place to assist CSOs in Gwanda and Masvingo to enable to prepare credible proposals for grantee status.

A meeting of the Steering Committee and the sites possibly including Mutoko will be held during the quarter as soon as the evaluation report has been presented to USAID and the partners.

**VI. SPECIFIC ACTION REQUESTED**

None at this time.